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Electronic Licensing as a Solution to Licensing Process Problems in Siak and Karo District

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Abstract: This study discusses public service innovations related to public or business licensing. Where, in this study, it will be discussed related to the problems or obstacles faced by the district in terms of licensing, as well as solutions that are carried out by creating innovations. This study discusses public service innovations related to public or business licensing. Where, in this study, it will be discussed related to the problems or obstacles faced by the district in terms of licensing, as well as solutions that are carried out by creating innovations. This study uses a qualitative method. The population in this study is the area that has made innovations in order to overcome the problems that hinder the licensing process in the district community. While the research subjects are Siak Regency with the innovation of Fast Licensing with SINSE (Notification Information System and Electronic Certificate), and Karo Regency with the name of Electronic Licensing Service innovation (E-Perizinan Si-Cantik). This research shows that the local government with the support of the community has succeeded in finding solutions related to the problems that hinder community licensing. With the innovation in the licensing sector, it can improve services to the community, facilitate the search for licensing information, shorten time, and create effective and efficient licensing procedures.

Keywords: Innovation, Public Service, Licensing, Technology, Local Government

1. Preliminary

Public services have become a central issue where the condition of the community is getting smarter and the needs are increasing so that people often demand quality services. Quality service is one of the basic needs in order to improve the welfare of the community. The problems above show that the performance of the state civil apparatus has not been optimal in carrying out its duties and functions properly so that the conditions of public services provided are still less than optimal. This resulted in complaints and complaints from the public which indicated that there was a need for reform in the bureaucracy, especially to improve the quality of public services to be even better. Ease of providing services can be done with innovation. The importance of innovation in the public sector is an interesting study to study, given that competition and the development of social change lead to bureaucratic reform. Competition between service provider institutions is increasing and influencing one another. It can be proven by the existence of public service innovation competition (Rahayu, 2018). Yayat Rukayat (2017) explained that the Government as a provider of public services needed by the community must be responsible and continue to strive to provide the best service for the sake of improving public services. On the other hand, community satisfaction is a measure of the success of public services provided by public service providers. according to Sinambela et al., (2006) Services that should be shown to the

general public are sometimes turned into public services to the state, even though the state actually exists is for the benefit of the people who founded it, bureaucrats must actually provide the best service to the community.

This study discusses public service innovations related to public or business licensing. Where, in this study, it will be discussed related to the problems or obstacles faced by the district in terms of licensing, as well as solutions that are carried out by creating innovations.

In this study, the author tries to describe the right innovation steps in order to facilitate public services in terms of licensing. Of course, the innovations that will be discussed in this research are technological innovations created by the government and supported by the community with the aim that these applications can be useful for the government and society, as well as being a solution to licensing problems that occurred previously.

In the dictionary of legal terms, permission (*vergunning*) is explained as a permit/permit from the government that is required for actions that generally require special supervision, but which are generally not considered as things that are not at all desirable. (HR, 2006). according to Rianti (2017) Licensing is one form of implementing the regulatory and controlling functions that are owned by the government on activities carried out by the community. Licensing can be in the form of registration, recommendation, certification, determination of quotas and permits to carry out a business that usually must be owned by a person before the person concerned can carry out an activity or action. In addition, Government administration services or licensing services can be defined as all forms of services which in principle are the responsibility and are carried out by Government Agencies at the Center, in the Regions, and within BUMN or BUMD, both in the context of efforts to meet the needs of the community and in the context of implementation of the provisions of laws and regulations. (Ratminto & Winarsih, 2006; Waspodo et al., 2015)

The focus of this research is to focus on the innovations carried out by Siak Regency which has an innovation called Fast Licensing with SINSE (Notification Information System and Electronic Certificate) which one of the goals is to provide licensing services that can be accessed online via a computer or Smartphone anytime and anywhere, so that the community and business actors do not need to

spend time and money to come directly to the Siak Regency DPMPSTP Office. In addition, this research will also focus on innovations made by Karo Regency which has an Electronic Licensing Service (E-Perizinan Si-Cantik) innovation with the aim of providing excellent service to the community in the licensing sector, making it easier for the public to find information about obtaining permits. ,

