PUBLIC POLICY INNOVATION STATE-OWNED BUSINESS AGENCIES

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ABSTRACT

State-owned Enterprise (BUMN), as one of the pillars of the Indonesian economy, is guided by the outline of the 1945 contusion and the existence of private entities and cooperatives. In principle, the state's involvement in these activities reflects the substance of article 33 of the amendment of the 1945 constitution. One of the missions of BUMN is to serve by innovating. Public policy innovating is a necessity that must be done to overcome problems that exist in society. From the point of view of public policy studies and public services, it can be seen that the government has developed several SOE development strategies that lead the country to face charges in the organizational environment and also to reduce the negative label attached to the bureaucracy. One of the goals of public policy innovation is to improve the quality of public services. The obstacle faced in public policy innovation is that there is no comprehensive study on the development and sustainability of policy innovation in public services in Indonesia.

1. INTRODUCTION

A State Company or State-Owned Enterprise (BUMN) is one of the pillars of the Indonesian economy, based on the outline of the 1945 Constitution and the existing private enterprises and cooperatives. The state's involvement in these activities reflects the substance of Article 33 of the 1945 Constitution, which states that "Branches production which is essential to the state and which affects the livelihoods of the people at large was controlled by the state (paragraph 2). "The Earth's water and the natural resources contained therein are controlled by the state and used as much as possible for the prosperity of the people "(paragraph 3). Keeping in mind that the role of SOEs is to support the implementation of national development, especially in the economic sector, government policies in fostering SOEs are also adjusted to national policies. The national economy cannot be separated from the influence of the world economy, which is developing very rapidly international. The mission of BUMN is to fulfill the needs of many people (public service). *Service is* a series of sequential activities or activities carried out by a person, group *of people*, or an organization to help prepare or fulfill the interests of *other people* or the wider community.

In KEPMENPAN Number 81 of 93, service is a form of service activity carried out by government agencies both at the central level in the regions, BUMN, and BUMD in the form of goods and services in order to meet the needs of the community according to regulations (2010).

Current regulation. So BUMN is one of the government policies to serve the community in order to fulfill needs. In addition to carrying out the mission of fulfilling the needs of the public at large (public service), the law also states that BUMN is one of the economic actors. Apart from the private sector and cooperatives that are required to generate profits (profit-oriented). Srimulyo (2001) says that BUMN is still an ordinary commercial unit that must operate commercially based on sound business principles to achieve profits.

With these two objectives, it is hoped that BUMNs will improve the national economy by providing quality services. Ironically, until 2019 there are still many BUMNs that harm the state. The following is the case data of BUMN against state finances in several BUMN for the 2020 fiscal year. The government is taking steps to restructure the organization that provides public services through bureaucratic reform.

Following the grand design that has been compiled, there are eight areas of change to be achieved, namely: Organization, Management, Laws, and Regulations on Human Resources Apparatus, Supervision, Accountability, Public Service, and Mindset and The Work Culture (culture set) of the Bureaucratic Reform Apparatus in Indonesia has the spirit of improving the quality of services for the community, as stated in one of the areas of change in Bureaucratic Reform, namely public services. The objectives of bureaucratic reform include improving the quality of public services, improving the quality of making and implementing public policies, increasing efficiency (both in terms of cost and time) in each implementation of organizational tasks, making the bureaucracy in Indonesia more anticipatory, proactive, and effective in facing the demands of change in society and establishing the most improved bureaucracy (Presidential Regulation, 2010).

Public service innovation within government agencies is one of the bureau critical form policies that want world-class public services in Indonesia in 2025. Public service innovation in BUMN is very potential because one of the performances of BUMN is in developing small

and medium enterprises (MSMEs) and managing Corporate Social Responsibility (CSR). Therefore the innovation of public service policy polder system is a solution to the problem of tidal flooding. (an overflow of high tide) at the port, which is the gateway to the province of Central Java. With the innovation of these SOEs, SOEs can become trendsetters of innovation in public services. It is not uncommon for BUMN to act as business actors and regulators. BUMN often becomes a source of corruption, commonly known as a cash cow for officials or parties. After the 1998monetary crisis, the government was active in privatizing and ending various unfair competition practices. The function of business regulation is separated from BUMN. As a result, many BUMN is threatened with bankruptcy, but several other BUMN managed to strengthen their business position. By managing various BUMN productions, the government aims to prevent market monopolies on public goods and services by powerful private companies.

