ARTICLE
Guidance and Supervision of Regional Innovation Post-Implementation of Pp 38 The Year 2017 Regarding Regional Innovation

Lily Latul
Inspector General, Ministry of Home Affairs Republic Indonesia | Medan Merdeka Timur Street No.8, Central Jakarta
✉ lily3latul@yahoo.com

Abstract: Rapid global developments make people demand real improvements from the government so that the impact can be felt directly, such as increasing competitiveness, improving public welfare, and empowering communities. The government responded to this push by issuing several regulations that are expected to accelerate service change in Indonesia. One of them is by issuing Government Regulation No. 38 of 2017 concerning Regional Innovation which is used as a solid foothold in guarding the transformation of governance at the local level. The purpose of this study is to provide an idea of guidance and supervision that the Ministry of Home Affairs must carry out, in this case, is APIP.

Keywords: Regional Innovation, Guidance and Supervision, Local Government

1. Preliminary
Global developments are currently experiencing very fast and sweet changes. This change is based on the increasingly advanced science and technology and the increasingly solid demands for improved governance. Now, the public voiced these demands to the government as a public service provider to transform and adapt itself to the latest developments. The community demands real improvements so that the impact can be felt directly, for example, to increase competitiveness, improve public welfare and community empowerment.

Based on the Global Competitiveness Index report, the leading countries are countries that have successfully implemented government, finance, and infrastructure reforms, such as Singapore, Switzerland, and Hong Kong (Klaus & Zahidi, 2020). In the global contest, countries that are not ready for change will be left behind and underdeveloped. Almost everything nowadays is a competition that is contested by all countries in the world, for example resources, investment, skilled labor and so on. Countries that are more efficient will actually win the battle due to the minimal costs incurred, the fast duration of service and legal certainty.

This point has prompted the need for significant changes in Indonesia. The government responded to this push by issuing a number of regulations that are expected to accelerate service change in Indonesia. One of them is by issuing Government Regulation No. 38 of 2017 concerning Regional Innovation which is used as a solid foothold in guarding the transformation of governance at the local level. Changes in the dimensions of local government are a key word to encourage the effectiveness of implementing decentralization and regional autonomy. Through innovation, local governments are encouraged to make various breakthroughs in the administration of government services and change themselves to become the most
"friendly" form of organization to the community and the market (Suwarno, 2008).

Of course, in order for this level of decentralization and regional autonomy to be more effective, it is necessary to develop and supervise both the top-down and bottom-up dimensions. In this top-down dimension, the implementation of regional autonomy is concerned with the issue of delegation of authority and needs to be designed to strengthen regulatory aspects that are then periodically supervised by the central government. This is done so that development targets and achievements in the regions can be synergistic and in line with national targets and achievements. In the bottom-up realm, there needs to be empowerment at the local level to be able to interpret national policies in the spectrum of diversity. The diversity of characteristics in Indonesia can be translated into the need for contextualization and modification of a policy with real and factual conditions on the ground.

2. Research Methods
This research used a qualitative research method with a descriptive approach. Qualitative research is a research method that collects and analyzes data in the form of words and human actions without any attempt to quantify the qualitative data obtained. The data used in this study are journals related to research to obtain concepts relevant to the study of innovation in basic service development and supervision. Data collection is also carried out by searching various sources, which are then processed and described in narratives according to data needs.

3. Results and Discussion
3.1. Legal basis
Regional innovation is one of the public policies that becomes one of the instruments to assess the performance of local governments in providing public services to the community. At least there are several regulations which are the legal basis regarding the implementation of regional innovations as well as implementation of Regional Innovation Guidance and Supervision, among others:

3.1.1. Law number 23 of 2014 concerning Regional Government
According to this law, improving the performance of regional government administration can be done through innovation. Innovation is carried out in the form of changes related to the administration of regional government. However, in carrying out innovations, there are things that need to be considered, namely paying attention to the principles of increasing efficiency, improving effectiveness, improving service quality, not having conflicts of interest, oriented to the public interest, being carried out openly, fulfilling compliance values and being accountable. The result is not for its own sake. Innovation initiatives can come from regional heads, DPRD members, state civil servants, regional officials and community members.

