The Impact of E-Government System on Public Service Quality in Indonesia

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Abstract
The e-government system is one of the fundamental policies that could transform the quality of public service from conventional to modern. Its implementation relates to the policy of public administration reform. Upon the implementation of this policy, we expect improvements in the quality and effectiveness of public service provision. Apparently, the expected changes require both simultaneous and synergistic efforts across many fields, such as supports through adequate funding and consistent political will from the central and local government in Indonesia. This research uses empirical and qualitative method analysis with focus on policy implementation and current problems found in the local and central government. From the analysis, we found that there is a misleading perception or notion which assumes that the e-government system alone is the only necessary key to achieving better public service. The public officials have not realized that the improvement also depend on other important factors such as financial support, maintenance of the technology, work culture of the e-government management, as well as other technical issues.

Keywords: E-government, public service, government, Indonesia

Introduction
Before 2005, Indonesian public service was still running conventionally. Currently, along with the development of technology, the government starts to adopt new approaches towards modernizing the public service provision. One of the manifestation is in the national policy of administrative reform. The new orientation of public service has provided motivation and purposes for central and local authority (Stewart, 1987).

Transforming the work culture and the mechanism of public service provision from conventional to modern is one of the fundamental objectives of the implementation of e-government system. In 2006, the Department of

Finance started the process by introducing the Bureaucracy Reform Initiative in order to support the ongoing Public Finance Management reforms. The focus was to reform the organizational structures and procedures with an extensive modernization program that includes a proliferation of the introduction of Information and Communications Technologies (Horhoruw, 2013).

Currently, most of the central and local government has implemented the e-government concept by adopting it as a minimum standard and new approach for public service delivery. At the local level, the implementation of e-government system is fostering like mushrooms during the rainy season and it has been accepted as a panacea.

Through the implementation of e-government, the quality and effectiveness of public service provision are equally expected to become better. Apparently, the implementation of the online services does not automatically change the serving culture of the public institutions (Sufianti, 2007). However, this is because the public satisfaction level of the society is still low.

Moreover, the aim of the e-government system in making more obvious the transparency and accountability of the government is still far from expectation. The implementation is still on the level of adaptation of the new technology and simplification of organizational structures. Multi-dimensional factors highly influence the public service reform in Indonesia.

This research aims at explaining how the e-government system develops in Indonesia. It also tries to describe the efforts of the government towards enhancing the quality of public service delivery through the e-government system.

Literature Review: Public Services and E-Government Concept

Public service as a whole entails activities that has to do with managing of services by a government in lower units or other legal institutions based on given authority (CTFT, 2014). Grout and Stevens (2003) defined public service as any service provided for large numbers of citizens. In the provision of services to society, there is a potentially significant market failure (broadly interpreted to include equity and efficiency) justifying government involvement in production, finance, or regulation (Calabro, 2011).

In practices, the legislative and executive regulations often define the function of public service (Doherty, 2002). Power and authority lie with government, and the provision of welfare and regulatory services is assumed to emanate from the state through elected representatives (Hartley, 2005).

Public services are everywhere and need to be reformed, re-invented, and modernized. The state of public services and their proposed futures

appear at the center of current public and political debates (Newman, 2009). Many governments and public service organizations are trying to secure the fundamental changes in the governance and design of public service delivery (Ferlie, 2003). The changes mainly focus on the public institutions is closely associated with the needs of the society (CTFT, 2014).

There are several aspects to be considered when delivering better services to the public. In order to identify these, we need to put the society (user) in the position of consumer and citizen at the same time. Those aspects are (i) accountability between the providers and users and community; (ii) representation and participation from the whole citizen body and users of the service through discussion and decision-making on policy and practice; (iii) information about the availability, operation, organization, and performance of the service related to the user's interest; (iv) access including availablity, easiness, adaptability to meet the new needs; (v) choice to be freely made by the users; and (vi) redress through complaint channels and the related procedures (Deakin, 1990).

Public service is very crucial to building a good relationship in society. It can, under some conditions, act as the focus of the formation of public imaginaries and collective identities, as well as help which sustains solidaristic attachments (Newman, 2009). This is the main difference between public and private services. This is based on the fact that public services can deliver public needs which cannot be provided by private markets for all of a population to take advantage of it.

The government must deliver public service with a set of innovations by giving attention to public needs (Stewart, 1987). It will encourage an effective role for the user to ensure good public service (Deakin, 1990). A better understanding could help in providing realistic promises to citizens and users of services, and contribute to building trust in public service organizations (Hartley, 2005). The manner should go beyond simple automation and attempt to re-think the broader nature of government services (Strover, 2002).