Because if there is a market monopoly on goods and services that fulfill many people's lives, it can be ascertained that the poor will become victims as a result of the price level, which tends to increase. The administration of government in Indonesia is entering a new post-reform period. Reform brought various changes, especially in governance. After the Reformation, the concept of decentralization in governance began to be applied. This encourages democracy in all areas of life, including the management of regional governments throughout Indonesia Democracy is one factor triggering a change in people's perspective on governance. Governance, previously government needs to be centered (centered on the needs of the government) turned into people needs centered (centered on the community's needs). Among the causes of this change is the level of knowledge.

One Agency, One Innovation policies are contained in the Public Service Innovation System (Synovik). Synovik maintains a website-based information database and documentation regarding public service innovations. Synovik is used to document public innovations that central and local government agencies have made. So that it can be studied or applied by other institutions or regions in Indonesia. In addition, with the existence of types of public service innovations that are right for the community's needs, it is expected that the level of implementation of public services will experience an accelerated improvement in service quality and impact increasing public satisfaction users of public services. BUMN activities in implementing public service innovations, one of which is through clinical coaching, are considered very good and valuable because this activity can guide the development of public service innovations carried out at institutional ministries and local governments in a competitive, adaptive, and sustainable manner. As a form of motivation to implement this policy at the central and regional levels, the Ministry of Administrative Reform and Bureaucratic Reform initiated an innovation competition within the Ministry of Regional Government Agencies and State / Regional Owned Enterprises (Kementerian PAN-RB, 2019).

Opening opportunities for SOEs to participate in public service innovation competencies felt by public service innovation competencies can improve the quality of public services, both ministries of local government agencies and BUMN/BUMD. In Indonesia, the interest in participating in innovation competencies continues to increase from year to year. There are at least four categories contested in the competence of public service innovation, namely government governance, which includes elements of participation, accountability, transparency, effectiveness, and efficiency. The government hopes that with the competence of public service policy innovation, it is hoped that unwanted things will not

happen again, such as bad events that can harm the state such as PT Kereta Api Indonesia is still heard in various mass media, passenger complaints about Railway services such as the case of brokering train tickets, stowaway.

A quota tolerance that exceeds the seating capacity indicates the low quality of service provided by PT KAI. Considering that the role of BUMN is to support the implementation of national development, especially in the economic sector, the government policy in fostering BUMN is also adjusted to the national policy. As a country that adheres to an open economy understanding, the national economy cannot be separated from the influence of the world economy, which is developing very rapidly. The consequence is that the policies for fostering SOEs are constantly adjusted according to the conditions and developments of the national and international economy. State-owned enterprises (BUMN) are public companies that contribute to the economic development of state revenues, pioneer business activities, and support policies. Government in the fields of economy and development. In addition, SOEs are also innovators of public services from BUMN to create public service innovations beneficial to both agencies and society going forward. This hope cannot be denied that the success of BUMN management requires the active involvement of all parties, including the Government, BUMN management, BUMN employees, academics, parliament, and the wider community who are concerned about BUMN. Therefore, let us think and monitor together with the management of this BUMN in order to be able to provide optimal results for the people and this country.

1.1. Public Policy Innovations for State-Owned Enterprises (BUMN)

According to James E Anderson (Islamy, 2000), the policy defines policy as a series of actions with a specific goal followed and carried out by an actor, a group of actors, to solve a particular problem. According to (Islamy, 2000) to make the policy effective, it is necessary. The stages of policy implementation, namely there are two forms in the implementation stage namely: self-executing, namely that by formulating and enacting a policy, the policy will be implemented automatically, for example, the recognition of a country against the sovereignty of another country ; non-self-executing, namely, that a public policy needs to be realized and implemented by various parties to achieve the objectives of policymaking Events and activities that occur after the policy approval process, involving administrative and business efforts that have a particular impact society. This affects the behavior of the institutions responsible for the target and considers the various political, economic, and social forces that influence the implementation of state policies.

One that provides services to the public as a public facility is a State-Owned Enterprise (BUMN), a business entity whose capital is wholly or partly owned by the Government in Indonesia. State-Owned Enterprise is a business entity partly or wholly owned by the State of the Republic of Indonesia. BUMN can also be a non-profit company that aims to provide goods or services to the community. 45 of 2005, BUMN is a business entity that is wholly or most of its capital owned by the state through direct investment originating from separated State assets. Based on Law no. 19 of 2003, Article 1 explains that the definition of State-Owned Enterprises, after this referred to as BUMN, is the state owns a business entity whose capital is wholly or most of its capital through direct participation originating from separated state assets. Its main activity is to manage branches. a production branch that is important to the country and is fully utilized for the prosperity of the people

Article 33 paragraph 2 of the 1945 Constitution states that the state will of the people control the branches of production necessary to the state and control the living ". Article 33, paragraph 3 of the 1945 Constitution states," Earth, water, and natural resources contained therein are used as much as the amount for the prosperity of the people. These two articles are a guarantee for the government to participate in the country's economy. According to the Decree of the Minister of Finance of the Republic of Indonesia No. 1232 / kmk.013 / 1989, article 2 referred to state-owned enterprises are business entities and state-owned subsidiaries whose entire capital is owned by the state. Because the state owns all capital, it means that the government significantly influences the manager. According to presidential instruction no. 7 of 1967, the state company was changed into BUMN and simplified to become an official company (PERJAN). Public company (PERUM), and limited company (PERSERO).