3.1.2. Government Regulation number 12 of 2017 concerning the Guidance and Supervision of Regional Government Administration
This government regulation emphasizes that in order for the guidance and supervision process to run effectively and efficiently, it is necessary to have clarity of duties and synergy of guidance and supervision through a coordination mechanism between the Central Government and governors as representatives of the Central Government and Regency/Municipal Governments. Likewise, the development and supervision of the village government as the organizer of government affairs and the interests of the village community in the government system of the Unitary State of the Republic of Indonesia which receives and manages state resources.

3.1.3. Government Regulation number 37 of 2018 concerning Regional Innovation
Regional innovation in the Regional Government Law is defined as all forms of reform in the administration of regional government. Regional innovation is essentially aimed at supporting the improvement of local government performance and optimally improving public services to realize the community's welfare. With regional innovation, it is hoped that it will accelerate the realization of community welfare through improving public services, empowerment and community participation, and increasing regional competitiveness.

3.1.4. Presidential Regulation number 95 of 2018 concerning Electronic-Based Government Systems
This Presidential Regulation illustrates that to realize clean, effective, transparent, and accountable governance as well as quality and reliable public services, an electronic-based government system is needed.
3.1.5. Minister of Home Affairs Regulation number 104 of 2018 concerning Assessment and Awarding of Regional Innovation Awards/Incentives

The context of this Government Regulation emphasizes that to conduct an assessment, it must be based on the indicators of the assessment of innovations carried out by the regional government. The assessment of these indicators will be a guarantee that the regional government that is considered successful in implementing regional innovations can be accounted for. In addition to the assessment indicators, it also clearly regulates the business process of regional innovation assessments to the provision of regional innovation incentives.

3.2. The Concept of Fostering and Supervising Regional Innovation

3.3.1. Theoretical Conception of Coaching and Supervision

In general, coaching is interpreted as an activity that is carried out consciously, planned, regularly and directed to increase the capacity, knowledge and attitude of a subject or individual in order to achieve a predetermined goal (Poerwadarminta, 2006). In the context of state institutions, development can be understood and correlated with strengthening the degree of professionalism of the state civil apparatus through the application of science and technology as well as strengthening joint commitments in the context of implementing New Public Management (Hjort, 2008).

Coaching generally has two main objectives: the alignment of programs oriented towards the goals of the national vision and a coherent understanding towards a global vision that focuses on creating a shared future. (Alder, 2016). Alignment of the outputs and outcomes of the national vision is reflected in the improvement of action plans in state organizations. This can be reflected by efforts to simplify business procedures and procedural governance (downsizing) as well as rearrange the form of state organization to achieve optimal results (rightsizing). Meanwhile, efforts to achieve a global vision can be achieved by strengthening state elements in order to achieve a shared global vision and accelerating interdependence between multinational actors towards these global goals. For example, each country needs to adapt and work together to achieve the targets set by international institutions such as eradicating absolute poverty, reducing the risk of global warming, post-pandemic recovery and other common goals.

Meanwhile, supervision is defined as certain actions and procedures that help the government and its apparatus to be able to use their rights and authorities without violating the rules of the law. (Kuiriene, 2015). For countries with a decentralized system, supervision plays a significant role, namely ensuring that the action plans and implementation run in a synergistic and precise manner so that the target achievement can be achieved properly and optimally. Basically, the state supervises three forms of local decisions, namely legal, financial and administrative. If supervision is carried out posteriorly, it indicates the state's concern for good local governance (World Bank, 2008).

3.3.2. Regional Innovation Concept

Regional innovation is understood as all forms of renewal in the context of improving the performance of local governments. This definition is a mutually agreed definition contained in PP 38 of 2017 concerning Regional Innovation. All changes and breakthroughs made by the local government embody a political will at the local level in the context of accelerating the improvement of community welfare based on local wisdom. These breakthroughs can be inspired and initiated by all elements in their respective regional governments, which can come from regional heads, DPRD members, regional apparatus, state civil apparatus and the community (Mariana, 2010).