In the past decade, ICTs (such as email, online chatting, server, etc.) were gradually introduced by governments to involve citizens and to distribute the latest news or updates (Holzer, 2015). It was introduced first in the early 1990s (Anthopoulos, 2015). But today, public services need more than ICTs. It needs the more complex practices of the e-government system.

E-government is used to improve the efficiency of the government services delivery to citizens, employees, businesses, and agencies (Carter, 2005). It can enhance communication between government agencies and their constituents by providing access to information and services online at relatively low cost, and provide public services through websites (Chen, 2009). The combination of ICTs and citizen participation will create e-

participation, enabling citizens to play a better role in government running (Holzer, 2015).

Table 1. Benefits of electronic government

Removed Boundaries
The electronic government will help break down the agency and jurisdictional barriers to allow more integrated whole-of-government services across the tiers of government. With electronic government, the provision of seamless access will be taken much further and will make government much more approachable.
Enhanced Accessibility
A government in the off-line environment can be difficult to access. It often requires visits to the government office while some business activities can be conducted by phone. This can be problematic for people in regional and remote locations. The electronic government offers the potential to significantly increase access to information and services.
Improved Service Quality
The underlying goal of the electronic government is to improve service quality for all citizens. The electronic government represents convenient and reliable services with lower compliance costs as well as higher quality and value.
Integrated Agencies
Cross-agency initiatives can lead to high-value services which provide efficiency benefits for citizens and the government. Scope for cross-agency initiatives exists where several services are closely related – that is, where information needs to be gathered from more than one agency.
Improved Reputation
The electronic government helps to build an image of a country as a modern nation, an attractive location for people to visit, and businesses to invest.
Greater Citizen Participation
The electronic government makes it easier for those who wish to contribute.

Source: quoted from a book chapter of Yining Chen *et al*, Electronic Government Implementation: A Comparison between Developed and Developing Countries, pp. 90 (Khosrow-Pour, 2009).

In fact, e-governance cannot be seen as a single configuration of meaning, power, and norms. The digitization of governance is as much cultural and interpretive as well as technical and objective (Chen, 2008). It does not automatically give impact to the enhancement of public service quality. A good service by e-government entirely depends on the public service orientation as well. Knowledge of the factors will enable government agencies to develop online services to meet the needs of their citizens (Carter, 2005). Therefore, the danger is that services provided to the public are without regard for the views of those for whom the services are delivered (Stewart, 1987).

Developing an e-government system is influenced by the internal and external environments. It does not only depend on the resources available, but also relates to the political will of the government to develop it. It also indicates that overall external environment (economy, democracy, education, Internet usage, and peer pressure) does affect e-government development,

with internet usage, democracy, and education exhibiting the most significant influence. The economy can also indirectly impact e-government by affecting other factors (Zheng, 2015).

Technical matters also contribute to the quality of e-government facilities when they are used. One research states that perception on easiness of use, compatibility, and trustworthiness are significant indicators of citizens' intention in using e-government services. Citizens' intention will increase if citizens perceive the service as easy to use, intuitive, and easy to navigate. Citizens will be more willing to use online services if the services are congruent with the way they like to interact with others. Compatibility was the most significant motivating factor which increases citizens' intention. Agencies should provide information and services in a manner which is consistent with other ways citizens have dealt with the government (Carter, 2005). However, this means that e-government system should not only be advanced and sophisticated, but, the most important, it should be customer oriented.

Research Method

This research used a descriptive and qualitative approach to explain and analyze the research problems. In this research, several policies which are closely related to the implementation of the e-government and e-public service in Indonesia was used. It was also supported by the empirical evidence that practically happened in the central and local government. The obstacles and failure of the implementation of e-government policy to bring significant effects on the improvement of the public service became the main focus. Several research results and analysis from other papers are used as the supporting data to strengthen the analysis.

Modernizing the Government and Public Services
- **Through Policies and Bureaucratic Reform**

The implementation of e-government program relates to the policy of public administration reform in Indonesia. E-government policy should be one of the most important parts of the whole bureaucratic reform agenda. It can be one of the ways to change the public administration paradigm from a conventional into being more advanced. Every policy concerning the bureaucratic reform programs regulates the e-government issue specifically.

At the beginning of the process, the implementation of e-government system was only an option or alternative to upgrading the capacity of the central and local government institutions. So every public institution was only required to repair and enhance its public service quality in many possible ways.