1.2. Public Service Policy Innovations

Change is an absolute thing in life. The change is demanding adaptive action to deal with it. If no adjustment is made, then it can affect the quality of the survival of a society. This condition also applies to organizations, both public and private organizations. The organization must own the dynamic nature of dealing with change. Private organizations have provided many examples of forms of adaptation to market changes. The level of organizational flexibility becomes the capital to survive and even succeed in facing market demands. Innovation is a prime subject in our time. In business and government, it is held to be essential in the face of massive and complex problems and the rapid pace of change in contemporary society.

"Innovation is a prime subject in our time. In business and government, it is held to be essential in the face of massive and complex problems and the rapid pace of change in contemporary society. Innovation is thought to be the way to harness the creative potential of the human race in order to survive, to progress, and to prosper" (Gow, 2014).

Adaptations carried out in the face of change result in discoveries in products, ideas, and actions. Innovation is the introduction of new things, ideas, methods, and so on, etc. (Beal, 2008). This is the basis of the term innovation. Furthermore, "Innovation is understood as the process of creating new products (goods or services), introducing new methods or ideas or creating incremental changes or improvements" (Suwarno, 2008). The principle of novelty is inherent in the term innovation. However, that does not mean only innovation acknowledging something that has never existed, but updating an existing idea can also be categorized as innovation. Even so, novelty may apply in a specific geographic scope, in the sense that something new in one area is not necessarily new in another (Suwarno, 2008) -An innovation is an idea, practice, or object that is perceived as new by an individual or other unit of adoption " (Rogers, 1995).

Rogers explains that other adoption units can accept ideas, practices, and objects (in products or services) as something new is called innovation. Furthermore, Rogers explained that if an idea seems new to someone, it is called innovation. Then Rogers (2002)added that the novelty aspect of innovation could be expressed in persuasion knowledge and decisions that must be carried out. The meaning of innovation in Law No. 19 of 2020 is a research and development activity and/or engineering carried out intending to develop the practical application of new scientific values and contexts or new ways to apply existing science and technology into the product or production process. Moreover, according to (Mulgan & Albury, 2003), innovation is defined as "new ideas that work.

It is further explained that the success of innovation is the creation and implementation of new processes, products, services, and delivery methods that result in significant improvements in efficiency, effectiveness, and quality (Mulgan & Albury, 2003). Albury

classified the types of innovation into incremental, radical, and systemic innovations. The characteristics in innovation are described (Rogers, 2002) as: relative advantage, innovation must have relative advantages. Namely, the extent to which innovation presents a better idea than the idea it replaces. The level of profit can be measured in economic terms, but in other things such as social prestige, comfort and satisfaction is also an important component. In the end, innovation is seen in terms of objective profit and the perception of individuals who perceive innovation as a value of more profit. If the relative advantage of innovation is felt to be greater than adoption will be positively correlated with the speed of innovation adoption; compatibility, is when an innovation is consistent with values, experiences, past, and potential needs of innovation-adopting societies. Innovations that are incompatible with the values in society will be adopted slowly; complexity; the extent to which an innovation is felt to be difficult to understand and implement. Several innovations that most members of society easily understand will be easily adopted. Those that are more difficult to understand will be adopted slowly; trialability, the extent to which innovation must be tested and proven. Experiments can be carried out on a limited basis. New ideas must be tested first so that they can be compared with previous innovations. Therefore, every innovation product must go through a trial phase first to test the quality of innovation in Indonesia; observability, innovation demands an organization's ability to adapt and creatively solve a challenge or problem by finding new ways, ideas, and products (goods/services). This adaptive ability must be possessed by organizations that want to produce innovations. This matter means that status quo organizations will find it difficult to develop innovation (Suwarno, 2008).

Organizations that are rigid and tend to maintain the status quo will be slow to accept, produce, and adopt innovations. Government organizations own this rigid nature. Especially in the field of public services. Borins stated that there are at least three obstacles to innovation: First, obstacles arise from within the bureaucracy itself. These obstacles can be in the form of incompatibility between bureaucrats, skepticism, poor coordination, logistical problems, difficulties in applying new technology, etc. Second, obstacles that arise from the political environment affect the implementation of innovation because it is closely related to funding (funding) and other resources. Innovation resources come from the approval of the executive legislature. If political opposition conflicts, it will affect the sustainability of an innovation. Third, barriers can come from the external environment of public organizations. For example, public doubts about the program's effectiveness, difficulties in reaching the target groups, and resistance from the private sector will be influenced by innovation (Borins, 2001).

