

Research Article

Maladministration in Licensing Service: A study at the Office of One Mop Integrated Services and Investment, Ternate City

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Abstract.

The government has consistently endeavored to enhance community welfare by improving public services, empowering communities, and fostering increased community participation. In this new service paradigm, the public is regarded as the service user, while the government assumes the role of the service provider. This study seeks to gain insights into the public's perceptions of the licensing service process at the Office of One Stop Integrated Services and Investment in Ternate City. This research takes a qualitative approach, focusing on comprehending the socially constructed nature of reality. Specifically, it aims to address how social experiences are shaped and given meaning. This understanding is rooted in the belief that humans are symbolic beings who actively seek meaning in their lives. The findings of this study reveal that the public still expresses grievances and disappointments concerning the standard service procedures presented by service officers, particularly in terms of providing information on all types of services to the community. Furthermore, certain costs must be incurred by business operators due to incomplete submitted files, which result in further delays in processing. Additionally, the extended processing time (ranging from 7 to 30 days) for licensing services by officers can lead to additional costs borne by society.

Keywords: maladministration, One Stop Service, licensing service

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1. Introduction

The government continues its efforts to enhance community welfare through the improvement of public services, community empowerment, and increased community participation. In this new service paradigm, the public is positioned as the service user, and the government acts as the service provider. Given the government's role as a public servant, it is imperative for them to monitor and heed the satisfaction and opinions of the community, which they serve. This stance aligns with the principles and core essence of Law No. 23 of 2014, which pertains to the authority of Regional Governments.

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The government bureaucracy, theoretically, encompasses three primary functions as outlined by LAN (2007). These functions can be further detailed as follows: **Service Functions:** These functions are associated with government organizational units that have direct interactions with the community. Their primary purpose is to provide services directly to the community. **Development Functions:** Development functions pertain to government organizational units with specific roles in the development sector. Within this category, two main functions can be identified: the development function itself and the adaptive function. **General Government Functions:** General government functions encompass a range of activities performed by government organizations in the execution of their duties. Among these tasks is regulation, which includes the establishment and maintenance of peace and order. This function is closely related to regulatory responsibilities. These three functions collectively define the multifaceted role of government bureaucracy in serving and governing a society.

The three functions of government bureaucracy mentioned above imply that the realm of public services carried out by local governments is extensive and intricate. In this context, two distinct conditions can be observed: 1) Services Producing Public Goods, these services encompass the creation and maintenance of public goods, such as roads, bridges, markets, and other infrastructure. These are essential assets that benefit the entire community; 2) Regulatory Functions, regulatory functions involve services that result in legislation or policies that the community must adhere to. Examples include issuing permits, ID cards, and driving licenses, among other regulatory needs. These services play a crucial role in maintaining order and compliance within society. In both cases, it is imperative that the services provided aim to satisfy the needs and expectations of the community. Customer satisfaction and the effective delivery of services are fundamental aspects of good governance.

The results of the Governance and Decentralization Survey (GDS) research conducted by Sujarwoto in 2012 revealed a concerning fact: "In general, the practice of providing public services in Indonesia falls significantly short of adhering to the principles of good governance." Furthermore, three significant problems frequently arise in the realm of public service implementation: firstly, *Service Discrimination*, the first issue pertains to the prevalence of service discrimination. Service delivery is often influenced by factors such as collusion relations, shared political affiliations, ethnicity, and religion. This phenomenon persists despite the existence of Law No. 28 of 1999 regarding State Administration, which explicitly emphasizes the importance of providing equal services without discrimination. These findings underscore the need for improvements in the provision of public services in Indonesia, aligning them more closely with the principles

of good governance and ensuring that discrimination does not hinder the equal access to services by all citizens.

