Public Service Mall of Badung Regency: 
Product Bureaucratic Reform of Badung Regency in Public Services

I Made Wimas Candranegara*, I Putu Eka Mahardhika, I Wayan Mirta
Lecture in Public Administration Department, Faculty of Social and Political Science 
Udayana University
Bali, Indonesia 
*wimascandranegara3491@gmail.com

Abstract—Bureaucratic reform is interpreted as a major change in the paradigm and governance. Bureaucratic reform includes changes in bureaucratic structure and repositioning, changes in the political and legal system as a whole, changes in mental and cultural attitudes of bureaucrats and society, as well as changes in mindset and commitment of the government and political parties. In 2010, bureaucratic reform was determined as a program that must be implemented by ministries / institutions / regional governments, marked by the stipulation of Presidential Regulation Number 81 of 2010 concerning the Grand Design of the 2010-2025 Bureaucracy Reform. Until 2013, there were 56 ministries / institutions that have implemented bureaucratic reform. As for the local government level, 98 local governments became pilot projects. But on the other hand, there are still many problems found in the government bureaucracy. Characterized by the continued increase in public complaints about the poor quality of public services and the high corruption cases involving state administrators or bureaucratic apparatus. Badung Regency, Bali launched the Public Service Mall (MPP) as one of the breakthroughs to facilitate public licensing services in the community. Bandung Regency itself became a pilot project appointed by the Ministry of Administrative Reform and Bureaucratic Reform (Kemenpan RB) for public service malls. The construction of the Public Service Mall is an innovation carried out by the Badung Regency Government in the field of public services. In addition, this Public Service Mall is one of the products of bureaucratic reform that has been carried out by the Badung Regency Government. With this Public Service Mall, the level of public satisfaction associated with the performance of public services in Badung Regency has increased every year, especially in the field of facilities and infrastructure in providing public services.

Keywords—performance, local government, bureaucratic reform

I. INTRODUCTION

Bureaucratic reform began to be echoed since 1998, which was the milestone of the beginning of the reform era in Indonesia. The reform was triggered by a multidimensional crisis that affected all aspects of people's lives. These conditions encourage the community to demand the realization of a just and democratic government by reforming the political, legal, economic and bureaucratic sectors.

According to Anwaruddin in Riyadini [1], there are three things to the problem of bureaucracy in Indonesia, namely: (1) corruption, collusion and nepotism (KKN), (2) structural problems, and (3) quality of human resources. The problem of KKN is shown by the high level of corruption, collusion and nepotism. Structural problems include overlapping functions between government agencies that make government policies ineffective and inefficient use of budgets. While the quality of human resources includes the low ability and competence of the State Civil Apparatus (ASN) in the field of work. The low competency is also caused by the recruitment that is colored by nepotism and the remuneration system which is not performance based so that the working apparatus does not have the enthusiasm to show satisfactory performance. In addition, according to Utomo [2], bureaucracy also faces deep-rooted cultural problems. At the system level, there is widespread distrust between the government and society, even between government agencies and within the government body itself. At the institutional level, efficiency is often only judged by the ability of budget absorption so that if budget absorption is low it is considered to be performing poorly. A culture of accountability is developed half-heartedly and only becomes a culture of reporting. Outputs are unclear and appear to be abundant but actually overlap with outcomes. While at the individual level disciplinary actions are often found, disobedience to rules and actions against superiors.

Until finally in 2010 the 2010-2025 Bureaucratic Reform Grand Design was drafted which was a master plan containing the policy direction of implementing national bureaucratic reforms in the period 2010 to 2025. The preparation of the Grand Design of Bureaucratic Reform was a concrete step to make fundamental changes in the national bureaucracy. In this master plan, stages of bureaucratic change with clear and measurable targets have been set each year. This period is called the second wave of bureaucratic reform where bureaucratic reform is implemented institutionally and nationally.

Until 2013, there were 56 ministries / institutions that have implemented bureaucratic reform. As for the local government
level, 98 local governments became pilot projects in 2013 [3]. Full details are presented in Table 1. Although formally no regions have been declared to have carried out bureaucratic reform, but in reality and factually these regions have changed their governance, especially in public services. In fact, many regions that are nationally recognized have satisfactory public service quality. The government targets all central and regional government agencies to carry out bureaucratic reform.