Several factors influence the effectiveness of innovation implementation in an organization (K. J. Klein & Knight, 2005). The first factor is policy and practice in implementing innovation. For example, the quantity and quality of training for employees, the reward system, the quality, and access to technology used. The second factor is how the climate of innovation in the organization is. The third is how the role of the leader in the process of implementing innovation. Fourth is the availability of financial resources. The fifth factor is a learning orientation that encourages employees to increase capability. Lastly is managerial patience, which is how innovation is organized in a long-term orientation. Long-term vision in implementing innovation certainly requires patience to create sustainability and prevent innovation implementation over time.

1.3. Quality of Public Service

According to the Winston Dictionary, quality is the perfection of the appearance of something observed (Suranto, 2014). Meanwhile, according to Tjiptono, quality is an automatic condition dynamic relating to products, human services, processes, and the environment that meet or exceed expectations (Suranto,2014),

Gasperz defines quality as everything free from deficiencies. Damage (Suranto, 2014). Tjiptono summarizes the definition of quality as: Conformity with the requirements of the demands; Suitability for use; Meeting customer needs from the start and every time; Continuous repair / improvement; Free from damage/defects; Doing everything right from the start; Something that can make customers happy (Suranto, 2014). And various definitions of quality, Suranto said that the most important aspect of service quality is the ability to satisfy people's needs through product waiters who are free from deficiencies and damage (Suranto, 2014). Furthermore, public service is the most important activity carried out by a government. According to Robert, public service is "All forms of public service activities carried out by central government agencies in the regions and state or regional state-owned enterprises in goods or services either in fulfilling community needs or in the context of order and order, Robert (1996).

Meanwhile, the Law of the Republic of Indonesia Number 25 of 2009 concerning Public Services states that "Public Service is an activity or series of activities in the framework of fulfilling service needs in accordance with statutory regulations for every citizen and resident for administrative goods, services, and/or services. Provided by public service providers "(Law Number 25 of 2009 Concerning Public Services, 2009). The law states that public service providers are every institution state administrator, corporations, independent institutions established by law for public service activities, and other legal entities formed solely for public service activities "(Law No. 25, 2009). Based on this definition, it can be explained that public services are activities or a series of activities carried out by the state, corporations, independent institutions, and legal entities to fulfill the needs of the public/citizens in the form of goods and services and/or administrative services. From the explanation of the quality and public services, it can be obtained an understanding that the quality of public services is the government's ability to meet the expectations and needs of the community in the form of goods or services that are free from deficiency and damage for the sake of achieving community satisfaction (Suranto, 2014).

1.4. Effectiveness of Public Service Innovation Implementation

To achieve an increase in the quality of public services, it is necessary to know how effective the implementation of public service innovation is. As stated in the following argument, "In the absence of effective implementation, the benefits of innovation adoption are likely to be nil" (K. J. Klein & Knight, 2005). If implementation effectiveness does not occur, then no benefit can be obtained from policy innovation. In ideal conditions, the benefits to be achieved are quality public services Innovation-values fit is the conformity of innovation values Innovation values that are following the environment will produce commitment (commitment) to implement innovation. These factors influence the effectiveness of implementation and lead to the effectiveness of innovation.

Implementation effectiveness refers to the consistency and quality received by users of innovation services (K. Klein & Sora, 1996). Then, the strategic appropriateness of innovation adoption also affects how effective the innovation is. In this case, K. Klein & Sora

(1996) defined the effectiveness of innovation as the benefits that organizations receive for their innovations, for example, increased profits (in private organizations, it is called profit, while in public organizations, the efficiency of the bureaucratic system). Productivity, employee morale, and public services.

2. METHODS

This study uses a qualitative research method. Data collection was carried out through a literary review technique. Various kinds of literature on innovation, public policy innovation, and public services are used in the writing process of this study using a descriptive-analytical approach by analyzing secondary data and information.

Various types of data and information reports were used in this study. Next, data Secondary is analyzed using data reduction techniques. This is done to provide a more in-depth explanation of the phenomenon under study. The use of literature, data, and secondary information is combined to examine and analyze phenomena on the object of research.

2.1.Research Stage

In research methods that adhere to the scientific method, research stages and procedures or are well planned. These stages are: Determination of the research location; Determination of research focus; Determination of research methods; Determination of sources of information; Determination of data collection techniques; Determination of data analysis methods.