Secondly, a significant issue arises from the lack of certainty regarding the cost and time required for public services. This uncertainty serves as a catalyst for the proliferation of corruption, collusion, and nepotism (KKN) since service users often opt to offer bribes at inflated costs to service providers in exchange for assurance and higher service quality. Thirdly, there exists a low level of public satisfaction with public services, which can be attributed as a consequence of both service discrimination and the aforementioned uncertainty surrounding cost and time. These issues collectively contribute to a dissatisfied public, highlighting the urgent need for reforms and improvements in the delivery of public services to enhance both transparency and overall satisfaction among citizens.

The service-related challenges described above are also prevalent within the Ternate City Government. Initial observations concerning the public's assessment of the quality of public services at the Office of One Stop Integrated Service and Investment Ternate City (Ternate One) indicate that they are not yet optimal. Consequently, it is imperative to conduct further research aimed at discussing and comprehending the public's perception of the quality of public services provided at the One Stop Integrated Service and Investment Office in Ternate City.

By understanding the phenomenon of public services in the Ternate City Government, the following problems can be formulated as follows:

1. (a) How is the service process at the Investment and One Stop Service Office?
(b) What obstacles were encountered and recommended solutions.

2. Methods

The research being conducted is of the qualitative research type. Qualitative research places a strong emphasis on comprehending the nature of reality as it is socially constructed, with a particular focus on exploring how social experiences are shaped and attributed with meaning. This approach is rooted in the assumption that humans are symbolic beings who actively seek meaning in their lives, as articulated by scholars such as Cassier, Berger, and Luckman, as referenced in Abdullah

Various experts have provided definitions related to public services and services, as follows. Moenir, A.S. [1], service is defined as a series of activities that occur regularly and continuously, encompassing all aspects of people's lives within society. From

this perspective, service can be understood as routine and ongoing activities within society. Ivancevich, Lorenzi, Skinner, and Crosby [2] these scholars describe services as products that are intangible (cannot be touched), requiring human effort and the use of equipment. In this view, services involve intangible elements and the active involvement of people and equipment. Gronroos [2], a more detailed definition of service as activities or a series of activities that are invisible (cannot be touched). These activities result from interactions between consumers and employees or other elements provided by service providers. The primary purpose of these activities is to solve problems or address the needs of consumers or customers. This definition underscores the intangible nature of services and their reliance on human effort and equipment. AG. Subarsono [3] defines public service as a series of activities conducted by public bureaucracy to fulfill the needs of users. The users in this context refer to citizens who require public services, such as obtaining birth certificates, permits for small and medium-sized businesses, waste disposal permits, certificates of habitability, spatial planning permits, property development and exploitation permits, trade permits for housing, permits for billboards, installation of election campaign props, and various other certificates and licenses. These definitions provide valuable insights into the nature of

services and public services, highlighting their intangible aspects, the involvement of human effort, and their critical role in meeting the needs of society.

According to Law No. 25 of 2009 concerning Public Services, public services encompass a wide range of activities carried out within various contexts, including regulation, nurturing, guidance, and the provision of facilities and services. These activities are conducted by government officials to meet the needs of the community in accordance with applicable laws and regulations.

Based on the Decree of the Minister of State for Empowerment of State Apparatus Number 63/KEP/MPAN/7/2003, which outlines the General Guidelines for the Implementation of Public Services, there are ten fundamental principles governing public services: **Simplicity**: Public service procedures should be straightforward and easy to understand and implement. **Clarity**: This principle includes: a. Clear technical and administrative requirements for public services. b. Identification of work units/officials authorized and responsible for providing services and addressing complaints/problems/disputes related to public services. c. Transparency regarding public service fees and payment procedures. **Certainty of Time**: Public services should be completed within a predetermined period of time to provide certainty to service users. **Accuracy**: Public service products should be received correctly, appropriately, and in accordance with the law. **Security**: The processes and products of public services should provide a sense of

security and legal certainty to service users. **Responsibility:** The leadership of the public service provider or appointed officials are responsible for the implementation of services and resolving complaints/problems related to public services. **Completeness of Work Facilities and Infrastructure:** Adequate work equipment and support, including telecommunications and information technology facilities, should be available. **Ease of Access:** Service facilities and infrastructure should be located in places that are easily accessible to the community and equipped with telecommunication and information technology capabilities. **Discipline, Courtesy, and Hospitality:** Service providers must display discipline, politeness, courtesy, friendliness, and provide service sincerely. **Comfort:** The service environment should be orderly, comfortable, clean, and equipped with necessary facilities, such as parking, toilets, places of worship, and others.