In the context of implementing regional innovations that are in line with the spirit of regional autonomy, regional governments must adhere to the principles that form the basis for implementing innovations. There are eight main principles, namely (1) increasing efficiency, (2) improving effectiveness, (3) improving service quality, (4) not causing conflicts of interest, (5) being oriented to the public interest, (6) being carried out openly, (7) meet the value of propriety, and (8) can be accounted for the results are not for self-interest. These eight principles are a spirit of accruing the principles of good governance into a bureaucratic posture in order to become a bureaucracy that is responsive to public services and avoids the impression of a traditional, monotonous and procedural bureaucracy.

Regional innovation forms are divided into three. First, innovation in local governance is an innovation in the implementation of local government management, which includes internal management in the
implementation of management functions and management of management elements such as e-planning, e-budgeting, etc. Second, public service innovation which is understood as innovation in providing services to the community which includes the process of providing public goods/services and innovation in the types and forms of public goods/services, which provide direct services to the community such as innovation in licensing, health service innovation, innovation education and so on. and third,

Meanwhile, in determining whether a renewal action is an innovation or not, it must refer to the boundaries that serve as guidelines in regulations on regional innovation. There are 5 things that become the criteria for regional innovation. First, it contains the renewal of all or part of the elements of the innovation. This means that the design of the innovation is wholly or partly different from the existing design. Second, providing benefits to the region and the community, such as increasing local revenue, saving regional expenditures, increasing regional government performance achievements, improving the quality of public services that are not intended for personal or group interests.

Third, it does not result in burdens or restrictions on the community that are not in accordance with the provisions of the legislation. For example, it does not cause other levies/obligations for the community that is not in line with statutory regulations such as the determination of regional taxes/retributions and does not limit people’s access to services or exercise their rights as citizens such as adding certain requirements in accessing government services and so on. The fourth criterion, is a government affair which is the authority of the region. Namely being in the corridor of concurrent affairs where the authority has been clearly divided between the central, provincial and district/city areas. And fifth, it can be replicated.

3.3. The Existing Condition of Regional Innovation

3.4.1. Indonesia's Innovation Condition

The implementation of innovation in Indonesia has experienced significant dynamics of change. This change is based on the spirit of change in providing government services to the public more quickly and precisely, and with costs that can be reduced to a minimum. Regional autonomy offers an opportunity for all elements of the government to transform and rearrange action plans and service procedures to be able to keep pace with the wishes of the public and the market. Efficiency and effectiveness are the main keys in these changes.

Globally, Indonesia's innovation position, both in terms of the contribution of the public and private sectors, has undergone a fairly visible change. In the annual report issued through the global innovation index annual report, Indonesia’s position has developed with a stagnation trend in the period 2018 to 2020. In the report, Indonesia is in position 85 of the total 131 countries reported or ranked 9th out of 27 low-middle income countries. In the report, as quoted in the WIPO report (2020), Indonesia excels in providing a stable macroeconomic posture, but is weak in terms of providing regulations, knowledge of workers and financing research.

The above conditions when compared with the achievements of comparable countries in the region, Indonesia's position is quite lagging behind. In the GII report, Indonesia’s position is in position 14 of 17 Asia Pacific countries. Meanwhile, when compared to Southeast Asian countries, Indonesia ranks 7th out of 11 countries, lagging behind Singapore, Malaysia, Thailand, the Philippines and Vietnam. This lag is due to the weakness of national research, which is marked by the unbiased allocation of research funds of 2 percent of the budget and the lack of diversification of national production output (Games, 2019).

