Portrait of Public Services Innovation in Indonesia in 2018-2020

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Abstract. *This study aims to obtain a complete description of public service innovation practices in Indonesia that have been carried out and to analyze their trends using innovator indicators, types of innovation, innovation goals and achievements, policy sector and geographic aspects. This type of research is descriptive-explorative research, while the research method used is the archival research method that focuses on secondary data use, then the results are analyzed using NVIVO 12+ which is strengthened by interviews with related stakeholders. The results of the study shows that : (1) There is a decreasing trend of institutions' interest in participating in public service innovation competitions in Indonesia between 2018-2020, due to participant saturation. (2) The type of policy innovation that is oriented to the process aspect dominates the proposed proposal, due to the ease and implementation factor. (3) Most of the innovation outcomes are in the form of problem solving, which shows the orientation of the innovator to problem solving that is more practical and has a real impact. (4) The health sector is a sector that is getting more attention in policy innovation because of the trend of actual needs in the field which makes it the main sector. (5) Government agencies in Java still dominate as participants in the last 3 years showing the imbalance in the quality of human resources.*

Keyword: Innovation, Public Services, Public Service Innovation

INTRODUCTION

Public service innovation policies have developed rapidly in Western countries (Borins, 2008) which then spread to developing countries including Indonesia. By implementing innovation, public organizations will improve the quality of public services (Damanpour & Schneider, 2009) as well as to improve service performance (Walker, Jeanes, & Rowlands, 2002). To achieve effectiveness and efficiency, most governments rely on successful innovation using resources and technology (Mulgan & Albury, 2003).

The urgency of public sector innovation has prompted Governments around the world to implement innovation policies for better public services. Likewise, the Government of Indonesia is also committed to supporting public service innovation through the national regulatory framework. Government Regulation Number 38 of 2017 concerning regional innovation regulates how organizations carry out innovations. The scope of the policy includes innovation in governance and public service delivery.

In addition to intervention through regulation, the policy of awarding and competing for public organizations is an alternative to spur innovation in public sector organizations. The number of competitive award schemes for public services has grown significantly as a means of celebrating high performance and disseminating good practice (Jean & Downe, 2007).

Since 2003, the United Nations through the Ministry of Economics and Social Affairs has launched The United Nations Public Service Awards (UNPSA) to appreciate the innovations that have been successfully implemented by governments and public organizations on five continents. This initiative is also followed by the Government of Indonesia. The Ministry of State Apparatus Empowerment of the Republic of Indonesia has held a public service innovation competition since 2014 which aims to attract innovators as state representatives in UNPSA.

The Indonesian National Competition for Public Service Innovation had received an enthusiastic response from Ministries, Institutions and Local Governments, although it had declined in 2018. The description of the trend is as follows:

Figure 1
Applicants of Public Services Competition of Kemenpan RB in 2014-2020

	20 5	20 11	20 24	20 30	20 28	20 18	20 22
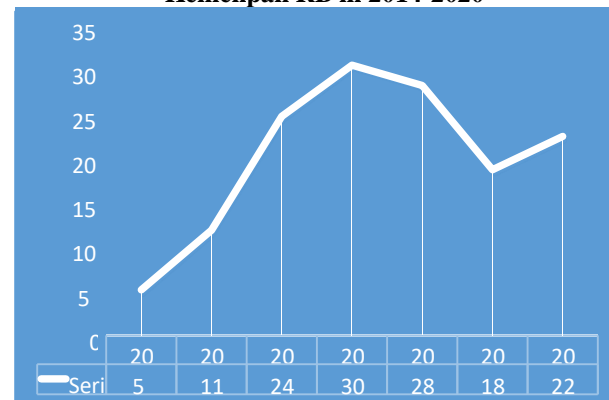
Source: Kemenpan RB (2014-2020)

All proposed innovation programs are evaluated through an online desk-based assessment by independent examiners who produce the top 99 innovators. The last assessment was the top 9 in 2014, the top 25 in 2015 and the top 35 in the 2016 competition year, and then the top 45 until 2020. This shows that more and more government agencies and public organizations in Indonesia are willing to innovate in providing public services. .