In addition to these principles, public service standards are also required, as per the Decree of the Minister of PAN Number: 63/KEP/M.PAN/7/2003. These standards should include: Service

Procedure, Service Time, Service Fee, Service Products, Facilities and Infrastructure, Competence of Service Personnel. These standards are essential for ensuring the quality and effectiveness of public services and for meeting the needs of the community while upholding transparency and accountability in service delivery.

3. Results and Discussion

In Indonesia, bureaucratic reform is an essential component of efforts to improve bureaucratic performance, including central and regional government management (9). Theoretically-normatively, bureaucrats are being forced to shift from a rule-based bureaucracy to a performance-based one, which would eventually become a dynamic government. This is done to realize the good and clean government that has been established through the acceleration of bureaucratic reform implementation. As a result, the government will restructure the government administration system, with bureaucracy serving as the backbone of change.

A service standard is a benchmark that can be collectively referenced by both service users and service providers during the delivery of public services. It serves as a guideline that must be adhered to and implemented by service providers and also offers guidance for service recipients throughout the application process. Furthermore, service standards provide a means of oversight and control for the community over government performance.

Given these important functions, it is crucial to develop and establish service standards that align with the nature, type, and characteristics of the specific service in question. The formulation and preparation process of these standards should involve active participation from the community and various stakeholders, including the bureaucratic apparatus. This collaborative approach allows for the collection of suggestions and input from those directly affected by the services, ensuring that the standards are both relevant and effective in meeting the needs and expectations of the community while promoting transparency and accountability in service delivery.

The establishment of Service Standards serves a crucial purpose in the Office of One-Stop Integrated Services and Investment. It aims to make it easier for all stakeholders to monitor, supervise, and evaluate the quality and performance of the office in serving its customers and users effectively. By having clear standards in place, the implementation of licensing services can be systematically measured, allowing for greater transparency and accountability in the process. Ultimately, the goal is to enhance the satisfaction of service users by ensuring that services are provided in accordance with established benchmarks and that they meet the expectations of the community.

The Office of One-Stop Integrated Services and Investment in Ternate City has implemented these service standards. Service officers have provided information on the procedures for all types of services. However, despite these efforts, complaints from service users are not uncommon. Mr. Ternate acknowledged this issue during an interview and stated the following: “It is true, we always

receive complaints from the public and businessmen. We not only accommodate their complaints but also their disappointments. We view these as opportunities for correction and constructive criticism that can guide our future actions to prevent such complaints from recurring” (Interview, 22 August 2019). Mr. Ternate’s perspective reflects a commitment to addressing and improving the quality of public services by actively listening to the concerns and feedback of service users. It’s a positive approach that can contribute to ongoing enhancements in service delivery.

The description provided above highlights that the Office of One Stop Integrated Services and Investment in Ternate City has made significant efforts to deliver comprehensive licensing services according to established standards that can be objectively assessed. However, despite these efforts, there are instances where licensing service users may take actions that are not in alignment with the established standards. This could be due to factors like lack of awareness or the possibility of errors or negligence on the part of the licensing service officers at the Office of One Stop Integrated Services and Investment in Ternate City.

It's important to note that community complaints and disappointments are valuable feedback that can be used to develop and enhance the quality of services provided by the Office of One Stop Integrated Services and Investment in Ternate City. Rather than viewing these complaints negatively, they should be seen as constructive input that guides improvements in service delivery. These disappointments can serve as a catalyst for the licensing service providers to pay closer attention and make necessary corrections. This proactive approach is essential to maintain a positive image of the Ternate City Government and ensure that public services are of the highest quality.