In qualitative research, informants are chosen purposively, and the first informants are asked to follow other people who can differentiate information. Then, the informant was also asked to appoint another person, and so on. This method is known as the snowball technique until the required level of completeness is achieved. In this research, there are two stages of research, are:

First, Research Preparation is the first stage that researcher-made interview guidelines that were arranged based on the dimensions of the meaning of life following the problems faced by the subject. These interview guidelines contain basic questions that will later develop in the interview. Interview guidelines that have been prepared are shown to those who are more experts, in this case, is the research supervisor, to get input about the contents of the interview guide. After receiving input and corrections from the supervisor, the researcher makes improvements to the interview guidelines and prepares himself for the interview. The following preparatory stage is that the researcher makes observation guidelines that are compiled based on the results of observations on the subject's behavior during the interview and observations of the environment or the interview setting and their influence on behavior. Subject and direct notes were made when the researcher made observations. However, if this is not possible, the researcher will immediately dismiss after the interview.

The next researcher looks for a subject that is in accordance with the characteristics of the research subject. For this reason, before the interview was carried out, the researcher asked the subject about their readiness to be interviewed. After the subject is willing to be interviewed, the researcher agrees with the subject regarding the time and place to conduct the interview. *Second,* research implementation that researchers agree with the subject regarding time and terms to conduct interviews based on the guidelines made. After the interview was conducted, the researcher transferred the recording based on the written verbatim form. Furthermore, the researcher conducted data analysis and data interpretation in accordance with

the steps described in the data analysis methods section at the end of this chapter. After that, the researcher makes psychological dynamics, and the conclusions made by the researcher provide suggestions for further research.

2.2.Data Collection Techniques

In a study, it is necessary to have data as the final result of the research. For concrete data collection, the researcher carried out several data collection techniques as follows.

a. Observation

In using the observation method, the most effective way is to complete it with a format or blank observation as an instrument. The compiled format contains items about events or behaviors that describe the will happen. As a scientific method, observation is defined as observing a systematic recording of phenomena investigated. In this research, the observation method is used to collect data, among others- Observing the State of state-owned enterprises that carry out innovations. Observing the community as recipients of government services

- Observing the research location and the BUMN environment
- Observing the activities of implementing BUMN services.
- The results of the observations are arranged in field notes.
- The contents of the field notes are routine events, temporal interactions, and their interpretations.

In this case, the researcher makes direct observations, namely making observations to the community to see direct events carried out by BUMN, interviewing to get respondents' answers face-to-face. Interviews are conversations with a specific purpose. The conversation was carried out by two parties, namely the interviewer who asked the question and the interviewer who answered the question. Interviews were conducted through dialogue and question and answer with the head of BUMN and recipients of BUMN services. The results of the interview are then outlined in a summary structure, starting with a brief description of the identity description of the situation or context, the identity of the unitization data description problem, and closing with the emergence of the theme Documentation No less critical than other methods is the method of documentation, which is looking for data about things or variables in the form of notes, transcripts, books, newspapers, inscriptions, meeting minutes, notes, agendas, etc. Compared to other methods, this method is somewhat less complicated because if there is an error, the data source is still unchanged. By the method of documentation, the observations are not living things but inanimate objects.

2.3. Data Analysis Techniques

Analyzing research data is a very critical step, whether using statistical data or non-statistical data. Data analysis is the process of arranging data sequences, organizing them into a pattern of categories and units of description so that themes can be found and hypotheses can be formulated as suggested by the data. In this study, data analysis was carried out continuously from the beginning to the end of the study, both in the field and outside the field, by using techniques such as those proposed by Huberman & Miles (2002).

a. Data reduction, namely making abstraction of all data obtained from all field notes, results from observation interviews, and document review. Data reduction is a form of analysis data that sharpens, expects important things, classifies directives, discards what is not needed, and organizes data so that it is systematic and can make a meaningful conclusion. So, the data obtained through observation, interviews, and document review are collected, selected, and grouped, and then concluded without eliminating the value of the data alone.

b. Presentation of data, namely a set of structured information that allows concluding taking action.

c. Conclusion and verification Data that have been arranged in such a way (patterned, focused, arranged systematically) are then summarized so that the meaning of the data can be found. However, the conclusion is only temporary and general.