However, efforts made to comprehensively investigate public service innovation initiatives are still limited. Thus, little is known about public service innovations in Indonesia, especially those that have been

recognized and assessed by the Ministry of Administrative Reform. In the academic context , research on public sector innovation as a reform mechanism is not new and has been widely studied in public administration scholarship. Surprisingly, most publications on public innovation are relatively recent since they were published between 2009-2014 and are heavily focused on an Anglo-Saxon American perspective (De Vries, Bekkers, & Tummers, 2016). In addition, studies in regional and international perspectives tend to emphasize metrics, indices and measurement instruments for public sector innovation and mostly take place in western contexts (Bloch & Bugge, 2013).

Meanwhile, in the Indonesian context, research on public innovation places more emphasis on technological innovation and case study approaches (Anggadwita & Dwanto, 2013; Fahlevi, 2014; Jati, 2011; State Administration Institute, 2014; Santoso, 2015; Sutanto, 2017). This published study has not been able to capture the big picture of Indonesian public service innovation. In other words, none of the studies above offer a comprehensive analysis of public service innovations implemented by public organizations in Indonesia.

Given the research gaps, particularly the contexts in which public service innovation has occurred, there is an impetus to study public service innovation in non-western administrative systems. A comprehensive analysis of one particular country over time would be useful, as it offers an alternative perspective on this issue. This study aims to conduct a comprehensive analysis of the characteristics of Indonesian public service innovations taken from the 2018-2020 Indonesian Public Service Innovation Competition. Pragmatically, this study aims to capture Indonesia's public service innovation portray during this period. Understanding the public service innovation portray can improve our understanding of how innovation has been implemented by various public organizations in Indonesia. Thus, the government can use the results of this study as a basic fact in designing public service innovation policies. Theoretically, this study will provide a comprehensive picture of public service innovation in the Indonesian context as one specific example of a developing country's public administration system.

THEORETICAL FRAMEWORK
Public Sector Innovation: Development History
To understand public service innovation, it is necessary to explore the notion of innovation to get a comprehensive picture of the terminology and its use in the context of the public sector. The concept of "innovation" was initiated by Schumpeter in the late 1920s (Hansen & Wakonen, 1997) to denote the commercial application of new technologies, new materials, and new methods in advancing economic development and industrialization. Thus, compared to the public sector, business and private innovation studies are more established in the field of study (Fragerberg, Mowery, & Nelson, 2005). What distinguishes between public and private innovation is the driving force in its implementation. The former emphasizes public goods and

public values, meaning government agencies drive innovation programs to achieve broad improvements in governance and service performance, including efficiency and efforts to increase public value. While the latter is obsessed with competitive advantage and profit-oriented motives (Urbancova, 2013).

In the study of public administration, the study of innovation first appeared in the 1960s. An article entitled Innovation in Bureaucratic Institutions was published in the Public Administration Review (Diamant, 1967). Two years later, an article entitled Administrative Reform (Caiden, 1969) was published arguing that innovation in the public sector was part of administrative reform. This publication is considered a starting point for the study of innovation in the public sector. The development of public sector innovation research promises a bright future. Recently, interest in uncovering unknown innovation properties in the public sector has grown rapidly

A comprehensive study of public sector innovation (De Vries, Bekkers, & Tummers, 2016) offers an extensive literature review on public sector innovation. Their systematic review of literature based on empirical research from English-language written publications in international peer-reviewed journals that ran from January 1990 to March 2014 provides a clearer picture of how innovation develops in the public sector. As a systematic, transparent review of public service innovations carried out in Indonesia 27 from well-known and well-known academic journals, their work offers strong analysis and represents the body of literature in public sector innovation research.

Based on the study, several important findings have been identified. First, most of the public sector innovation studies are qualitative with a case study approach used as the research design, while quantitative and mixed methods studies are smaller in number. The largest proportion of available literature comes from western contexts. Second, the largest portion of innovation studies is conducted at the local government level, followed by the central government and other public and non-profit organizations. Third, many innovation studies have focused their primary attention on the various policy areas followed by the health care sector, but few studies have examined the welfare or education sub-sectors. Finally, organizational antecedents play the greatest role in enabling all kinds of innovations while governance innovations are often linked to environmental antecedents, including resources from private partners. These key results have informed the state of public sector innovation research and call for a more comprehensive analysis especially in developing countries.

Definition of Innovation in the Public Sector
Innovation is a complex concept and has been defined in various ways. The definition is very dependent on the context, the background of the discipline and the flow of research. The cross-disciplinary nature of the study of innovation and its various methodologies also contributes to its scattered meaning. Simply put, innovation is considered as "doing things differently" (Hansen & Wakonen, 1997). In the public sector, in particular, Mulgan and Albury (2003) define successful

public innovation as the creation and implementation of new processes, products, services, and delivery methods in delivering public services. This then results in significant improvements in outcomes, efficiency and effectiveness or quality of public services. This definition underscores the nature of the public domain and emphasizes administrative values.