The account provided by a businessman residing in Gamalama Village, Central Ternate District, sheds light on the licensing service experience: "In general, the Licensing Service officer at the Office of One Stop Integrated Services and Investment is very good, the facilities are good, and I am comfortable managing it." However, the businessman also shared a subsequent experience: "But after that, they contacted me and stated that this filing requirement was lacking, so it had to be completed even if I had to pay, and if it was totaled, it was Rp. 60,000,000 (sixty million rupiahs), even though when I registered at the Office of One Stop Integrated Services and Investment office, my file was considered complete. I fulfilled that amount of money to get the permit, and I never saw a local regulation or regulation governing the financing of each item of licensing. I imagine if there are businessmen with the same interests as me, I think that too... it's a pity, right?" (Interview, August 21, 2019) This account illustrates the businessman's initial positive impression of the Licensing

Service officer and facilities. However, it also highlights an issue where additional requirements were communicated after the initial registration, leading to unexpected financial burdens. The businessman expressed concerns about the lack of clear local regulations or guidelines regarding the financing of each licensing item, which could potentially impact other businesses in a similar situation.

The interviews presented above reveal that certain individuals may still engage in maladministration practices. While it is acceptable for licensing services to incur fees, the issue arises when the costs associated with a particular licensing item do not align with established regulations or standards. Licensing services are intended to facilitate the creation of a competitive investment climate in the City of Ternate, fostering the growth of businesses for the benefit of both the community and entrepreneurs. It is crucial for licensing services to operate transparently and in accordance with established guidelines and regulations. This ensures that businesses can thrive, fostering economic independence and contributing to regional progress. Addressing maladministration

practices and ensuring that licensing costs are fair and consistent with regulations are essential steps in achieving these goals.

The licensing services provided by the Office of One Stop Integrated Services and Investment in Ternate City have, in general, been recognized as very good and have even received accolades from the central government as a successful example in the realm of licensing services. Nevertheless, it's important to acknowledge that there are still complaints and expressions of dissatisfaction from service users. These complaints and dissatisfactions, while indicating room for improvement, should be viewed as valuable feedback. Indeed, the complaints and dissatisfactions voiced by service users serve as positive inputs for the Office of One Stop Integrated Services and Investment in Ternate City. They offer opportunities for continuous improvement in service quality. By attentively addressing these concerns and actively working to resolve them, the office can further enhance its service delivery and maintain its reputation for excellence in licensing services.

Mr. Safi Daud, a resident of Jambula Village in Ternate Pulau Subdistrict, who was in the process of obtaining micro and small business licenses, expressed his dissatisfaction with the services provided by the Ternate City Office of One Stop Integrated Services and Investment during an interview. His statements include: "I feel very dissatisfied with the service at the Ternate City Office of One Stop Integrated Services and Investment. The service officers appeared undisciplined, and the information provided lacked a solution and seemed confusing. There was financing involved, but

I was not informed of the exact amount. I have spent a significant amount of money, and I was never informed about local regulations governing the financing of licensing arrangements or other relevant details. Based on my experience, my business has been delayed for about two years. The reasons they provide are consistently related to incomplete administrative files and similar issues" (Interview, 28 August 2019).

Mr. Safi Daud's feedback underscores his dissatisfaction with the quality of service, particularly in terms of discipline, communication, transparency regarding financing, and adherence to local regulations. His experience highlights the challenges faced by individuals in the licensing process, which can result in significant delays and financial burdens for businesses. These issues serve as critical areas for improvement in the service provided by the Office of One Stop Integrated Services and Investment in Ternate City.

The interview description presented above reveals that certain licensing services have led to dissatisfaction among service users. The interviews with individuals, such as Mr. Safi Daud, who have utilized the licensing services at the One Stop Integrated

Service and Investment Office in Ternate City, indicate that there may be instances of unscrupulous officers engaging in maladministration practices. Mr. Safi Daud expressed his concerns and dissatisfaction by stating, “This is an old, convoluted, and unprofessional affair that is not pro-community in my view. I have filed a complaint with the Ternate City Regional House of Representatives (DPRD), but I am uncertain about the outcome” (Interview, 28 August 2019).