The interesting thing about these two innovations is that they use technology to create their innovations. Every field has started to use technology to

facilitate work, including in the field of government administration. Where, with the use of technology, of course, it will have a lot of positive impacts on the community because it is considered more efficient. Of course, the effects of these technological advances are utilized by the Government and the people of Siak Regency and Karo Regency in order to facilitate public services, especially related to licensing.

Research related to licensing has been done by many previous researchers. As is the case with research conducted by (Disemadi & Kang, 2021) which aims to find out the development of the formation of the OSS and also the problems that arise from the implementation of the OSS regulated in PP No. 24 of 2018. The results of the analysis show that there are various problems from the unpreparedness of the creation of this OSS system, giving rise to various kinds of speculation and also the pros and cons of the government, where in the aim of accelerating and also increasing investment and business which is packaged in the form of electronic business licensing issued by the Ministry or Institution as well as local governments must be further developed, due to various revisions that are deemed necessary to improve the quality of this OSS system so that it can support the main purpose of the publication of this OSS system.

Public services by the State Administration Agency are defined as all forms of public service activities carried out by Government Agencies at the Center, in the Regions and within the State/Regional Owned Enterprises in the form of goods and or services both in the context of efforts to meet the needs of the community and in the context of implementing the provisions of regulations. legislation. Public services can thus be interpreted as providing services (serving) the needs of people or communities who have an interest in the organization in accordance with the basic rules and procedures that have been set. (Shafrudin, 2014; Kurniawan, 2017).

Kahar & Guntur (2021) conducted a study that aims to see how the quality of Licensing Services Based on E-lebbami Applications at the Makassar City Administrative Licensing Service Office and what factors are supporting the implementation of e-lebbami application-based licensing services in Makassar City. Based on the results of this study, it can be seen that the licensing service based on the e-lebbami application can be seen from the six indicators of public service quality standards, namely service procedures, completion time, service costs, and the competence of service providers that have been running effectively. However, when viewed from the aspect of service products and facilities and infrastructure, it is still less effective.

In addition, research on electronic licensing was also carried out by (Sudrajat et al., 2003) which shows the results of research on the implementation of e-Government at the Integrated Licensing Service Agency of Malang City is quite effective if the purpose of holding e-Government is adjusted to the objectives of the national e-Government Presidential Instruction No. 3 of 2003 concerning the National Policy and Strategy for the Development of e-Government. The inhibiting factor is that the implementation of licensing at the Malang City Integrated Licensing Service Agency is still semi-conventional, there are no legal provisions relating to e-Government in Malang City and the incomplete infrastructure that supports and is free for the community in implementing e-Government at the City Integrated Licensing Service Agency Poor.

Then, there is a research on the Quality of E-Kiosk Services in the Wonocolo District Integrated Licensing Program conducted by (Ramadan, 2012). The existence of E-Kiosk has succeeded in bringing access to public services closer to the community to the lowest level. The volume of queues at health service centers can also be reduced. Because, residents can register without having to come. They were then given information on the exact time to check themselves. In addition, the processing of Birth/Death Certificates can also be carried out immediately. Based on the results of research and discussions that have been carried out regarding the quality of public services, especially E-Kiosk, it can be concluded that the quality of E-Kiosk services in Wonocolo sub-district is good and in accordance with community expectations, although there are a few obstacles regarding the internet connection which is less stable for the public to access E-Kiosk in the District. Wonocolo, so that the

achievement of excellent quality has not yet reached the limit.

