

Transparency of Local Government Bureaucracy in Licensing Service in City of Palu, Indonesia

Slamet Riadi*

Department of Public Administration, Faculty of Social Science and Politic, Tadulako University, City of Palu, Indonesia

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***Corresponding author:** Slamet Riadi

Abstract

The research was conducted at the Spatial and Housing Settlement Department, Integrated Licensing Service Board, and the Industry, Trade, Cooperatives and Small Medium Enterprises (UKM). The type of the research is descriptive qualitative by analyzing transparency of local government bureaucracy in serving Building Construction License (IMB) and Trade License (SIUP), seen from standard aspect of service procedure, communication, and bureaucratic behavior.. The results of the research reveal that the transparency of operational standards of Building Construction License (IMB) procedures in the Office of Spatial Planning and Housing has not been implemented properly. The requirements, costs and also the time of the completion of the Building Construction License (IMB) permission have not been listed transparently on the notice board while transparency of operational standard of Trade License (SIUP) procedure in Integrated Licensing Service Agency shows more transparent result because aspect of requirement and time of settlement process have been listed on notice board. In relation to the communication aspect, Building Construction License (IMB) and Trade License (SIUP) services have not been properly executed. Informants from the society complained that they still have not obtained a clear information about the importance of getting those licenses. The pattern of communication or socialization carried out on Building Construction License (IMB) and Trade License (SIUP) is still limited to bureaucracy elements only of district and village. Then, it is forwarded to the society. The culture of local policy which is called *Nosarara Nosabatutu* internalized in the organizational culture is quite influential on the behavior of government bureaucracy.

Keywords: Transparency, Bureaucracy, Licensing Services.

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INTRODUCTION

Government philosophy's perspective is formed on the basis of a social contract to sole the community in order to achieve its needs and interests. Besides, the existence of government institutions as an effort to achieve state goals in accordance with the wish to be achieved by the whole society. Government institutions have seven main functions and duties: ensuring security, maintaining order, ensuring justice, doing public works, improving welfare, maintaining resources and the environment. As an effort to develop these functions, the state needs an organ that can operationalize the tasks of government in real terms which is known as "bureaucracy".

Bureaucracy is a system to organize large organizations in order to obtain efficient, rational, and effective management [1]. Government bureaucracy is often interpreted as "officialdom" or kingdom officials

[2]. A kingdom whose kings are officials of a modern classified organization in which there are official duties that can clarify the limits of the authority of the work. They operate on the basis of the hierarchical order as embodiments of the degree of authority and power. They earn salary based on their expertise and competence. Conceptually it can be concluded that bureaucracy is an effort in organizing various jobs to be organized regularly, where this work not only involves many personnel (bureaucrats), but also consists of various regulations in the administration of government duties.

One of the aspects that encourages the importance of examining the issue of bureaucratic transparency in governance, because transparency is a foundation and a prerequisite for good governance [3]. The public bureaucracy is demanded openly to make room for the entire society with respect to the policies and services it will develop. Another aspect of the

importance of bureaucratic transparency in governance is to respond to the implementation of law number 14 of 2008 on public information disclosure (KIP), which implies the implementation of space for the public to access information related to public policy.

Bureaucracy of Palu municipal government experiences various complexity in organizing licensing service. This happens because of the consequences of the dynamics or development of the city where the demands of society increasingly require services that are transparent and accountable. 18 licensing services developed by the Palu municipal government, the researcher establishes the building construction license (IMB) service and the trade license (SIUP) as the object of the research, considering that both objects, the percentage and frequency of the licensing service is relatively high. Building construction license service, as stipulated in Palu municipal regulation number 10 of 2008 on the license to construct building, philosophically as a form of government bureaucracy commitment in controlling and supervising the buildings to be consistent with the city spatial plan (RTRK). As well as a trade license (SIUP) stipulated in the Palu city regulation number 5 of 2005, as a form of legality in the trading business activities.

The results show that the arrangement of buildings in the city of Palu impressed each very chaotic. Some existing buildings are not in accordance with the designation such as; building warehouses within the city, green line areas that should be freed with buildings, but in reality packed with settlements. Store house buildings tend to spread and irregular, so it is not in accordance with city spatial plan (RTRK). Other things that become the phenomenon of the problem is the percentage of the number of buildings that do not have a building permit is still quite high about 75% of the number of buildings (67,562 units), as well as trade license (SIUP) there are still about 35% get a trading license. Source: results of secretarial interviews Office of Spatial and Housing Arrangements and Industry, Trade, Cooperatives and Small Medium-Sized Enterprises in Palu 2011.