Table 1. Cont.

| Local Government Becoming a Pilot Project | Amount |
|-----------------------------------------|--------|
| Pemerintah Provinsi | Aceh, Sumatera Utara, Sumatera Barat, Riau, Jambi, Sumatera Selatan, Bengkulu, Lampung, Kepulauan Bangka Belitung, Kepulauan Riau, DKI Jakarta, Banten, Jawa Barat, Jawa Tengah, Daerah Istimewa Yogyakarta, Jawa Timur, Kalimantan Barat, Kalimantan Tengah, Kalimantan Selatan, Kalimantan Timur, Sulawesi Utara, Sulawesi Tengah, Sulawesi Barat, Nusa Tenggara Barat, Nusa Tenggara Timur, Maluku, Maluku Utara, Papua, Papua Barat | 33/33 |
| Kota | Medan, Padang, Pekanbaru, Jambi, Palembang, Bengkulu, Bandar Lampung, Pangkal Pinang, Tanjung Pinang, Serang, Bandung, Semarang, Yogyakarta, Surabaya, Pontianak, Palangka Raya, Banjarmasin, Samarinda, Manado, Pah, Kendari, Makassar, Gorontalo, Mamuju, Denpasar, Maramat, Kupang, Ambon, Tidore Kepulauan, Jayapura, Manokwari | 32/65 |
| Pemerintah Kabupaten | Aceh Besar, Aceh Tengah, Pakpak Bharat, Tanah datar, Siak, Sarolangun, Muara Enim, Kaur, Lampung Selatan, Bangka, Bintan, Serang, Bogor, Kudus, Sleman, Malang, Sambas, Gunung Mas, Hul Sungai Selatan, Penajam Paser Utara, Stau Taguladang-Bario, Donggala, Konawe Utara, Luwu Utara, Pohuwato, Polewali Mandar, Badung, Sumbawa, Timor Tengah Selatan, Maluku Tenggara, Halmahera Utara, Biak Numfor, Sorong | 33/98 |

With their respective understanding of good bureaucracy. This gave rise to various types of regional heads. Some regional heads have shown good performance in serving the community, even nationally recognized that they have been able to change the administration of the government from a slow and high-cost bureaucracy to an effective, efficient, and satisfying public bureaucracy. In 2011, based on 2009 data, the government, through the Ministry of Home Affairs conducted an assessment of the performance of local governments based on PP 6/2008. The assessment results show that 29 provinces are considered high-performance and only 4 provinces have an average performance. Whereas at the city / regency level as many as 269 districts and 82 cities achieved high performance, 70 districts and 4 cities had an average performance, and 5 districts were considered to be performing poorly [2].

While in terms of public services, there has been an increase in the number of complaints from the public regarding the poor quality of public services. Figure 1 shows in 2017 the number of public complaints received reached 6677 complaints, an increase compared to 2016 where complaints received 5173 complaints [5].
The majority of complaints are about the alleged maladministration of local government public services. Figure 2 shows complaints with local government services totaling 2887 reports (43.24%), while ministries accounted for 637 reports (9.54%).

This condition shows the high concern of the community towards problems experienced when receiving improper services and awareness of getting good and quality services. As it is known that services are mostly in the service providers in the local government environment.

While Table 2 shows the report in agencies in Badung Regency was recorded as many as 189 reports (2.83%), occupying the 16th position as the reported agency area. This shows the high concern of the Balinese people about the quality of service or service quality of agencies in Badung Regency which is still not enough to satisfy the community.

Public service is one indicator that shows the level of success of bureaucratic reform. The quality of public services that must be received by the public is regulated in Law 25/2009 on Public Services.