Other experts highlight the importance of creativity, which means creating new ways of doing things. This is in line with the roots of economics and management which advocate innovation as novelty in action. Scholars with a novelty perspective believe the echo of innovation is emphasized in the concept of novelty. (Bhatti, Olsen, & Pederson, 2011) underlined that novelty is a core characteristic of innovation. The results are reflected in new products, production methods, markets, sources of supply, and organizational structures. These perspectives can be grouped into novelty-based definitions.

Meanwhile, another Cluster handles the adoption process. This perspective views innovation as an act of adoption. This is not only for the invention or something that appears for the first time but also for the use of existing ideas in new settings and contexts. (Rogers, 2003) defines innovation as "an idea, practice, or object that is perceived as new by an individual or another unit of adoption". (Rogers, Medina, & Wiley, 2005) emphasize the idea of innovation as "diffusion." This argument is in line with (Hartley, 2005) who argues that innovation can include reinvention or adoption to another context, location or time frame. Innovation as an adoption process is strongly supported by policy transfer and policy diffusion studies

Innovation goals and achievements

The endorsement of innovation in the public sector is aimed at meeting the various needs of society and addressing public problems. Thus, innovations practiced by public organizations must have a statement of purpose, which guides implementers throughout the innovation process. In addition to the statement of purpose at the beginning, the results of the innovation should be assessed at the end of the innovation cycle. In this logic, the initial statement of objectives and the impact of innovation as a result of the program is very important in evaluating public sector innovation. Drawing on two decades of research on public sector innovation, De Vries et al. (2016) have identified that at least six goals and outcomes are expected. Innovation in the public sector is aimed at increasing effectiveness, efficiency, addressing community problems, increasing citizen satisfaction, involving citizens and involving private partners to contribute to public services.

Policy and Geographic Aspects

Another important point in understanding public sector innovation is to consider the policy areas in which innovation occurs and where innovation occurs. These two points are important because First, public affairs is a very broad problem that manifests in almost every aspect of human being. Knowing what aspects of life and what kind of government intervention is being done to solve the problem will be useful for identifying gaps in the policy sector or policy area. Policymakers can identify

innovation gaps or even innovation stacks in delivering public services. Second, as an archipelagic country consisting of more than 17,000 islands and 497 local governments, Indonesia is considered a complex multilevel system of government. Mapping the distribution of innovation between regions in a geographical perspective can help the Indonesian government identify disparities between regions. In the archipelago perspective, the geographical analysis is aimed at Java and Outside Java.

METHODS

The type of research is a qualitative research with a descriptive-exploratory approach, while the research method used is an archival method that focuses on the use of secondary data, secondary data in the form of data derived from literature and sources related to research such as books, journal articles and news from the media. , then the results of the data were analyzed using NVIVO 12+. This study uses the Word frequency feature with TreeMap analysis. Treemap analysis is used to see the implementation of the class interface which sorts the data collection based on the keywords in the research.

RESULT AND DISCUSSION

The Ministry of Administrative Reform and Bureaucratic Reform of the Republic of Indonesia (Kemenpan RB) annually awards 99 selected government agencies in the category of innovating in the field of public services. The requirements for this competition are that innovation is in line with the theme of each year, meets all innovation criteria, and must be relevant to one of the innovation groups and competition categories, the innovation has been implemented for at least last one year and also attaching valid evidence of the results of the innovation implemented.

The Public Service Innovation competition started in 2013 which is attended by central and local agencies, State-Owned Enterprises (BUMN), and Regional-Owned Enterprises (BUMD). It has had a positive impact on the government, but unfortunately the passion for innovation in government agencies decreased in 2019 and 2020, compared to the previous year in 2018 The number of registrants for public service innovation competencies reached 2834 registrants while in 2019 only 1873 and 2020 only 2250 registrants. This means that there is a significant decrease in the innovation efforts carried out by the government.

The trend of public services in Indonesia since 2018 has experienced dynamics in its implementation. The service trend had increased in 2019 but unfortunately the passion did not last long, which then dropped back at the end of 2020. In addition to the service trend, through google trends this research also revealed trends Innovations carried out by the government in Indonesia, but indeed the level of innovation that exists is not comparable to the trend of existing public services. This is because not all existing services have innovations because the difficulty of finding novelty and meeting the innovation requirements is a separate obstacle for every agency in Indonesia.