Based on the reality, the researcher's observation shows that this happened because among others, that the community as the service user not yet know clearly about the service mechanism based on the standard procedure that has been set. This research aims at analyzing the transparency of the government bureaucracy on licensing services in Palu.

METHODS

The type of the research is descriptive qualitative by analyzing transparency of local government bureaucracy in serving Building Construction License (IMB) and Trade License (SIUP), seen from standard aspect of service procedure, communication, and bureaucratic behavior. Informants

in this research consisted of bureaucrats as service providers Building Construction License (IMB) and Trade License (SIUP) and the society as the recipient of the service. Data collection techniques are done through observation, interviews, and documentation.

RESULTS

Public Bureaucracy

The concept of bureaucracy is defined as a process and system of work that is regular, sure and easy to control. The term bureaucracy comes from the French, *bureau* which means office or writing desk, and greek word, *kratein* which means to organize. Bureaucracy is a type of organization intended to achieve administrative tasks by systematically coordinating the work of many members of the organization. Bureaucracy exists because of the need for an organization that manages the modern state [4]. Modern state management is a process that requires skill, experience and expertise. These needs, can only be implemented by modern bureaucracy. Further emphasized that bureaucracy is a government institution that performs state duties.

Hegelian analysis illustrates that state administration or bureaucracy as a bridge between the state and society (the civil society) [5]. Society in this case consists of professionals and entrepreneurs representing various special interests, while the state represents public interests. Between the two, the government bureaucracy is an intermediary (medium) that allows special interest messages channeled to the public interest. Marx argues that the state cannot represent the public interest but represents the special interests of the dominant class. Such perspective, bureaucracy is the embodiment of a very special social group. Or rather it is said that Marx's bureaucracy is an instrument in which the dominant class exercises its dominance over other social classes. The future and the interests of the bureaucracy according to Marx's conception of a certain degree undergo a very intimate relationship with the dominant class within a country [6].

The polemic between Hegel's and Marx's views can be concluded that Hegel basically wants the bureaucratic impartiality. While Marx, famous for his class theory, insisted that bureaucracy could not be neutral and should take side with a more dominant class.

Transparency of Government Bureaucracy

Transparency is a principle that ensures access or freedom for everyone to obtain information about the administration, ie information about the policies, processes of manufacture and implementation, and the results achieved. Transparency is the existence of an open policy on supervision whereas what is meant by information is every aspect of government policy that can be reached by the public [7]. This principle has two

aspects: (1) public communication by the government, (2) the right of the people to access information.

Public communications by an affirmative and government and disseminating key community decisions and explaining the reasons and considerations of any given policy. All information about the administration of government is public property; therefore, it must be open to the public. Stiglitz assumes that everything purchased with the public budget, such as buildings and government office equipment, is public property. Information relating to governmental activities funded by the public budget does not belong to public officials, but is public property so that citizens/society are entitled to know it.

Transparency is the opening process of public policy formulation for the community (open to society participation) [8]. All government affairs in the form of public policies both with regard to public service development capabilities in the region should be known by the public. Several indicators related to the application of transparency principles such as: (1) availability of adequate information on every process of formulation and implementation of public policy and (2) access to ready, accessible, free, and appropriate information. As for indicators related to transparency such as: (1) regulations that guarantee the right to obtain information, (2) availability of information centers, (3) websites (e-government and e-procurement), (4) public service advertisements, (5) printed and electronic media, (6) notice board, (7) regional development / local financial exhibition.

There are three indicators that can be used to measure the transparency of public services [9]: 1) Measuring the level of openness poses public service delivery. It can be assessed / measured about terms, costs, and time required and mechanism/service procedures that must be met. Terms of service should be published openly and easily recognized by the user. Service provider should try to explain to the user about requirements to be fulfilled by the participant. 2) Transparency show how easy service rules and procedures that can be understood by service user. Or in other words, not only can be understood in the context of literal, but also the meaning behind all the procedures. 3) Easy to get information on various related aspects with the provision of public services. The easier the service users get the information about the provision of public services, will be higher the value of a transparency. Otherwise, more difficult the service users to obtain information related to the provision of services, will be lower the value of transparency.

