

CHAPTER

2

CHALLENGES IN PUBLIC SERVICE MANAGEMENT FOR GOOD GOVERNANCE

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2.1 INTRODUCTION

In today's digital era, technology is a widely discussed topic due to its significant impact on human life. The internet, for example, has transformed the way people work across various fields. In the past, tasks were performed manually—such as ploughing rice fields with human effort or parking attendants manually checking tickets at malls. Many activities relied solely on human labour. However, with the advancement of digital technology, many of these manual processes have been replaced by automation (Hening & Kumara, 2019). The world is currently in the fourth industrial era, where information technology plays a crucial role in various aspects of society. The internet has become a key tool for managing activities and providing services to the public, making processes more efficient and effective (Firdaus et al., 2021).

Digitalisation has transformed management processes from manual systems to electronic-based systems, improving both efficiency and effectiveness (Katharina, 2020). Beyond enhancing efficiency, digitalisation also promotes transparency and accountability. With digital-based public

services, all transactions and processes can be recorded accurately in real time, allowing the public to monitor government services transparently (Yulanda & Fachri Adnan, 2023). For example, public services in Indonesia have evolved significantly in the digital era. The country has introduced third-generation integrated services through *Mal Pelayanan Publik* (MPP) a more advanced system that integrates central, regional, and private sector services under one roof. In the digital era, the country strives to improve the quality of public services, leading to competition in developing innovative solutions. Public services that incorporate digital technology are commonly referred to as e-government. In Indonesia, e-government has been legally implemented under Presidential Instruction (*Inpres*) Number 3 of 2003, which regulates the National Policy and Strategy for E-Government Development. This regulation aims to create effective, efficient, transparent, and accountable government services by leveraging technology. Additionally, innovations in public services seek to enhance public satisfaction, ensuring that citizens benefit from a more seamless and accessible government service experience (Uloli & Lahusin, 2023).

The term ‘era’ refers to a specific period of time, each characterised by distinct features. Meanwhile, the word ‘digital’ originates from the Greek word ‘digitus,’ meaning fingers. In a technological context, ‘digital’ refers to the use of binary numbers ‘0’ and ‘1’ as the foundation of digital communication. These binary numbers are arranged in unique sequences to enable the exchange of information (Ngongo & Wijayanto, 2019). The digital era began in the 1980s with the emergence of the internet, which significantly accelerated technological advancements. This era is defined by the rapid dissemination of information, making it easier to access and share freely. In the digital era, people rely heavily on digital media for communication and information rather than traditional forms of media. As a result, distances feel redefined—what was once near can seem far, while what was far can feel closer (Andriani, 2019).

The digital era has various characteristics (Elfianis, 2024). One of the key characteristics of the digital era is unlimited, fast, and widespread connectivity. This has been made possible by the internet, which serves as the backbone of rapid technological advancements. As a result, people can

connect and communicate with others seamlessly, regardless of location. Another defining feature is the explosion of data generated through activities such as web browsing, social media interactions, and online shopping. These activities create an ever-growing digital footprint, which can be analysed to understand consumer behaviour, market trends, and underlying patterns in human activity. The digital era is marked by rapid advancements in technologies. These innovations are transforming the way we work, communicate, and live, shaping a more interconnected and automated world.

2.2 THE IMPACT OF TECHNOLOGY ON PUBLIC SERVICES

The government is responsible for creating public trust in delivering public services. Therefore, forming legal products as a legal umbrella for providing public services is one way to provide good public services (Herawati, 2022). In essence, public service is the main task of a government, and historically, public service has been the reason a government has been formed. Therefore, the government is the leading actor capable of providing public services and improving the quality of public services (Marwiyah, 2023).

Public service is a process of assistance provided to individuals through various efforts and specific methods involving interpersonal relationships, ultimately aiming to create satisfaction (Hubaib et al., 2021). Public services are closely linked to many aspects of human life and serve as a means for the state to fulfil its citizens' fundamental rights to goods, services, and administrative support. This aligns with the mandate of the 1945 Constitution, which obliges the government to meet the basic needs of every citizen. Consequently, the quality of governance in a country is often assessed by the effectiveness and efficiency of its public service administration (Tan, 2022).

The concept of e-government refers to government administration conducted through digital processes, thereby enhancing the effectiveness and efficiency of governance (Rozhkova et al., 2021). A transparent government is highly desired by society, as transparency allows the public and other stakeholders to access government information easily, quickly, and