The data on the trend of innovation and public services that grew from 2018 to 2020 in Indonesia based on the google trend are as follows

Figure 2. Trend of Public Services Issues and Innovation in Indonesia in 2018-2020


Source: https://trends.google.co.id
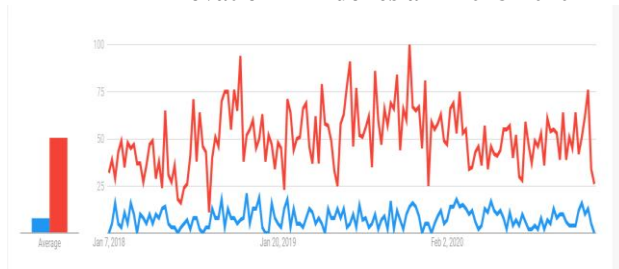
The red color is the trend of public service issues that emerged during the 3 year period 2018-2020 while the blue graph is an innovation that existed during the same period, namely the 2018-2020 period. This reinforces the previous argument which states that innovation is difficult to do because there must be novelty and must also meet the innovation indicators themselves such as added value (relative advantage), (2) compatibility with problems (compatibility/contextuality); (3) reach (complexity); (4) ease of observation (observability; (5) can be tried (triability)) (Mirnasari, 2019).

1. Policy Innovators

Based on the innovators aspect, the local government agencies dominates the competition during 2018-2020, which is contributed 75% compared to the contribution of local governments, as shown in Graph 1 and 2 below:

Graph. 1. Policy Innovators in the Public Services Competitition in 2018-2020
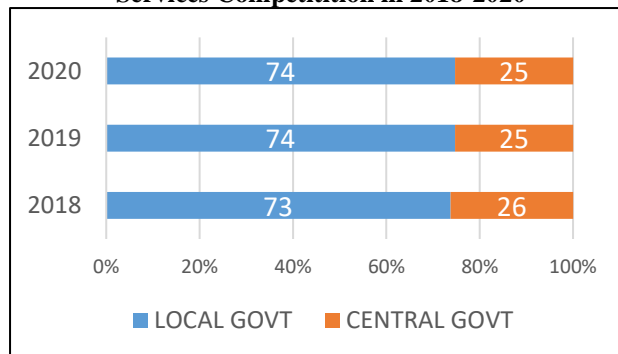

Source: Data processed by Researchers

The 2020 Public Service Innovation Competition (KIPP) presented several surprises. A number of agencies that have never appeared before are now included in the ranks of the Top 99 public service innovations. Some of these agencies include the Ministry of Religion, the National Nuclear Energy Agency (BATAN), the National Aeronautics and Space Agency (LAPAN), BPJS Employment, the Bangka Belitung Islands Provincial Government, the Natuna Regency Government, the Fakfak Regency Government, and the Gorontalo City Government. Local government innovators are still

dominated by Central Java. A total of 15 innovations from the Central Java Provincial Government and the regencies/cities below are included in the Top 99 ranks. For Diah, this indicates a very dynamic movement in the performance of public service innovations within the local government.

KIPP 2020 carries the theme of Knowledge Transfer for the Acceleration of Public Service Innovation in order to Support the Realization of Sustainable Development Goals and Advanced Indonesia. Unlike the previous year's KIPP, KIPP 2020 divided participants into three groups, namely the General Group, the Replication Group, and the Special Group. The general group consisted of 2,126 proposals, the replication group consisted of 33 proposals and for the special there were 91 proposals, then through an independent panel team it was determined that there were 229 proposals that passed the next stage, namely the general group of 193 proposals, 5 replications of proposals and 31 proposals specifically. From these results, the various new regional governments that have emerged in the KIPP, as well as the dynamic distribution of innovation, are in line with the expectations of the Ministry of Finance. Previously, the Ministry of Finance hoped that public service innovation would not be dominated by the same local government as the previous year. It should be noted that the Ministry of Finance determines the KIPP results as one of the performance categories in the allocation of Regional Intensive Funds (DID).