In line with previous research, research conducted by (Enggarai, 2016) This research aims to describe the concept of licensing at the One Stop Integrated Service (PTSP) at the Boyolali Regency BPMP2T office, explain the information and service standards at the BPMP2T office and the comparison according to Law no. 25 of 2009 concerning public services and also explains the mechanism / flow of services and public complaints as a benchmark for the quality of public services at the Boyolali BPMP2T office. BPMP2T is a licensing agency that is structured, dynamic and proven to provide satisfaction to the community as evidenced by the existence of a clear complaint mechanism for service improvement and improvement as well as systematics and licensing procedures with more than 40 types and forms of clear permits and can be read at the BPMP2T office. In terms of service itself, from the survey results, BPMP2T is ranked 4th in Indonesia. Even in terms of discipline, the service is appropriate and on time from a predetermined schedule. In addition, in terms of service delivery capacity, it is supported by most of them coming from S1 graduates. This is sufficient to support the performance of the BPMP2T licensing agency to prioritize quality and quantity in licensing services in order to realize *bestuur zorg* for the community.

Then, not only related to business licensing, research conducted by (Susanto & Ramadhan, 2017) which is oriented towards licensing of Health practices by using electronic media. The application design is based on Use Case Diagrams, Activity Diagrams, and Class Diagrams. While the framework used in making this web application is Codeigniter. The testing method used is Blackbox Testing. The results of admin testing by 4 (four) licensing staff show that the application can perform all its functions correctly so that the quality of the software is 100% valid. The secretariat test results by 2 (two) secretariats show that the application can perform all its functions correctly so that the quality of the software is 100% valid. The test results of the applicant or health worker represented by 4 (four) licensing staff show that the application can perform all its functions correctly so that the quality of the software is 100% valid. Based on the results of several tests that have been carried out, it shows that the application is suitable for use by the Metro City Health Office to improve performance in processing the licensing of health workers' practices.

In contrast to previous research, this research presents more specifically on two districts in Indonesia, namely Siak Regency and Karo Regency. Where, in this study, it focuses more on innovations by the local government and the support of the district community as a solution to licensing problems for the community and also business actors.

This research is considered important because licensing is a credential which is very important for the community and business actors. Without administrative and official permission, of course, the efforts carried out by the community cannot be carried out. However, the difficulty of the licensing process often makes it difficult for the community to obtain such permits. To simplify the licensing process, the government is always trying to improve the bureaucratic system in Indonesia, as is the case with local governments that come up with various innovations created to make it easier for the community, especially in terms of licensing. In addition, this permission has also been regulated in the Government Regulation of the Republic of Indonesia Number 6 of 2021 concerning the Implementation of Business Licensing in the Regions, where the Implementation of Business Licensing in the Regions is a business licensing activity whose management process is electronically starting from the application stage to the issuance of documents which are carried out in an integrated manner in one door. In addition, the law also explains that government affairs are governmental powers under the authority of the President whose implementation is carried out by state ministries and regional government administrators to protect, serve, empower, and prosper the community.

Therefore, this study aims to determine the extent to which the implementation of licensing innovation is realized as a result of programs implemented by the government supported by community cooperation, especially Siak Regency and Karo Regency which carry out licensing innovations by using technology to overcome problems that hinder the licensing process in the community. Siak and Karo districts. With this research, it is hoped that it can become a learning medium for other regions in making innovations to facilitate the community in the licensing process, so that it can be a motivation and this innovation is not only beneficial for Siak Regency and Karo Regency, but also beneficial for other regions for a better society. prosperous.

2. Research Methods

This study uses a qualitative method. according to Sugiyono (2017), qualitative research is a process of exploring and understanding the meaning of behavior carried out by individuals and groups, as well as describing how problems occur in the social and humanitarian fields. The research process consists of research questions and temporary procedures, data collection, data analysis conducted inductively, constructing partial data into themes, then interpreting the meaning of the data, and the final activity is writing a report.

Prof. Dr. H. Mudjia Rahardjo (2017) explained that in essence data analysis is an activity to give meaning or interpret data by organizing, sorting, grouping, coding or marking, and categorizing it into parts based on certain groupings so that a finding is obtained on the formulation of the problem posed. Furthermore, the data can be grouped based on the sequence of events, categories, and typology.