Nevertheless, the e-government system has become a mandatory standard that the central and local government should meet. Each public institution considers the e-government system as one of the forms of public service innovation. This is despite the fact that it had been long enough implemented and developed in many developing countries (Aryan, 2014).

Through e-government policy, the central government has urged all public institutions to build the e-government system in their management. It has given standards to examine the success and failure rate of the implementation. The policy is implemented in several ways, i.e.: (i) by making some operational regulations and guidance for the central and local institution. Declining the policy can bring some punishments, such as: reduction of the supporting budget from central government, publications of red categories of public service report, and deletion of financial incentives for public officials; (ii) pilot projects initiated by the central government to see the readiness of the e-government program in the local level. It aims to promote the best practices and to push the public institutions to do the same thing; and (iii) by promoting a successful design from a public institution to be an example and national standard.

Several regulations supporting the e-government program include:
(i)   Presidential Instruction No. 3. The year 2003 concerning National Policy and Strategy on E-government Development Program

This policy is the first regulation enacted to support the development and implementation of e-government in Indonesia. It is more as the guidance for government institutions than as an obligatory norm. It also prompts the government to be more transparent and effective.

The development of e-government is an effort to support the enhancement of public service quality to becoming better. The implementation covers two sectors, i.e.: (i) electronic data processing, information processing, the system of management, and working process; (ii) usage of advanced ICTs to deliver public services efficiently and cheaper in the whole regions.

Through this policy, there are 4 (four) goals to be achieved by the government, i.e.: (i) the information network and quality of public service transaction; (ii) the economic development and national competitiveness through interactive relations with business sector; (iii) the development of public dialog and participation in policy-making process through an open communication system; and (iv) transparent and efficient business process and managerial system.
(ii)   Law No. 11. The year 2008 concerning Electronic Information and Transaction

This regulation was the initial policy of the creation of the electronic system applied to the governance management, judicial system, and business

process. Through this policy, all kinds of activities using the electronic technology and information become legal.

This law regulates the jurisdictional definition of electronic information, electronic transaction, information technology, electronic documents, electronic system, etc.

(iii)   Law No. 14. The year 2008 concerning Public Information Disclosure

This regulation is the legal basis to creating a transparent and open government by providing the rights and freedom of public information from government institutions. The ideas are to actualize the democratic government principles, to maximize the public control of the government and everything affecting the public interests, and to support the creation of the information society.

Every government institution is obliged to provide and to open up all kinds of information to the public manually or electronically. Through this regulation, a special commission has been formed to give public education concerning the rights of information and to settle all kinds of legal dispute concerning the public information delivery.

(iv)   Law No. 25. The year 2009 concerning Public Service

This law is a fundamental regulation to protect the public rights to obtain better public services. Through this policy, people can control and evaluate the quality of the services and the providers (government institution, business entity, independent institutions, and all kinds of legal entity). There are several important components concerning the public service delivery such as service standard, information of service cost, procedures, and service period.

There is an obligation for the providers of the public services to use a system of information to publish all procedures and information about the services to the public manually and electronically. The central and local institutions should provide the information systems.

- **Practical Evidences**

Empirically, we can describe the implementation of e-government system in the whole of the public institution in Indonesia under two type conditions. Numerous supporting and restraining factors highly influence the conditions.

Under the first condition, the e-government system had been implemented before the national regulations were enacted or even before the e-government program became a massive issue in Indonesia. At this point, the preparation process had been carried out, such as the provision of some physical supporting devices, data center, and specialized units to handle the task. The next process was to build the e-government system. This phase

mainly happened in some central government's institutions. One of them was Department of Finance.

In this process, the central government started to think the necessity to modernize the public service devices and technology in all public institutions. The central government then realized the tardiness with some developing and developed countries such as Malaysia, Thailand, Singapore, and Japan. The key to enhancing the competitive quality is by modernizing the public service delivery. The next step was to pass several national regulations and guidance and promote the best practices of e-government implementation.

Under the second condition, the e-government system was declared massively after the enactment of some regulations and the central government urged the central and local institution to build the e-government system. During this phase, many local governments became more open to the ideas of enhancing the quality of public service delivery through modernization of devices and technology.

Until now, nearly all public institutions have been using the e-government technology. However, the problem is that the massive implementation of e-government policy has not been bringing impacts to the enhancement of public service quality yet. Moreover, it results to some problems.

Current Problems: E-government and Public Service Quality

There are several problems concerning the quality of e-government and public service in Indonesia. First is the quality of the e-government system (Chen, 2008). The e-government devices are still in the level of website profile containing obsolete information about organization's structure, normative events, and general information. It is more like a display than the useful and interesting information (Hermana, 2012). In government's online devices, we rarely find details of public information to download and read.