3.4.2. Regional Innovation Report

The issuance of Government Regulation number 38 of 2017 concerning Regional Innovation, as a follow-up to chapter XI of Law no. 23 of 2014 concerning Regional Government, is expected to be one of the instruments for improving the regulatory order in terms of implementing regional innovation. The PP is designed to be able to accommodate regional interests in terms of accelerating the improvement of local government performance in a more adaptive and solution way according to the context and characteristics of each region. The breadth of the dimensions of regional government, coupled with the diverse treasures and diversity, is certainly a challenge in terms of implementing regional innovation policies. Problems in each region certainly cannot be solved with uniform policies. So that the flexibility in terms of adoption,

In addition to the above Government Regulations, the Central Government also bridges and encourages the implementation of regional innovation by issuing Presidential Regulation No. 95 of 2018 concerning Electronic-Based Government Systems. The purpose of this regulation is to create continuity in the
implementation of public services. The government wants to encourage the acceleration of services to the community by changing the mindset of a monotonous and manual work culture to dynamic and electronic-based services. The government wants to cut the duration of long public services (red-tappe) to short, reduce face-to-face and procedural services into concise services in cyberspace, erode high costs into free services and so on.

The two regulations above become a catalyst in terms of implementing innovation in regional government administration. Local governments are competing to try to implement new things and adapt them to their respective regional contexts. According to a report compiled by the Research and Development Agency of the Ministry of Home Affairs, the number of innovations produced and reported has increased sharply from year to year. From 2017 to 2020, the number of innovations reported respectively were 576 innovations (2017), 3718 innovations (2018), 8016 innovations (2018) and 17779 innovations (2020). If we look at the number of local governments who reported an increase in participation, namely 188 regional governments (2018), 260 regional governments (2019) and 484 regional governments (2020) out of 542 regional governments (6 administrative regions in DKI Jakarta are not counted).

In addition, from the recapitulation of innovation data in 2020, the distribution of innovations was obtained, namely 3126 reported by the provincial government, 3481 innovations by the city government and 11169 by the district government. When viewed from the form of innovation, 13 percent are in the form of innovations in regional governance, 61 percent are in the form of public service innovations and 26 percent are in the form of innovations in other government affairs. When viewed from the type of innovation, 43 percent are in the form of digital innovations and 57 percent are in the form of non-digital innovations.

3.4. Regional Innovation Development and Supervision
3.4.1. Guidance and Supervision of the Ministry of Home Affairs

As the axis of domestic government, the Ministry of Home Affairs fosters regional innovation to improve the performance of regional government administration. The guidance and supervision of regional innovation is carried out in stages following the provisions in PP 12 of 2017 concerning the Guidance and Supervision of Regional Government Administration and PP 38 of 2017 concerning Regional Innovation. In PP 12 of 2017, the Ministry of Home Affairs provides general guidance on: Division of government affairs, regional institutions, staffing in regional apparatus, regional finance, regional development, regional public services, regional cooperation, regional policies, regional heads and DPRD. Other forms of coaching are in accordance with the provisions of the legislation. In chapter IX article 34 PP 38 of 2017,

a) Binwas is generally carried out by the Minister of Home Affairs;
b) Binwas is technically carried out by the relevant minister or the head of the LPNK and coordinated by the Minister of Home Affairs;
c) Binwas regional innovation by the provincial apparatus carried out by the governor;
d) Binwas regional innovation by districts and cities in general and technically implemented by the governor as a representative of the central government;
e) Binwas regional innovation by district/city regional apparatus is carried out by regents/mayors.

Regional innovation is attached to every slice in the general coaching section. Innovation is not a government affair, but the element of innovation is in all elements of local government administration. When synthesized, the aspects of fostering regional innovation can be seen in the image below:

In the realm of innovation policy, coaching can be specified in strengthening the regulatory dimension at the local level. The dimension of the regulation is attached to the stages of determining and implementing innovation, where regional innovation proposals are stipulated in a regional head decision while the implementation of innovation is implemented in the form of a regional regulation or local regulation. Strengthening the local policy base is necessary to convince the stakeholders involved to continue to be consistent in implementing innovation. The absence of regulations often causes the sustainability of a public policy to stagnate. In addition, regulations that are too rigid will also hinder innovation. For this reason, the regulations needed are regulations that are not too binding and are adaptive to regional needs.