In this study, data collection was also carried out through searching various sources which were then processed and described in narrative form according to data needs. The population in this study is the area that has made innovations in order to overcome the problems that hinder the licensing process in the district community. While the research subjects are Siak Regency with the innovation of Fast Licensing with SINSE (Notification Information System and Electronic Certificate), and Karo Regency with the name of Electronic Licensing Service innovation (E-Perizinan Si-Cantik).

3. Results and Discussion

3.1. Fast Licensing with SINSE (Notification Information System and Electronic Certificate) SIAK District

Quick Licensing with SINSE is a breakthrough of the Siak Regency Investment and One Stop Service (DPMPTSP) in overcoming licensing problems in Siak Regency. SINSE is an abbreviation of Notification Information System and Electronic Certificate, where applicants can register for licensing online through the website <http://dpmptsp.siakkab.go.id>, if the application is accepted, the applicant will receive an SMS notification to perform tracking (search for licensing positions). Each licensing process will receive SMS Notifications starting from the Applicant, Front Office, Back Office, Head of Licensing Section, Head of Licensing Division, Secretary, and Head of Siak Regency DPMPTSP.

Through SINSE, the Head of DPMPTSP Siak Regency can sign a licensing certificate electronically using a smartphone, the signed certificate will be sent directly to the applicant's email, then SINSE will send an SMS notification to the applicant that the permit has been completed and the electronic certificate can be downloaded via email, so that applicants can directly print an electronic certificate without having to come directly to the Siak Regency DPMPTSP office.

This innovation is motivated by the vast administrative area of Siak Regency, which is 8,556.09 Km² consisting of 14 sub-districts, 19 sub-districts, and 122 villages/villages, so the time required from several sub-districts to deal directly with the Siak Regency DPMPTSP office can reach 3-6 hours, especially for potential investors who are outside Siak Regency. In addition, Siak Regency is also in the "Hinterland Area" area, namely the regional economic cooperation area of Singapore, Johor and Riau "SIJORI". Siak Regency is also a major tourism destination in Riau Province, which has a lot of regional potential and investment opportunities and has an Industrial Estate which is a national strategic area based on Presidential Regulation Number 58 of 2017,

The objectives and benefits of developing this innovation are, first, the availability of licensing services that can be accessed online via a computer or smartphone anytime and anywhere, so that the public and business actors do not need to spend time and money to come directly to the Siak Regency DPMPTSP Office. Second, the availability of licensing position tracking services (Tracking) in real time. Third, the availability of information notification/notification directly via SMS if the permit is received/processed, the licensing certificate has been completed, and the license certificate will expire so that it can be immediately extended/re-registered, so that the business can run smoothly. Fourth, the availability of electronic signature services via smartphones on licensing certificates, so that the Head of DPMPTSP can sign permits anywhere and anytime without space and time restrictions. And fifth, the availability of a QRCode on the licensing certificate that can be scanned using a Smartphone, so that you can check the authenticity of the licensing certificate.

The results of the SINSE innovation are as follows, namely, firstly, the community and business actors can carry out licensing arrangements online so there is no need to spend time and money to come directly to the Siak Regency DPMPTSP Office. Second, the public and business actors can monitor the status of licensing in

real time, so that they can continue to follow the development of the licensing process applied for, whether they are still in the front office, back office, head of licensing section, head of licensing sector, secretary, head of service, or have been completed. Third, the public and business actors get information on the status of permits directly starting from the permit received/processed, the permit has been completed, until the permit expires. Fourth, the Head of DPMPTSP can sign the permit electronically, so that the permit completion time is faster than the time specified in the Standard Operating Procedure. And fifth, related parties can check the truth or authenticity of the licensing certificate via a smartphone by scanning the QRCode code attached to the licensing certificate.