Public Service

Conception of service can basically be defined as a person's activity, groups and / or organizations either directly or indirectly in order to meet the needs. Service is process fulfilment needs through others

activity directly. Meanwhile, the Minister Utilization of State Apparatus argued that pelayanan is any form of service activity in the form of goods or services as a means to meet the needs of the society. Another perspective, service is a series of activities or proses meeting the needs of others in a more satisfactory form of service products with features such as intangibles, quickly lost, more can be felt than owned, and customers are more able to participate actively in the process of consuming such services.

Conceptually, public service a series of activities undertaken by the public bureaucracy to meet the needs of the users. The meaning of the user is a citizen who needs public services. Lenvine [10] suggests that public service within a democratic country at least must meet three indicators namely: (1) *responsiveness* is the responsiveness of service providers to the expectations, desires, aspirations, and demands of service users. (2) *responsibility* is a measure that indicates how far the process of public service delivery is carried out in accordance with principles or administrative provisions, the right organization and have been set. (3) *accountability* is a measure that indicates how big the process of service delivery with the interests of stakeholders and norms that develop in society [10].

Another perspective related to public services is that of Denhardt [11] offers a model of service called a new public service model. The model of new public service service is based on the theory of democracy which emphasizes the egalitarian aspect and equality of rights among citizens [11]. Furthermore, this model confirms that public interest is formulated as a result of dialogue of the various values that exist within the society. The view of new public service model of public bureaucracy is not just be accountable to the various rules of law, but also on the values that exist in society, prevailing political norms, professional standards, and the interests of the citizens.

Transparency of Standard Operational Procedure of Building Construction License (IMB) and Trade License (SIUP)

Transparency of SOP is a very important aspect in public service. Because, with the transparency will make it easier for the society as a service user to know what its right and obligation are in the service process and can minimize the occurrence of irregularities such as collusion, corruption and nepotism (KKN).

Constant procedure/ *Standard Operational Procedure* (SOP) is one of the written instructions to be a guide in the completion of routine tasks effectively and efficiently, to avoid variations or irregularities in the process of completion of the activity by any apparatus that will disrupt the overall performance. Some related explanations with transparency of

standard operating procedure to trade license (SIUP) and building construction license (IMB) both proposed by the government bureaucracy as a service provider, or from the community as a service user, then there is a tendency SOP in which the terms were included, mechanism of handling, cost and time/duration of the licensing process has been implemented in a transparent manner. In the other side, based on researcher's observation show that the percentage of building in Palu which do not have building construction license (IMB) is still high enough. It illustrates that the society lacks caring and motivation to take care of building construction license. Lack of public awareness to manage and earn building construction license is because they do not really understand about requirement and cost which must be removed to get building construction license (IMB). The society concern when handle building construction license will be charged a high enough cost. The other things, researcher found that in the service room of building construction license (IMB) in *front office* Department of Spatial Planning and Housing has no information board associated with the requirement and the amount of costs that must be charged to the society as a service user. Moreover, the place of payment of licensing fees has not used banking facilities. Under such condition, then it is very likely to occurred payment transaction outside the provision.

From various explanations submitted by informants both from government bureaucracy and from society, it can be concluded that transparency of SOP, licensing services of building construction license (IMB) both from the perspective of service mechanism and in the perspective of administrative requirement, has not been done transparently

Communication and Consultation in the Service of Building Construction License (IMB) and Trade License (SIUP)

Communication is one of the prerequisite in the development of democracy. At the implementation level, communication cannot be separated from the way the government conducting the activities, formulate policy; construct the relationship with the community, media and society groups. The main focus of communication is the availability of information about the availability and benefits of service, change, arrangement, and various rights and obligations. It means that, communication have a relationship with the public service.

Observe above the statement that communication in the perspective of public administration becomes an important factor in order to achieve the effectiveness of the overall function of the public administration system, especially in the implementation of public policy. Communication is one of the important variables that influence the implementation of public policy. Communication is

crucial to the success of goal achievement from the implementation of public policy. The effectiveness of public policy implementation is largely determined by the ability of policymakers to communicate well [12].