2.4. Data Validity Checking Techniques

Moleong (2019) to determine the validity of the data required for the examination. A scoring technique on a number of specific criteria. There are four criteria used to check the validity of qualitative data, namely:

a. Credibility, namely monitoring the trustworthiness of researchers by:
    Extending the observation period, namely participation in the research process Extension
    1. Research participation
        Research participation will support increased confidence in the collected data. It takes time for researchers to go to locations to detect and calculate irregularities that can contaminate the data. On the other hand, to build the subject's trust in the researcher and trust in the content of the researcher himself.
    2. Persistence Continuous Observation.
        In the observation activity, they find the characteristics and elements that are very relevant to the problem being sought and then focus on the problem in detail. Therefore, it means that the researcher makes observations on the location carefully and in detail on the dominant factors. Then examine it in detail to a point so that the examination at the initial stage shows that one or all of the factors studied have been implemented in the usual way.
    3. Triangulation (methods, data sources, and data collection tools)
        Checking data by comparing data from different sources to anticipate missing data in triangulating the data found in the study, both from interviews with the head and all the members.
    4. We are assessing peers through discussion.
        This is intended to provide a good initial opportunity to start exploring and testing hypotheses that emerge from pan researching thinking. In this discussion, other aspects of nepi can also reveal or open up the researchers 'thinking. It is better if the discussion partner has experience in a different field, especially this and its methodology.
    5. Negative case analysis
        Negative case analysis is carried out by collecting examples and cases that are not in accordance with the management.
    6. Adequacy of references
        The reference used must match the data source. Data aber checks were carried out by comparing the results of interviews with the results of repeats against different data sources and study of detailed documents from theoretical data, case studies.

b. Transferability, by doing urasan of the case
    This is so that every reader of this research report gets a clear picture and can apply it to other similar contexts.

c. Dependency (dependability) Namely trying to keep the research process consistent by reviewing all research activities against the data that has been obtained by paying attention to the consistency and reliability of the data. If two or more repetitions are in the same

condition and the proposed realıbı and the results are essentially the same, it is said that the reliability is achieved.

d. Healthy business (Law no. 5 of 1999). the society that is increasing is directly proportional to the critical way of thinking of society. The steps for bureaucratic reform are carried out sustainably as a long-term program.

3. RESULTS AND DISCUSSION

3.1. Discussion of Public Policy Innovation in Developing State-owned Business Agencies

One of the roles of government implemented through BUMN has not been optimal. BUMN often becomes the economic and political responsibility of entrepreneurs. Government investment in BUMN management is typical in Indonesia, especially regarding the division of roles between the government, private sector, and cooperatives.

In several BUMN in Indonesia, the government has made a fundamental change in ownership by making the BUMN into a public company whose shares can be owned by the public. Telekomunikasi Indonesia, Tbk. Since 2001, all BUMNs is coordinated by the Ministry of BUMN, led by a State Minister for BUMN.

BUMN develops with monopoly or special regulations contrary to The spirit of this study conducted at State-Owned Enterprises (BUMN). In connection with this research type of qualitative research, the time limit does not clearly define this research until the researcher obtains a truly in-depth understanding of the object under study, but due to various considerations and time constraints. However, this research is still limited in time, which is estimated to be from November 2012 to April 2013 If it is considered to have achieved the data and data analysis in accordance with the design of a Research Subject in a qualitative approach, especially in writing SOE innovation policies in services public, take concrete steps directly to do the following:

a. Conduct unstructured observations and interviews that are deemed more likely to be carried out because the researcher already has a base in the knowledge that is relevant to the problem under study;

b. Looking for meaning in every behavior or action of the object of research so that it is found original understanding of problems and situations that are contextual.

c. Triangulation, data or information from one party is checked for correctness by obtaining information from other sources

d. Using the emic perspective, which means comparing the views of respondents in interpreting the world in terms of their own opinion

e. Verification, among others, through conflicting cases to obtain more reliable results.

Bureaucratic reform has the following principles (Presidential Regulation, 2010)

a. Outcomes-oriented Bureaucratic Reformation is carried out to get output and create a band (outcome). Pharaoh the quality of the bourgeoisie system in the form of the rule of law, enhancement of capability and mentality of Apparatus Resources, approach to quality of public services, and increasing public trust.

b. Measurable Bureaucratic reform implemented with the principle of outcomes-oriented must have a measure of success. In addition, the objectives and implementation time must also be measurable.

c. Efficient The principle of efficiency is inherent in implementing the bureaucracy so that its management is professional.

d. Effective The use of organizational resources in Bureaucratic Reform must be effective and targeted. Realistic output and outcomes of Bureaucratic Reform are determined rationally so that the target achievement is in accordance with realistic principles.

Be consistent. Consistency is needed in the Bureaucratic Reform program. Consistent principles cover time consistency and target all parts of the organization, including state apparatus.