The aspect of human resources is also a point of guidance to strengthen human resources' capacity as a supporting system for an innovation. Strengthening this capacity is necessary to encourage initiators to continuously improve the quality of innovation services. Strengthening this capacity can be done...
through technical guidance, ToT, seminars, comparative studies (benchmarking), replication, and so on.

In the institutional and management dimensions, coaching can be done by measuring the level of organizational strength in responding to an innovation. For example, it is measured at the echelonization level of institutions in charge of regional innovation, or an innovation's planning and budgeting posture. Whether or not there is a standard operating procedure is an innovation.

3.4.2. Forms of Fostering and Supervision of Regional Innovation

A. Regional Innovation Assessment

The Ministry of Home Affairs periodically conducts regional innovation assessments to measure how innovative local governments are in carrying out government affairs in their respective regions. This assessment aims to encourage positive competition between provincial governments and between district/city governments so that the realization of improved services to the community and the improvement of the quality of development and community welfare. In addition, this assessment aims to encourage the implementation of good governance and increase public participation in innovation processes carried out by local governments.

The basis for this assessment refers to Permendagri number 104 of 2018 concerning Assessment and Awarding and/or Regional Innovation Incentives, by following the assessment stages such as screening, index measurement, regional head presentations and field validation. Practically, the assessment of regional innovation is carried out using an electronic-based index measurement method by filling in aspects, variables and measurement indicators with supporting evidence. Thus, the classification and categorization of local government predicates will be obtained based on the results of filling in the regional innovation index data, namely Very Innovative (score>1000), Innovative (score 501-1000), Less Innovative (1-500) and Cannot be assessed (0/none). The results of the 2020 Regional Innovation Index assessment,

a) Province category: 21 provinces are very innovative, 3 regions are Innovative, 10 regions are less innovative

b) District category: 131 districts are highly innovative, 30 districts are innovative, 199 districts are less innovative and 55 districts cannot be assessed

c) City categories: 43 highly innovative cities, 11 innovative cities, 36 less innovative cities and 3 cities cannot be rated.

The function of this regional innovation index assessment supports the process of reforming the regional government bureaucracy. The first reason is to report regional innovations (registration) equipped with a registration code (bar code). Second, as a regional innovation data set (data bank). Third, as an instrument for developing regional innovation development maps. The results of the categorization of local governments can be a tool for sorting out what forms of development are appropriate and appropriate between local governments that are successful in implementing innovations and those that are less successful. Fourth, as a basis for calculating local government performance. The results of the measurement of the regional innovation index can be used as the basis for calculating the additional income of regional employees by 3 percent and can be used as part of the Regional Government Implementation Report (LPPD).

B. Regional Innovation Award Pemberian

The Regional Innovation Award or known as the Innovative Government Award (IGA) is a form of award given by the Minister of Home Affairs to appreciate and support the efforts of the provincial, district/city governments in carrying out regional innovations. This award is a form of guidance carried out by the Ministry of Home Affairs to encourage the acceleration of local government governance reform by applying the stick and carrot method, namely providing awards as a stimulus for successful local governments to be consistent in implementing regional innovations.

Based on article 16 paragraph (2) of Permendagri 104 of 2018, the categorization of award recipients is divided into 6 segments, namely: (1) the most innovative provincial areas, (2) the most innovative districts, (3) the most innovative urban areas, (4) the district/city areas. The most innovative in the category of underdeveloped area, (5) the most innovative district/city in the border area category, and (6) the
most innovative district/city in the category of Papua Province and West Papua Province. The list of recipients of the 2020 Innovative Government Award based on the Decree of the Minister of Home Affairs Number 002.6-6871 of 2020 concerning the recipients of the 2020 Innovative Government Award, among others:

a) The most innovative provinces: Central Java, South Sumatra, Lampung, DKI Jakarta, and Banten.