His comments highlight issues related to professionalism, transparency, and service quality, which he believes need to be addressed. Mr. Safi Daud’s decision to file a complaint with the Ternate City Regional House of Representatives indicates a desire for accountability and a resolution to the problems he encountered during the licensing process. These concerns underscore the importance of continued efforts to improve public services and ensure that they are conducted in a fair and transparent manner.

Mr. Rustam S. Limatahu, residing in Jambula Village in Ternate Island District and engaged in the process of obtaining micro and small business permits (IUMK), also shared his perspective. He stated: “The waiting room is adequate. Licensing service officers at the One Stop Integrated Service and Investment Office in Ternate City are generally courteous, though at times they appear preoccupied with their work. However, I find the process to be convoluted and very disappointing as

a user of licensing services” (Interview, 28 August 2019). Mr. Rustam S. Limatahu’s feedback emphasizes that while certain aspects of the service, such as the waiting room and courtesy of officers, are satisfactory, the overall process can be complex and unsatisfactory. The perception of a convoluted process and occasional unavailability of service officers reflects a need for streamlining and improving the licensing service experience to better serve users’ needs and expectations.

The interviews described above illustrate that there is still a level of community dissatisfaction with the services provided. However, it’s important to note that the One Stop Integrated Service and Investment Office is actively making efforts to introduce breakthroughs and implement continuous improvements. These ongoing initiatives are aimed at delivering the best possible public services, both in terms of licensing and non-licensing services. The Office is taking proactive steps to align its services with the feedback received from the community, aiming to address areas of concern and improve overall service quality. These efforts are guided by the results of surveys that assess the community satisfaction index with both licensing and non-licensing services at the One Stop Integrated Service and Investment Office in Ternate City. This demonstrates a commitment to listening to the community and striving for excellence in public service delivery.

When preparing public service standards, it's crucial to take into account several key aspects to ensure their effectiveness and relevance: **Capacity of Service Providers:** The capability and resources of the service providers, including their training, infrastructure, and workforce, must be considered. Standards should be realistic and achievable within the existing capacity of the institutions. **Institutional Framework:** The institutional framework within which the service providers operate should align with the standards. This includes organizational structures, regulations, and coordination mechanisms that support the implementation of the standards. **Apparatus Competence:** The competence and skills of the service providers, including their knowledge of relevant laws and regulations, customer service skills, and problem-solving abilities, should be assessed and enhanced as needed to meet the standards. **Socio-Cultural Characteristics:** Understanding the socio-cultural characteristics of the local community is essential. Services should be designed to be culturally sensitive and relevant to the needs and preferences of the community they serve. **Optimal Implementation:** Standards should be designed with practicality in mind to ensure that they can be implemented optimally. Service implementers who directly interact with the community should be adequately trained and supported to meet these standards.

By taking these aspects into consideration, public service standards can be developed in a way that is both realistic and responsive to the needs of the community. It's important to strike a balance between setting high standards and ensuring that they can be effectively implemented within the given context.

The provided information indicates that service users often have varying perspectives and perceptions of the services offered, which can pose challenges for government administrators, particularly at the Office of Investment and One Stop Service in Ternate City. There are a range of responses from service users, including entrepreneurs and stakeholders, regarding both licensing and non-licensing services. On one hand, some service users appreciate the online registration services and the quality of facilities provided. However, on the other hand, there are concerns related to the processing time for requested documents. A businessman named Mr. Hendro, residing in Bastiong Karance Village in South Ternate District and in the process of obtaining an Industrial Business Permit, expressed his viewpoint: "The business license that I applied for at the One Stop Integrated Service and Investment Office in Ternate City has a good registration service. I completed all the required procedures, but the entire process took eight days, which I find quite lengthy. I often wonder why it couldn't be completed within a few hours or a maximum of one day" (Interview, 24 August 2019). Mr. Hendro's perspective reflects a desire for expedited service delivery, particularly for processes

that are deemed critical for businesses. His question regarding the processing time suggests a need for greater efficiency and streamlined procedures, which could enhance the overall service experience for users.