Graph. 2. Level of Policy Innovators in the Public Services Competitition in 2018-2020
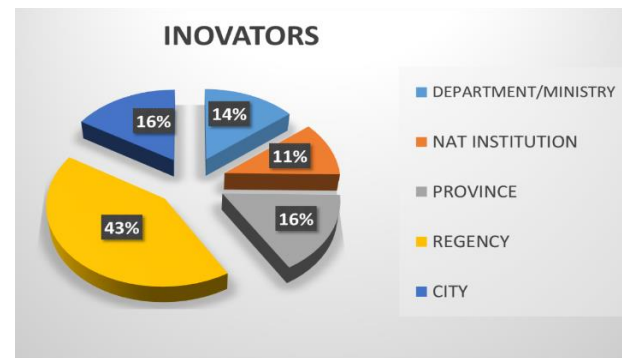
Based on the data, it can be seen that the Regency local Government dominates with a contribution of 43%, followed by the City local Governments with 16%. This shows that the lower the level of the innovator, the more innovation. This is not only due to the large quantity, but also due to the aspect of flexibility and variety of more operational public services that can be proposed by the local Government

In this stage, as many as 99 innovators and 15 finalists will be interviewed by an Independent Panel Team led by J.B Kristiadi. After this stage, the Top 45 Public Service Innovations and five winners of Outstanding Achievement on Public Service Innovations will be determined. The struggle to be in the Top 99 and 15 finalists is not easy. In 2020, there were 3,059 innovation proposals submitted to Synovik, a slight decrease compared to the number in 2019, which was 3,156 innovation proposals. However, the number that

passed the administrative selection in 2020 was 2,250 proposals, more than last year's 1,651 proposals

2. Type of Public Services Innovation

The type of innovation also shows the orientation of innovators in providing services to the public. The data on the types of innovations available in 2018-2020 are as follows;

Graph 2. Type of Public Services Innovation in Indonesia in 2018-2020
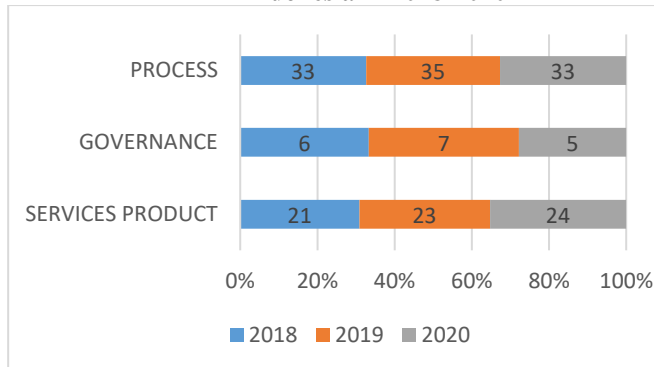
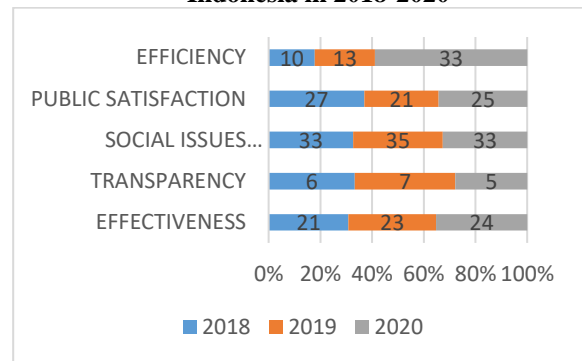*Source: Data processed by Researchers*

Based on the data above, public innovation service products are divided into three types of innovation, namely service products, governance and processes. The first type is process innovation which focuses on the quality and efficiency of internal and external processes. in 2018 the selected service products broke at 36 innovations, in 2019 there were 31 innovations while the highest service products were in 2020 as many as 39 innovations. This shows that the innovation orientation on the quality and efficiency of existing services is getting more attention. For the second type is governance, this type prioritizes better governance processes, such as filing, document storage, and electronic governance and so on.

The data also shows that of the 99 innovations that exist every year, process-oriented innovation shows a high number, in 2018 there were 38 innovations, in 2019 there were 45 innovations while in 2020 there were 29 innovations related to processes. Public services are the responsibility and are carried out by Government Agencies at the Center, in the Regions, and within the State-Owned Enterprises or Regional-Owned Enterprises, in the context of meeting the needs of the community as well as in the context of implementing the provisions of laws and regulations, but in its implementation the government is still encountered problems in the field.