Poor bureaucracy can also be seen from the high number of corruption cases. The number of corruption cases handled by law enforcers involving state administrators shows that KKN practices continue even though reforms have been rolled out and implemented in these officials. In 2017, the KPK noted that out of 54 defendants / suspects in corruption cases, 46% were government officials or bureaucrats (heads of ministries / institutions, regional heads, echelon I / II / III). While from 2007-2015, Table 3 shows that there were 308 government officials who committed acts of corruption (68%) of the 450 suspects / defendants handled.
Modes of corruption are carried out in the form of: inflated budgets, distributing budgets to institutions that do not actually exist, manipulating travel budgets, violating cash payment procedures, and manipulating the procurement process [2]. According to the KPK, in 2017 of the 58 cases handled by the KPK, as many as 30 cases occurred in local governments and 26 cases occurred in ministries / institutions [6]. Whereas in the 2007-2017 period, corruption cases that occurred within ministries / institutions were 183 cases (45%), and in the local government environment as many as 150 cases (36%), out of a total of 411 cases handled, shown in Table 4.

| Position                  | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | Σ   |
|---------------------------|------|------|------|------|------|------|------|------|------|------|------|-----|
| Anggota DPR/DPRD           | -    | -    | 2    | 7    | 8    | 27   | 5    | 16   | 8    | 4    | 77   |
| Kepala K/L                | 1    | 1    | 1    | 1    | 1    | 2    | -    | 1    | 4    | 9    | 20   |
| Duta Besar                | -    | -    | 2    | 1    | -    | 1    | -    | -    | -    | -    | 4    |
| Komisioner                | -    | 3    | 2    | 1    | 1    | -    | -    | -    | -    | 7    |
| Gubernur                  | 1    | -    | 2    | 2    | 2    | 1    | -    | 2    | 2    | 12   |
| Walikota/Bupati & Walik   | -    | -    | 3    | 7    | 5    | 4    | 4    | 3    | 12   | 47   |
| Eselon II/III             | 2    | 9    | 10   | 22   | 14   | 12   | 15   | 8    | 7    | 116  |
| Hakim/Penegak Hukum      | -    | -    | -    | -    | 1    | 2    | 2    | 4    | 2    | 11   |
| Swasta                    | 1    | 4    | 5    | 3    | 12   | 11   | 8    | 10   | 16   | 24   | 15   | 109 |
| Lain-lain                 | -    | 6    | 1    | 2    | 4    | 4    | 9    | 3    | 3    | 7    | 8    | 47  |
| Σ                          | 4    | 23   | 29   | 27   | 55   | 45   | 65   | 39   | 50   | 59   | 54   | 450 |

Source: KPK Annual Report, processed.

### II. LITERATURE REVIEW

#### A. Bureaucracy

According to Riyadini [7], bureaucracy is a hierarchy of technical experts in administration. Bureaucracy is a tool to exercise state authority through the power of giving orders. The higher the hierarchy, the higher the authority they have. Bureaucracy is also an organization, which has clear rules, strict powers, and definite functions. Roskin et al. [8] refers to the notion of bureaucracy as any large-scale organization...
consisting of appointed officials, whose main function is to implement policies that have been taken by decision makers. Meanwhile, according to the Big Indonesian Dictionary, bureaucracy is defined as a system of government that is run by government employees because it has adhered to the hierarchy and level of office. It can be concluded that bureaucracy is an organization that has a definite hierarchy, rules, powers and functions and consists of officials appointed to carry out policies and administration in the field of government. Bureaucracy is an institution that drives development. Without the role of bureaucracy, development can stagnate and lose its direction [9].

B. Bureaucratic Reform

Bureaucratic reform is interpreted as a major change in the paradigm and governance. Bureaucratic reform includes changes in bureaucratic structure and repositioning, changes in the political and legal system as a whole, changes in mental and cultural attitudes of bureaucrats and society, as well as changes in mindset and commitment of the government and political parties [10]. Professionalism and neutrality of the bureaucracy must be the main target of bureaucratic reform. Bureaucratic reform is also related to the overlapping process between government functions, involving millions of employees, and requires no small budget. The bureaucratic process from the highest and lowest levels is reorganized gradually, realistically, and measurably. This process also includes revising and developing various regulations, modernizing the policies and practices of central and regional government management, and adjusting the functions of the tasks of government agencies with these new paradigms and roles. Meanwhile according to Turner & Hulme [11] in Bratukusumah [12], bureaucratic reform is an effort to create a more effective administrative system as an instrument in making social change, achieving political equality, social justice and economic growth. Bureaucratic reform can be seen as a political process to change the structure and function of the administration / bureaucracy and fight the ongoing stagnant conditions. Usually arises from crises that threaten the values held by the community. As a big change, bureaucratic reform always faces rejection, which is generated by feelings of disadvantage, before the process is proven to be reliable to achieve better conditions [12].