Cooperation between programs and organizational units must be implemented so that the implementation of Bureaucratic Reform can be effectively implemented. Absolute Sinerga is done to prevent duplication of functions and program implementation Innovative This principle point states that bureaucratic reform is a trigger for government organizations to think and act in the Ministry / Institution, and local governments are allowed to initiate innovation moves in the delivery of public services in each agency. Other agencies to improve organizational work and the quality of public services. Compliance Bureaucratic reform must be carried out following applicable laws and regulations. Monitored Important monitoring principles are carried out professionally and periodically to ensure that the Burok Reformation program works at every stage and achievement. This supervision is also used as initial information if there is a mismatch in implementation with targets to be followed up with corrective improvements. Based on the principles above, Bureaucratic Reform clearly states that moves are one of the principles that must be fulfilled. Policy innovation is taken as one of the steps to face changes in the environment, internal and external government organizations. Able to boost the quality of public services to the community Regulation of the Minister of Administrative Reform and Bureaucratic Reform Number 302014 concerning Guidelines for Public Service Innovation states that as an effort to accelerate the quality improvement of public services, the development and development of public service nerves are carried out at the Ministry of Institutions and Local Government.

Public Service Innovations are carried out in order to strengthen efforts to improve quality public services. This is done because the capacity building of Apparatus and Resources regulations to facilitate services cannot improve service quality as expected by the community. Public service innovation is expected to encourage new methods in the field of public services. The innovations produced by government agencies aim to achieve efficiency and effective service. An innovative public service model will cut the complexity of the bureaucratic system. Public service innovation refers to new ideas being put into practice fanny English (the United States in the public service process. "Innovation may include reinvention or adaption to another context, location, or period" (Hartley (2005) and Hartley (2005)). Public service innovation is a breakthrough in public service, whether it is an original creative idea and/or adaptation/modification that benefits society either directly or indirectly. In other words, public service innovation itself does not require a new invention. It includes one new approach that is contextual in public service innovations resulting from the expansion and quality improvement of existing public service innovations (PAN-RB, 2016).

As explained above, policy innovation can be in the form of new ideas or the development of existing ideas. The implementation of Public Service Innovations is carried out competitively to accelerate service quality improvement. This competitive principle is carried out through the One Agency One Innovation program since 2014. One Agency One Innovation aims to encourage every government agency to innovate with rewards in the Best Top 99innovation award. The reward certainly shows how an agency is serious about improving the quality of its performance. Every government agency must produce public Service Innovations. The provisions for innovation to enter the public service innovation competition are at least one (1) year implementation. For example, BUMN PT KAI Service Innovation PT KAI boarding pass system Boarding pass is an innovation of PT KAI to improve the quality of public services, especially in the ticketing process, which has the aim of "One Passenger for One Seat," where during check-in, validation or validity of tickets is

carried out. There is a match between the passenger's name printed on the ticket and the passenger's identity card. Only passengers who are ticketing legally or using a boarding pass can enter the platform and board the train with this validation process. It means that there is a change in the ticketing process, namely, including an identity card in the ticketing process, starting from writing the ticket order form to entering the train. This means that the boarding pass system is an innovation, according to Muluk's statement (200844) regarding innovation, which means changing something. Thing until becomes something new Where the boarding pass system is a new development in the ticketing process of PT KAI, including at Surabaya Gubeng Station Innovation in the public sector is essential in this era, to find new solutions to new solutions to problems (Muluk, 2008.43). The old, unresolved problem faced by PT KAI, especially Gubeng Station, is the practice of brokering innovation in boarding services. The pass system is carried out to solve brokering problems on trains.

With changes in the service process and is used as an antok to solve problems, researchers consider the boarding pass system one of the breakthroughs or innovations issued by PT KAI in providing train services. The renewal is intended to improve the quality of PT KAI's services, especially regularity, safety, and comfort users of the Boarding Pass System service as Innovations for Policies, Processes, and Methods Mulgan and Albur in (Muluk) said that home service innovation is said to be successful, which is the complex result and implementation of service product innovation, service process innovation, service method innovation, policy movement, and system innovation. In this study, PT KAI's boarding pass system is a typology of service process innovation. Service processes or procedures where previously there was no ticket validation process came into existence, including an identity card as the main service requirement. In addition, the boarding pass system is also included in the moving typology of service methods; the boarding pass system also provides a new way of interacting with service users: scanning barcode inval and ticket process.

Finally, the fording pass system is also included in the Inova typology of policy, where the boarding pass system is a new policy and strategy in dealing with stowaway nomination, pangli, weak security, and limited infrastructure by lowering it. Instruction of the Board of Directors Number 15 // LL 006 / KA 2012 regarding Service Improvement and Boarding De Stations. Boarding Pass System as Incremental Innovation in assessing innovation, there is a level of movement that reflects the variation in the magnitude of the impact caused by ongoing motivation Muluk (2008 46) says that the category of innovation levels described by Mulgan and Albury starts from incremental, radical, and transformative. Boarding pass system is included in the level of incremental innovation boarding pass system is a ticketing system that only brings minor changes to the service process where only changes include: A There is a ticket validation process that requires passengers to have an identity card Only train passengers whose departure is less than one hour is allowed to validate and enter the waiting rooms. Guaranteed passengers get the seat printed on the ticket, especially the economy train. So the boarding pass system does not bring changes to the organizational structure or organizational relationship.