b) The most innovative districts: Situbondo, Wonogiri, Bogor, Banyuwangi, Temanggung, West Lampung, Musi Rawas, Hulu Sungai Selatan, Malang and Sumenep.

c) Most Innovative Cities: Yogyakarta, Bontang, Tangerang, Palembang, Pekanbaru, Makassar, Bogor, Denpasar, Sukabumi, and Bekasi.

d) Innovative Frontier Areas: Bintan, Morotai Island and Natuna.

e) Innovative Disadvantaged Areas: Nabire, Rote Ndao and the West Coast.

f) Innovative Papua and West Papua regions: not available.

The form of the award given by the Ministry of Home Affairs is in the form of an award charter and an Innovative Government Award trophy. As a further appreciation for the application of innovation, recipients of the IGA award are also proposed to the Ministry of Finance to allocate Regional Incentive Funds.

2.3 Dissemination of Regional Innovation

Dissemination of regional innovations is an effort by the Ministry of Home Affairs to disseminate good practices of regional innovation to become a reference for other regional governments in the process of adopting, adapting, and replicating regional innovations. The Ministry of Home Affairs facilitates through the tuxedovation application, which is an application that contains a collection of videos of the implementation of regional innovations, as well as through the Regional Innovation Network Center, which is a shared application platform that contains the integration of government services.

C. Communication Forums Across Ministries/Agencies and Local Governments

As the main axis in central and regional relations, the Ministry of Home Affairs also synchronizes and synergizes well with agencies at the central and regional levels. At the central level, the Ministry of Home Affairs is embracing many technical ministries and agencies to build a grand design for the implementation of innovation jointly and to be involved in a series of cross-ministerial activities. For example, in the regional innovation assessment stage, the Ministry of Home Affairs involves several officials and experts from many central agencies to obtain various perspectives in measuring regional innovation. In formulating major policies, such as the preparation of government regulations and the minister of home affairs regulations, the same method is also carried out to add treasures and other perspectives based on their respective backgrounds.

At the regional level, many seminars, discussion forums and socialization activities were also carried out by involving the participation of local governments throughout Indonesia. This activity is carried out in the context of fostering innovation, namely to maintain the achievements of local governments that have succeeded in implementing innovations and encourage local governments that have not innovated to move to implement innovations in their respective regions quickly.

D. Technical Guidance

The Ministry of Home Affairs also facilitates local governments with several technical guidance and ToT activities involving innovation implementers in each local government.

4. Conclusion

Regional Innovation occupies a key position in local governance, where local governments are encouraged to improve and provide breakthroughs in public services. In achieving the achievement target, regional innovation needs to be directed through a framework of guidance and supervision to be aligned with the action plan at the national level. The implementation of regional innovation development has been quite good, marked by the increasing number of regional innovations reported to the Ministry of Home Affairs and the number of local governments committed to regional innovation.

However, it is also necessary to make some recommendations for improvement of coaching and supervision. First, the need to strengthen the role of the Governor as a representative of the Central Government, where the central role is in the
intermediary relationship between the Central Government and the Regional Government. Second, the need for coaching thematically targeting the existing conditions in the coaching area. And third, it is necessary to supervise the use of regional incentive funds to accelerate the implementation of regional innovations to be more extensive.

5. Acknowledgments
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6. References


Minister of Home Affairs Decree number 100-4672 of 2020 concerning the 2020 Provincial, Regency and City Regional Innovation Index

Decree of the Minister of Home Affairs Number 002.6-6871 of 2020 concerning recipients of the 2020 Innovative Government Award


Minister of Home Affairs Regulation number 104 of 2018 concerning Assessment and Awarding and/or Regional Innovation Incentives

Government Regulation Number 12 of 2017 concerning Guidance and Supervision of Regional Government Administration

Government Regulation Number 38 of 2017 concerning Regional Innovation

Presidential Regulation Number 95 of 2018 concerning Electronic-Based Government Systems


Law Number 23 of 2014 concerning Regional Government