A study mentions that only a few local governments are in the good category (about 15.6% of 32 samples of the city under study). The cities government need to improve the static content of their website in four parameters (citizen service, business permission, planning transparency, and financial transparency). It will be better if the cities' government start to develop the transaction content such as the business permission service to be made available online (Prahono, 2015).

Secondly, the implementation of e-government does not encourage the changes in serving and working culture in the government institutions. Values and cultures still run in the same ways: outdated, not customer-oriented, slow, rigid, and collusive. In this case, most governments are highly

bureaucratically fragmented and internally fiercely resistant to change (Chen, 2008). Thus, the purposes of e-government application to make the government faster and more effective are still out of reach. Using technology has to be followed by creating a new set of working patterns as well because e-government is a management agenda, and not a technology agenda (OECD, 2005).

Thirdly, the implementation of e-government is not on the target. Government institution thinks that the application of the e-government would automatically enhance the quality of public services. The application of e-government system must be followed by the implementation of online public services too. The target of e-government involves transparency and not just the effectiveness and efficiency of the public services. In order to reform it, there should be a shift of the paradigm from the e-government to e-public services.

Another research found (Hermana, 2012) that the type of Indonesian local government websites is more informational rather than transactional. The feature of the website that is transactional is limited only to e-procurement or interactive public information service. Complex and advanced transactional interactions such as online payment system are not yet available as website features. Majority of users of the online services provided by the government in Indonesia feel that public services are worse than the private sector (Utama, 2014).

Fourthly, it entails the tight budget constraints for e-government implementation (OECD, 2003). The problem begins with poor financial planning down to the implementation which does not meet the real requirements.

The last problem is the quality of the e-government management, such as broken devices and ill maintenance, low competency of human resources, not user oriented, fragmented, and unintegrated.

On a global level, the condition of the implementation of e-government programs puts Indonesia in an unfavorable position. According to the E-Government Development Index (EGDI) published by United Nations of Department of Economic and Social Affairs in 2016, Indonesia is ranked 116th in the middle level with a value of 0.4478, down 10 ratings compared to 2014 on the rank 106th (United Nations, 2016). It is still far below other Southeast Asian countries such as Malaysia (ranked 60th), Philippines (ranked 71st), and Brunei Darussalam (ranked 83rd).

The provision of online public services also does not describe a better position. The online service index (OSI) puts Indonesia in the middle rank along with Belarus, Bolivia, Egypt, Nepal, and others. This condition is under the other ASEAN countries such as Malaysia and Thailand with the

high category, and Singapore with the very high category (United Nations, 2016).

So far, the central government has made various efforts to address the issues, i.e. (i) by giving some grants to support the local governments with insufficient funds to develop the e-government system; (ii) by making list of ranking of successful e-government programs in all public institutions; (iii) by developing the national infrastructures to support the deployment of e-government system to the remote places and villages; (iv) by forming a special unit of information service delivery in all public institutions; and (v) by promoting role models from several successful local governments.

Conclusion

E-government in Indonesia cannot be implemented without the support of bureaucratic reform program as a whole. Many elements must support the improvements of the governance management from conventional to become modern (using a technological approach). Improving the quality of public services delivery is not only by implementing the e-government system, but also by applying the concept of e-public service to make the provision to become better.

In the context of Indonesia, the main problem of the study is that the implementation of e-government is considered to be the same as e-public service, but these two things are very different. The government institution adopting the e-government system does not necessarily have e-public service feature. The implementation of e-government is only at the stage of providing information to the public through the government website. Here, data and information are not updated periodically. As for the implementation of e-public service, it has not been done.

Many problems affect the implementation of e-government in Indonesia. Some of the problems are the conventional organizational work culture, low quality of human resources in the e-government management, tight budget constraints, and poor community recognition. In the context of e-public services, local governments have not paid much attention to the great benefits of the technology. As a result, the paradigm of public service is still running in the conventional ways.

Although Indonesia has widely implemented the policies and programs of public administration reform, the Implementation of e-government in Indonesia is not as easy as planned. It requires massive and simultaneous efforts with the support of adequate funding and consistent political will. Implementation of e-government does not necessarily increase the quality of public services. Thus, this is as a result of a long and stiff service culture.

The most important thing to be done is that central and local governments have to realize the paradigm shift from implementing e-government in general to e-public services. The government should not only be transparent and accountable, but also must provide maximum benefits and services to the community more effectively. The first thing to do is to change the paradigm and bureaucratic work culture in Indonesia.

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