Challenges of Digital Transformation on Good Governance for Improving Public Services Quality

Nanda Wahyu Indah Kirana*, Nurkholish Majid

Universitas Pembangunan Nasional “Veteran” Jawa Timur, Surabaya, 60294, Indonesia

*Corresponding author:
E-mail: nanda.wahyu.ak@upnjatim.ac.id

ABSTRACT

Public institutions provide services continually to strive for quality improvement through good governance. Along with the transformation of the digital era, Good Governance is synchronized with digital-based services in terms of Digital Governance. This study’s purpose is to examine how digital transformation in public service can be improved the quality of Good Governance. The digital transformation successfully can be reached through the collaboration between user experiences and senior digital experts. However, Digital Governance encounter several challenges including a lack of relationship between institutional managers with stakeholders as users and the risk of protecting data sources that are prone to leakage. Therefore, good governance still needs to be improved continuously so that it can provide benefits to the wider community. One benefit of implementing good governance of government institutions is the formation of a smart city that results in the convenience and welfare of the community.

Keywords: Digital transformation, good governance, public services quality

Introduction

Public services continue to develop in line with the increasing needs of the community so that they require complete services. Plenary public services can be achieved with Good Governance which functions to improve services optimally to provide satisfaction to stakeholders. In some conditions, it is not easy to meet the needs of such a complete service so there is a need for efficiency in services through the ease of information flow within the institution's internal and external to the wider community. Therefore, there is a need for a transformation that facilitates good governance through digital transformation.

Good Governance is a concept of how a public service provider institution produces effective and efficient governance related to resources and brings together public interest (Dimeski & Tosheva, 2020). Good governance is generally manifested in the form of transparency, accountability, responsiveness, efficiency, equality, and mutual agreement (Negumbo, 2018). Good Governance can provide improved services that are manifested in stakeholder satisfaction and provide benefits to the community as a whole so that they can provide welfare. The realization of Good Governance itself will be able to be felt by all audiences if it can be transformed in the digital era with technological developments such as the internet of things and also artificial intelligence. Quoting Prime Minister Shinzo Abe’s statement at the 2019 World Economic Forum which stated that in the era of Society 5.0, a collaboration between technology and public services should be able to connect and move everything to fill the gap between rich and poor through the existence of AI, IoT and Robotics which presents a new reality, namely making a city becomes a livable place. The realization of Good Governance in the era of Society 5.0 is inseparable from the...
role of digitalization of technology in public services that is able to transform institutions into a database that is able to provide overall benefits to the community.

The role of Good Governance in public services is manifested in the convenience of the community which can produce openness and transparency in services following the objectives that can produce welfare for the community (Mohammed Bin Rashid School of Government, 2016). Good Governance which has been transformed in the digital era has turned into Digital Governance which means the use of digital tools in the interaction between the government as a public policy maker and the population which results in simplification and improvement in various aspects including business, democratic and ease of service aspects (Dimeski & Tosheva, 2020). Unlike conventional public services, the existence of digital governance emphasizes the ease of flow of information and communication to realize the relationship between policy makers who collaborate with all levels of society to be able to provide better public services (Mu & Wang, 2020). The public sector aims to provide improvements in business and institutional aspects to improve the welfare of the community at large.

However, there are several obstacles to implementing Digital Governance in improving the services and capabilities of public service providers. The challenges in implementing digital governance include the capacity and authority of institutions in implementing services, thus requiring some improvement in the quality of the resources needed to improve and innovate these services (Filgueiras et al., 2019). Mu and Wang (2020) explained that there are limitations related to conflicts of interest related to the implementation of digital governance which have an impact on technical disparities and policy conflicts that result in ambiguity in the application of standard operating procedures. In addition, the application of digital governance does not necessarily facilitate solutions and guarantees for improving the ease of information processing, but there are also challenges in data acquisition and transformation in aspects of digital technology implementation where the data plays an important role in improving these services. Therefore, it is necessary to study more in-depth related to the implementation of digital governance and the various limitations that become obstacles to its use so that it can produce an increase in institutional performance to be of higher quality.

This study aims to examine how digital transformation in public services can improve the quality of services embodied in Good Governance. Optimization of services that implement technology in the digital era is expected to be able to transform digital-based services. In addition, it is necessary to study in-depth how the challenges that must be faced when carrying out implementation and transformation are needed

**Material and Methods**

The research method uses a literature review to examine research related to Good Governance, Digital Governance, and some of its challenges to achieving quality public services. The study includes reviews of journals, articles, as well as annual reports, and the latest news published on the website. Secondary data collection methods are used to obtain references to develop conceptually related to the transformation in the digital era that is manifested in digital governance.

**Results and Discussion**

**Good governance of public services**

Good governance as a manifestation of optimal public service governance plays a role in the satisfaction of stakeholders and society at large. In ensuring good governance in public services, several rules must be met including 1) institutionally established coordination between service managers and the community so that good coordination and achievement of satisfaction is realized, 2) the important role of mass media in providing information to the public so that trust emerges, and transparency, 3) restructuring and reforming institutions to produce continuous service improvements, and 4) Ensuring the security and privacy of public data so that they are not
prone to be misused by parties who have no public interest (Taolin et al., 2019). Thus, good governance in public services can be created because of the collaboration between policy makers and the community as stakeholders (Salam, 2017).