III. BUREAUCRATIC REFORM ROADMAP IN BADUNG DISTRICT

Bureaucratic reform in Badung Regency has been initiated since 2007. Starting with the steps of the Badung Regency Government launched Badung Cyber Province and the Virtual Office, which is utilizing and developing information technology in the process of governance. The Badung Regency Government established the Electronic Procurement Service Unit (LPSE), the Regional Financial Reporting Information System (SIPKD), the Regional Goods Database System (ATISISBADA) and gradually implemented a paperless office. LPSE which was formed since 2008 makes the procurement of goods and services can be done online, real time, and transparently. As it is believed that online and electronic processes can avoid irregularities and fraud that lead to corruption. The Regional Financial Reporting Information System (SIKPD) has been operating since 2011, beginning with the signing of an integrity pact between the Regional Secretary and the Heads of OPD. The implementation of this system includes the budget, administration, and accountability modules. While the Regional Goods Database System provides facilities to upload images (images) of goods and coordinates the location of goods that are connected to the Google map.

The Badung Regency Government also implements an integrated licensing service by establishing the One Door Integrated Services Management Unit (UPPTSP) of the Badung Regency which serves licensing in an integrated manner in one place. The unit serves 51 types of licensing which then increased to 83 types. In 2008 UPPTSP was transformed into an Integrated Licensing Services Agency (BPPT) which until 2011 was able to serve 209 types of licenses [13]. This licensing agency has developed services by opening outlets in potential areas and operating mobile service cars.

The next step is to improve customer-based services. The service that becomes the object is the service to the vehicle taxpayer. The Badung Regency Government Revenue Service develops customer-based services through the implementation of SAMSAT online at 34 SAMSAT Parent Branches, 12 SAMSAT Outlets, 1 drive thru, 3 SAMSAT Online and 5 SAMSAT Mobile. In addition to further increasing customer satisfaction, the Government of Badung Regency also seeks to maintain the quality of organizational management by implementing ISO 9001 on the OPD that is ready, namely Bandiklat, Bappeda, BKD, BPPT, and 11 other UPTD / B.

To improve the level of welfare of the apparatus, the Government of Badung Regency has established and enacted additional income allowances in 2010. These additional benefits are provided as incentives for apparatuses based on the resulting performance. Improving remuneration is an important step in bureaucratic reform. The appropriation of performance-based benefits was felt directly by the apparatus so that it can be said that 2010 was a milestone in the start of bureaucratic reform in the Badung Regency Government. This is in line with the stages at the national level where in 2010 the Grand Design of the Bureaucratic Reform was determined. Along with the implementation of performance-based allowances, the Government of Badung Regency is measuring employee performance. Employee performance in the Badung Regency Government is measured by two indicators, namely aspects of work behavior and aspects of work performance. The aspect of work behavior applies equally to all officials of the Badung Regency Government, while the aspect of work performance depends on the position and position of the employee.

To create a clean and KKN-free governance, the Badung Regency Government sets 3 action steps. The first step is the establishment of the Island of Integrity. In 2008 a
Memorandum of Understanding was made to establish a KKN-free Pilot Areas / Areas with the leadership of the KPK and the Ministry of Administrative Reform. Then in 2010 4 OPD was designated as Island of Integrity, namely BKD, Revenue Service, BPPT, and Inspectorate. The second step is regarding LHKPN reporting. The obligation to report LHKPN has been extended, not only for Badung Regency Government Organizations, but also for strategic Echelon III officials and executors who deal directly with the public. The third step is the formation of the Gratuity Control Unit (UPG). The UPG that was formed was at the BUMD namely the Bali Regional Development Bank in 2011. While the UPG at the Badung Regency Government is in the process of forming.