3.2. Electronic Licensing Services (E-Licensing Si-Cantik) Karo Regency

With the issuance of Karo Regent Regulation No. 01 of 2017 concerning Delegation of Authority of the Karo Regent for Licensing and/or Licensing services to the Karo Regency Investment and One Stop Integrated Licensing Service, all permits that have so far been issued by Technical Regional Apparatus Organizations (OPD) concerned, has become a matter for the DPM-PPTSP Kab. Karo as many as 147 permits. The impression that exists in the community so far is that when applying for a permit, it will be a complicated process, which takes a long time and requires a large amount of money. Delegation of authority to DPM-PPTSP Kab. Because of that, the 147 Permits that must be issued by DPM-PPTSP manually will take a long time to process.

Based on experience in manual processing of permits and making it easier for the public in obtaining permits, DPM-PPTSP based on the direction of the KPK RI Kopsurgah Team carries out Licensing Services electronically by adopting and developing Si-Beautiful E-Licensing which has been used by DPM-PPTSP Kab. Deli Serdang with a letter of mutual agreement No. 503-570/DPM-PPTSP-DS/V/2017 and Number: 1423/DPM-PPTSP/2017 dated May 16, 2017 where the Service is in the form of a Website with the Si-Beautiful Application in which there is some Content which is very helpful for applicants in obtaining permits. These services include registration through the DPM-PPTSP website Karo Regency at <http://perzinan.karokab.go.id>, so that the applicant does not need to take the permit application form because on the website there are forms and conditions

so that the applicant can prepare everything before coming to DPM-PPTSP for permit processing. In addition, online complaints on the Licensing website are also equipped with complaint content to make it easier for the applicant if there is a complaint regarding the permit that he will take care of. Then, the tracking system makes it easier for the applicant in managing his permit, the applicant can find out where the processing of the permit has reached. Permits Issued DPM-PPTSP Kab. Because all permits issued have a QR-CODE that can be traced to the authenticity of the Permit using a Smart Phone. Not only that, the applicant can also learn the legal basis in managing his permit. Sophisticated, The Website also displays permits that have been completed and those that are still in process. News about the activities of the DPM-PPTSP Office is also made on the Licensing Website. And no less important, information on costs in Permit Management is also on the Licensing website so that the public can find out how much it will cost to administer permits that require levies and taxes.

The goal is to provide excellent service to the community in the field of licensing, make it easier for the public to find information regarding the management of permits, shorten the processing time for permits, and create transparency to the public in issuing permits. Meanwhile, the benefits that will be obtained are that it is easier for the community to obtain permits, the public can easily access information on permit management, and the public knows the costs and flow of the process in obtaining permits.

With the Si-Cantik E-Licensing innovation in Karo Regency, more and more people are taking care of permits, increasing Karo Regency PAD, shortening the time and distance process and costs in obtaining permits, and the realization of a digital licensing process.

4. Conclusion

This research shows that the local government with the support of the community has succeeded in finding solutions related to the problems that hinder community licensing. With the innovation in the licensing sector, it can improve services to the community, facilitate the search for licensing information, shorten time, and create effective and efficient licensing procedures.

The results of the SINSE innovation carried out by the Siak Regency make the community and business actors able to do licensing arrangements online so

there is no need to spend time and money to come directly to the Siak Regency DPMPTSP Office. In addition, the public and business actors can monitor the status of licensing in real time, so that they can continue to follow the development of the licensing process being applied for, whether they are still in the front office, back office, head of licensing section, head of licensing, secretary, head of service, or have been completed. Not only that, in this application, you can get information on licensing status directly, the Head of DPMPTSP can sign permits electronically, and related parties can check the authenticity of licensing certificates via smartphones.

In addition, the innovations carried out by Karo Regency also yielded maximum results, where with the Si-Cantik E-Licensing innovation in Karo Regency, more and more people took care of permits, increased Karo Regency PAD, shortened the time and distance process and costs in processing permits, and the realization of a digital licensing process.

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