Based on research results show that the aspect of communication and consultation can affect on improvement of service quality of trade license (SIUP) and building construction license (IMB). It gives an indication that any improvements made on the dimension of communication will have a positive impact on improving service quality of trade license (SIUP) and building construction license (IMB) in Palu.

Research results were related to aspects of communication and consultation in service of trade license (SIUP) and building construction license (IMB) at Department of Spatial Planning and Housing and Integrated Licensing Services Agency Palu show that, there is a tendency of government bureaucracy in this case as a communicator was lack of communication / socialization about the importance of society having trade license (SIUP) and building construction license (IMB). Some parameters that can explain about the reality such as, still high percentage of buildings which exist in Palu who do not have building construction license yet. The results of researcher's interviews with a secretary of Department of Spatial Planning and Housing (RHMN) explained that; the percentage of buildings in Palu that do not have building construction license is still relatively high.

The researcher observed, related to the aspect of communication / socialization of building construction license can be explained that the aspect of the percentage of buildings in Palu does not have building construction license (IMB) in high category because the patterns and mechanisms of socialization undertaken by the government bureaucracy of Department of Spatial Planning and Housing Palu which tends to be ineffective. According to researcher observations, should the government bureaucracy and the staff direct socialization to the community in each village.

Direct socialization mechanism with the society there will be a more proportional dialogue process between the government bureaucracy as a service provider and the community as a service user. Another thing according to researcher, the cause of the effectiveness of communication / socialization process on building construction license (IMB) in Palu because of government bureaucracy at Department of Spatial Planning and Housing have not maximized the use of mass media and electronic media (radio and Local Television) as a vehicle for socialization.

Other things that have not been maximized by the government bureaucracy related to communication / socialization of building construction license (IMB) is

no regional information can explain about existence provided by each region. For example, whether the region is decided in residential areas, offices, green lines and etc? One of the related consequences, there is no regional information clearly, the society build the building carelessly because they have not received any information related to regional designation.

The researcher's results observation show that the Regional House of Representatives (DPRD) Palu do not have adequate consulting room. The society can conduct consultations related to problem faced of building construction license (IMB) services, carried out in the building construction license (IMB) registration room. The reality tends to be ineffective and less convenient, because interfere with other society that will take care of building construction license (IMB).

Based on interviews from informants, the researcher can explain that one of the factors causing some business owners not have a trading business license (SIUP) because the government of Palu in this case Industry Offices, Trade, Cooperatives and Small-Medium Enterprises (UKM) were not conducted intensive socialization to the society about the importance of the society of business owner to have trade license (SIUP). Related with the use of mass media and electronic in communicating service of building construction license (IMB) and trade license (SIUP) to the service users society in reality show the value of precision in media usage, only that the frequency of media usage needs to be improved. Moreover, development of Internet channels and Websites in service communication of building construction license (IMB) and trade license (SIUP) completely unused.

The above perspective, contrary with the opinion expressed by Smith (2004) that, in order to maximize the transparency of public service delivery, the principles of communication and consultation are things to note by the government bureaucracy as a service provider [13]. Because, by implementing the process of communication and consultation intensively, will be open a dialogue space between the government bureaucracy and the society. Observe above the statement, it can be concluded that the aspect of communication and consulting services of building construction license (IMB) and trade license (SIUP) in Palu have not done well.

CONCLUSION

Transparency of government bureaucracy in the licensing service of building construction license (IMB), especially on the transparency aspects of standard operational procedure (SOP) has not shown good results. The facts show that the government bureaucracy has not been able to inform all forms of requirements, cost and time of completion of

permissions on the information board. Furthermore, the place of payment of licensing cost should have banking facilities of transparency of standard operational procedure (SOP) in trade license (SIUP) service. The research results show that the transparency of standard operational procedure in trade license (SIUP) service on Agency for the Assessment and Application of Technology (BPPT) is passably. Some empirical which can be argued such as; standard operational procedure (SOP) related with the requirements, cost, and permissions on the information board at room service, it make easier for the community as a service user to understand. The reality show that the transparency of standard operational procedure of trade license (SIUP) service on Agency for the Assessment and Application of Technology (BPPT) is transparent compared to building construction license (IMB) service.

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