Mrs. Nurlinda, a resident of Fitu Village in South Ternate District who was applying for a pharmacy license, shared her perspective with the Research Team: “Indeed, the processing of this permit is free of charge, and the facilities and atmosphere of the service office are comfortable. However, for this type of service, it was initially informed that it would be completed in no later than three days. I came to check, and it was not finished. I kept waiting and frequently checked on the permit, but it finally took more than two weeks to complete. So, what’s so great about this one-stop service office...?” (Interview, 23 August 2019). Mrs. Nurlinda’s comments highlight a situation where there was a discrepancy between the expected processing time and the actual time it took to complete her pharmacy license. This experience led to frustration and raised questions about the effectiveness of the one-stop service office. It underscores the importance of aligning service delivery

with the timeframes communicated to service users to manage their expectations and ensure a smoother process.

Mr. Hi. Ahmad Kamaluddin, residing in Sulamadaha Village in West Ternate Sub-district and in the process of obtaining an Environmental Permit, shared his experience with the Research Team: “The time it took for me to manage this environmental permit was one month, and for me, that duration was quite long. I don’t understand why it took so long...” (Interview, 22 August 2019). Mr. Ahmad Kamaluddin’s statement highlights his perception of a prolonged processing time for his environmental permit. He expressed uncertainty about the reasons behind the delay. This experience underscores the importance of efficient and timely service delivery, particularly for permits and licenses that may impact businesses or individuals. Delays can lead to frustration and have implications for those who rely on timely approvals to proceed with their activities.

The interview descriptions provided above offer valuable insights into the service experiences of individuals seeking licenses and permits. While the registration process is generally viewed positively, there is a notable concern regarding the duration it takes to complete the final steps. This extended processing time, which can range from one day to as long as 30 days, appears to run counter to the core objective of the One Stop Integrated Service and Investment Office in Ternate City, which is to simplify and expedite licensing and non-licensing procedures. Efficiency and timeliness are critical aspects of delivering quality public services, and delays in the finalization of permits and licenses can lead to frustration among service users. Addressing these challenges

and streamlining processes to ensure that services are provided in a timely manner is essential to create a conducive investment climate and promote a sense of value and motivation among those seeking to invest or engage in business activities.

4. Conclusion

Inherently, the Indonesian bureaucracy is still stuck in the old problem of formalism. Although the Indonesian government's campaign on digital transformation is echoed (2), it has not shown the significance of digital-based bureaucratic reform. The Indonesian bureaucracy is stuttering with rapid changes due to the Covid-19 pandemic. Theoretically, based on the context of the problem, two concepts of the bureaucratic model can be experimented with, namely Innovation Bureaucracies and Post-Bureaucracy. Further research is needed to formulate a relevant bureaucratic model for the context of the pandemic and post-pandemic.

1. Public complaints and dissatisfaction persist regarding the standard service procedures provided by service officers, particularly concerning the information on various types of services offered to the community.
2. Business actors are compelled to bear certain costs to obtain a business license due to the submission of incomplete application files, which can be a source of frustration and financial burden.
3. The prolonged processing time (ranging from 7 to 30 days) for service licensing can result in additional costs for the community, impacting service users.

Suggested action:

1. Enhance Information Clarity: Improve the clarity and accessibility of information provided to the public regarding all types of services and their procedures to align better with the desired target of effective public services.
2. Promote Cost Transparency: Ensure transparency in the costs incurred by business actors when obtaining business licenses, preventing any unexpected or hidden fees.
3. Optimize Processing Time: Work towards reducing the processing time for licensing services to prevent additional financial burdens on the community and enhance the efficiency of service delivery.

These suggestions aim to address the issues highlighted and improve the overall quality of public services provided by the Office of One Stop Integrated Services and Investment in Ternate City, ultimately fostering greater satisfaction among service users.

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