3. Outcomes of Public Services Innovation

The indicators of achievements of public service innovations in Indonesia are effectiveness, efficiency, transparency, public satisfaction and the ability to overcome existing problems, which are considered to be able to meet the criteria for measuring the achievement of an innovation carried out by the government. The problem-solving ability of an innovation is a mandatory indicator. The achievements during 2018 to 2020 are as follows:

**Graph 3. Public Services Innovation Outcomes in Indonesia in 2018-2020**

Source: Data processed by Researchers

Based on the five outcome indicators, most of the innovations carried out have been based on problem solving aspect. There were 33 innovations that were able to solve problems in 2018, increase to 35 innovations in 2019 and then decrease in 2020 that there were 33 innovations. Meanwhile, the lowest outcome indicator is in the aspect of transparency .

4. Policy Sector

This study used 5 policy sectors consisting of recruitment, licensing, Civil Servants, Education and Health. The data for the last 3 years can be seen in Figure 6 below:

Graph 4. Policy Sector of Public Services Innovation in Indonesia in 2018-2020
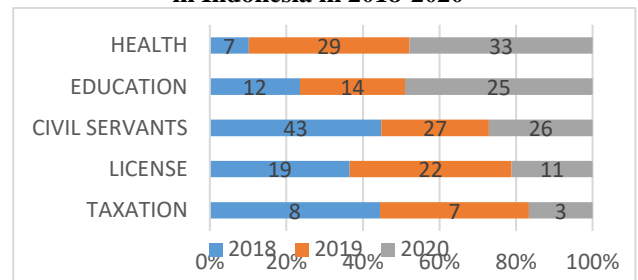
Source: Data processed by Researchers

The data above shows that there was a significant increase for innovation in the health sector, while there was a decline for the Public Servants sector. There were 17 innovations in the health sector in 2018, an increase of 29 innovations in 2019 and an increase of 33 innovations in 2020. While the tax sector is the least innovation, there were 8 innovations in 2018, decreased to 7 innovations in 2019 and in 2020 there were only 3 innovations .

Other sectors such as the education and licensing sector and experiencing ups and downs in the number of innovations every year, the education sector consistently innovates and continues to increase. in 2018 there were 12 innovations launched in 2019 an increase of 14 innovations and continues to increase in 2020 there are 26 innovations launched. In the licensing sector, there has been a decline. Compared to the previous two years, in 2020 the licensing sector only made 11 innovations, far less than the previous 2 years, namely in 2019 as many as 22 innovations and in 2018 as many as 19 innovations. the licensing sector is indeed the sector that performs the most public services, almost all government sectors have permits. This results in a high level of services provided to the community such as the Tourism Business License.

ISSN 2962-1429

Advertising Permit. Government Owned/controlled Building Use Permit; Route Permit. Sidewalk Usage Permit and so on.

5. Geographical Aspect

Another determinant factor of quality of innovation is the geographical aspect. It relates to the number of people who must be served by the government, the existing infrastructure support in the area, and other internal factors. From Sinovik's data for 2018-2020, Java has dominated the innovations. The determinant factors are:: the density population of the island; the quality of human resources and infrastructure factors.

Graph 5. Geographical Aspect of Innovators
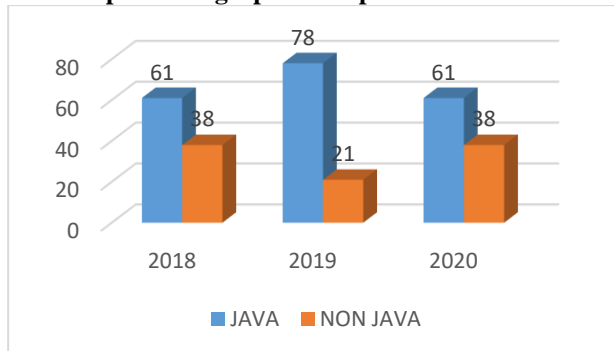
Source: Data processed by Researchers

A. CONCLUSION

The conclusions are (1) There is a decreasing trend of institutions' interest in participating in public service innovation competitions in Indonesia between 2018-2020, due to participant saturation. (2) The policy innovation type that the process aspect oriented dominated the proposed proposal, due to the ease and implementation factor. (3) Most of the innovation outcomes are in the form of problem solving, which shows the orientation of the innovator to problem solving that is more practical and has a real impact. (4) The health sector got more attention in policy innovation because of the trend of actual needs in the field. (5) Government agencies in Java still dominate as participants in the last 3 years showing the imbalance in the quality of human resources.

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