At the institutional level, the Badung Regency Government has conducted an evaluation of organizations limited to several DPOs, namely the Inspectorate, Bappeda, Bandiklat, and produced an organizational rationalization for the lowest echelon (echelon IV). To strengthen accountability, the Government of Badung Regency has formed an Accountability Desk that functions as a consulting institution for DPOs in solving problems in implementing programs / activities. The Accountability Desk is placed in the Inspectorate which consists of officials and auditors at the Inspectorate.

While in terms of development planning, the bureaucratic reform target has been seen in the Regional Medium-Term Development Plan (RPJMD) 2008-2013, one of the fields of development that is planned is the development of the apparatus and public services. The priority of the development of the sector is the organization of regional apparatus, the placement of employees according to competence through the development of the apparatus' ability, the improvement of the quality of public services, the application of information and communication technology in government management. While the steps taken are the application of performance-based incentives to improve the professionalism of the apparatus, reforming systems and procedures as well as standardizing service quality, developing government capacity, and organizing public services into quality and accountable services [14].

At that time the improvement of the bureaucracy encountered major obstacles and challenges because of traditional and primordial culture coloring the government of the Badung Regency Government, while the facilities and infrastructure had been provided but not yet utilized optimally. This stage is considered a transitional period in bureaucratic reform. At the next stage of the RPJMD (2013-2018) the performance of the government apparatus is still the object of development. One of the established missions is to improve government performance, apparatus professionalism, and expansion of public participation. This mission is to create the Badung Regency with quality and accountable, reliable and trustworthy government service with the support of professional apparatus, a science-based system towards Good Governance and Clean Government.

IV. PUBLIC SERVICE MALL AS AN INNOVATION OF PUBLIC SERVICES IN BADUNG DISTRICT

The One Door Investment and Integrated Services Office (DPMPTSP) of Badung Regency, Bali launched the Public Service Mall (MPP) as one of the breakthroughs to facilitate public licensing services in the community. Bandung Regency itself became a pilot project designated by the Ministry of Administrative Reform and Bureaucratic Reform (Kemenpan RB) for public service malls along with 11 other districts and cities since 17 September 2018. Badung Regency public service malls can serve 121 types of licensing services under one roof. The selection of the mall itself, as an effort to get closer to the community. This Public Service Mall is incorporated in 24 public agencies in the field of licensing services. Eight agencies from ministries and institutions, eight licensing agencies from BUMN / BUMD / Private, and eight government environmental agencies or the Badung Regency OPD. In total there are 24 agencies and serve approximately 121 licensing services.

The construction of the Public Service Mall is an innovation carried out by the Badung Regency Government in the field of public services. In addition, this Public Service Mall is one of the products of bureaucratic reform that has been carried out by the Badung Regency Government. With this Public Service Mall, the level of public satisfaction associated with the performance of public services in Badung Regency has increased every year, especially in the field of facilities and infrastructure in providing public services.

V. CONCLUSION

Bureaucratic reform in Badung Regency has been initiated since 2007. Starting with the steps of the launched Badung Cyber Province and the Virtual Office. Then on 2008 The Badung Regency Government established the Electronic Procurement Service Unit (LPSE) which followed by the implementation of SAMSAT online to improve customer-based services. Next step is improving the level of welfare of the apparatus, the Government of Badung Regency has established and enacted additional income allowances in 2010 which is called remuneration.

To create a clean and KKN-free governance, the Badung Regency Government sets 3 action steps. The first step is the establishment of the Island of Integrity. The second step is the obligation regarding LHKPN reporting for not only for Badung Regency Government Organizations, but also for strategic Echelon III officials and executors who deal directly with the public and the last is the formation of the Gratuity Control Unit (UPG).

The Public Service Mall (MPP) as one of the breakthroughs to facilitate public licensing services in the community. This is one of the products of bureaucratic reform which resulted increasing the level of public satisfaction every year.
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