The quality of public services is manifested in the form of indicators ranging from physical evidence to guarantees that can be improved by the existence of good governance as reflected in transparency, accountability, independence, and honesty to be able to build broad community empowerment through increased participation and government capacity (Nor et al., 2021). Setyaningrum et al. (2017) explained that high levels of good governance will have a significant impact on reducing abuse of power and tend to be able to generate increased public trust to be able to build maximum service quality. Good public services must prioritize community service based on applicable rules and laws to be a guide in dealing with the abuse of power that can be done by politicians and business people (Dimeski & Tosheva, 2020). Therefore, it is necessary to have a real form of good governance to build a complete quality of public services through accountability, transparency, and public trust in policy makers and service managers. Nor et al. (2021) formulated a model to generate satisfaction in public services through good governance, service quality, and community empowerment as in Figure 1.

![Public Satisfaction Model](image)

**Figure 1. Public satisfaction model**

Based on figure 1 can be explained that improving the quality of public services cannot be separated from the role of policy makers who implement good governance so that they can invite the community to collaborate in building good service governance through public empowerment so that collaboration between policy makers and stakeholders can generate broad public satisfaction (Nor et al., 2021). A positive relationship between good governance and the quality of public services can be achieved through accountability, transparency, participation, service effectiveness, and compliance with the rule of law (Salam, 2017).

**Digital governance for public services improvement**

The concept of good governance is universal so that it can be implemented in social life including from the aspects of the rule of law, responsibility, ethics, accountability, human rights to openness which is the concept of a democratic society (Dimeski & Tosheva, 2020). It will be better organized public service governance with the digitalization of the system which is manifested in two pillars, namely a system framework that provides administrative services to provide services independently (self-services) and also an orientation in upholding the value of equality in the service delivery process due to more efficient technology. Objective (Dimeski, 2019). Westerberg (2021) formulates a model that explains the process of Digital Transformation in public services which is manifested in Digital Governance as shown in Figure 2.

Based on Figure 1, it can be seen that there is an increase in services and various positive impacts on the quality of public services which are manifested by the digitization of good governance and also various innovations in social life (Westerberg, 2021). Digital transformation
in public services depends on processes related to the availability of technology, public policies, timeliness, budget availability and service users who are ready to use these digitalized services (Filgueiras et al., 2019).

The digital transformation of public services gave birth to a new concept that was originally called good governance, now it is digital governance that can provide convenience in the flow of information and communication between policy makers and stakeholders in building more democratic policies and service processes (Dimeski & Tosheva, 2020). The implementation of digital government information technology is important because it is related to the support of policy makers who focus on the needs of the community who want transparency and accountability (Sukmaningsih et al., 2019). Well-implemented digital governance can produce, among other things, 1) creativity and innovation in public services that are manifested in a new mindset of the community in solving problems of daily life; 2) Effectiveness and efficiency of the public which is manifested by the existence of effective service policies and appropriate suggestions and does not raise less production costs; 3) Equality, namely promoting equality of race, gender, income and age in the socio-demographic scope of a diverse society (Pereira et al., 2020). Thus, it can be concluded that Digital Governance in the form of service transformation that has implemented Good Governance can provide improvements in various aspects of life that result in the realization of service quality that can be felt by the wider community.

Challenges of digital transformation to public services

Digital Governance as a form of digital transformation of Good Governance has several challenges due to the complex and dynamic needs of society. Some of the challenges that will be faced with this transformation include (Mu & Wang, 2020):

1. Conflicts between policies, power imbalances between policy makers and the public, resulting in technical disparities between policy makers and stakeholders as service recipients.
2. The existence of rejection in the administrative culture with the status quo or comfort with the existing system due to digital transformation leads to the development of new competencies that must be re-studied by these organizations and institutions.
3. Weak quality of data security, starting from the risks when transferring data and also the public’s suspicion of digital policies that collect public data on one server.

Another challenge faced by institutions or organizations when implementing a digitization system is the lack of competence of human resources that support the system so it requires training to transfer expertise which has an impact on success in implementing the technology (Negumbo, 2018). Digitization in public services often results in slow interaction between users, lack of infrastructure that supports the use of technology, and miscommunication between stakeholders and policy makers which creates conflicts of interest with these technological changes (Westerberg, 2021).

Conclusion

The times that are always followed by transparency in all sectors cannot be separated from the government sector in facing this digital era which is expected to be able to make new transformations in order to get the best results in leadership decisions. Policies in the digital era that can be seen from transparency in management so as to realize digital and effective service policies for the community. Challenges in the digital era that are connected with governance, there are still shortcomings so that these shortcomings can be addressed in accordance with technological developments that are always developing rapidly and can also adapt quickly to generate considerations in policy making in this digital era. The policies that will be made by the leadership will later produce policies that are in accordance with the digital era and in accordance with governance in digitalization.
Acknowledgment

Good governance can transform into the form of digital governance which makes it easier to improve public services provided to the community. However, several challenges must be faced, including the lack of support from policy makers who each have interests and limitations in the transfer of new technology implemented in these public institutions. Therefore, the digitalization policy which is still prone to shortages and creates public distrust related to the misuse of data needs to be reconsidered so that it can be accepted by the wider community.

References