Boarding Pass System as Sustaining Innovation. In Muluk (2003 48), innovation can also be divided into two categories, namely sustaining innovation and unbroken innovation (discontinues innovation Boarding past systems are included in the category of sustaining innovation (me vast continuation), which is based on existing services and systems, only adding the requirements for the inclusion of an identity card, adding the valiant ticket process at check-in one hour before departure, and ensuring passengers get a seat on the train as stated on the Boarding Pass System ticket at Gubeng Surabaya Station The boarding pass system is implemented at the Station Gubeng dated September 1, 2012, the day after the Board of Directors Instruction was decided. Earlier, the boarding pass system was the Gubeng station and all stations in Indonesia with the same goal of improving the quality of train services, especially regularity and order, comfort, and safety of service users. As a system, boarding

passes at Surabaya Gubeng Station are not there is only one role. However, there are several interacting and integrated roles so that the purpose of the boarding pass is achieved. Each role carries out its respective functions and influences the process simultaneously, whole. These roles include boarding gate officers by security and officers from Drop 8. boarding equipment such as barcode scanners and computers with the Rail Ticket Application System), boarding supervisor by the Head of the Boarding Pass System Innovation Station Improves the Quality of Railway Service at Gubeng Station According to Zeithaml et al. (1996) in Dwiyanto (2021), the quality of public services can be measured using indicators of tangibles, reliability, responsiveness, assurance, and empathy., responsiveness, assurance, the following data will be presented and will be analyzed based on the elements in accordance with the findings in the field after that is interpreted as Tangible Public Service. According to Parasuraman et al. (1990) in Dwiyanto (2021), tangibles are the quality of public services consisting of physical facilities, employees, and communication facilities owned by service providers and connected to the Rail Ticket System (RTS) application and barcode scanner.

Rail Ticket System (ETS) is a web-based ticketing system application that is more reliable in performance and can accommodate various types of ticket sales services for Solandan train passengers. Information and communication such as RTS and barcode scanners, service will be faster. However, the perspective of service providers and barcode scanner service users is only found at the Gubeng Baru Station (the departure point for executive and business trains), while in The Old Gubeng Station where the economy trains depart) are not yet available, While the physical equipment supporting the innovation of the boarding pass stem in providing train services at the Gubeng Station include reservation form counters, waiting room reservation counters, platforms, charge points, toilets, prayer rooms. From the perspective of service providers and users at Gubeng Station, all extending equipment is sufficient, and it is just that there is a little waiting room at Gabeng Lama Station. This becomes very uncomfortable considering the schedule for the departure of economy trains in this place is very busy. Often there is a buildup of waiting room passengers if there is a delay in the train. In providing public services, the waiting room is needed This is because it is to provide a sense of comfort when service users are waiting for their turn to obtain Reliable Public Service Zeithaml et al. (1996) in Dwiyanto (2021) said that reliability is the quality of service seen from the ability of the service unit in creating the promised service.

In the process of implementing the Boarding Pass System at the Surabaya Gubeng Station, it has a set point of timeliness, conformity to procedures. The timeliness in the boarding pass process is deducted from the accuracy of the officer on duty at the boarding gate providing information to potential users of certain train services that have entered the boarding period. The boarding period is no later than 1 (one) hour before the train departure. If the train is available on the path prepared on the platform from the perspective of service providers and users, the boarding process can be said to be on time. According to them, the problem with timeliness is the delay of the train. Although not part of the boarding pass system process, KA delays can affect the boarding pass process. This influence is the accumulation of passengers who have boarded the waiting room. In addition, in implementing the boarding pass system at Gubeng Station, both service providers and service users must carry out in accordance with established procedures. Procedures are set out in the Standard Operating Procedure (SOP) for Boarding Officers at the Station, which is decided by the PT KAI board (Kep U LL 006 / XI / 4 / KA-2013). By undergoing a boarding passing in accordance with the procedure, it will minimize the various frauds that may occur during the service process, such as stowaways and brokering. The perspective of service providers and service users says that the service procedure is easy and straightforward. Especially for service users, they are only required to bring original identity cards such as KTP, KTM, Passport SIM, Student Card because, in every service process, service users will be asked for an Identity Card starting from filling out a ticket order form to boarding a Responsive Public Service Zeithaml et al. (1996) in Dwiyanto

(2021) says that responsiveness or responsiveness is the quality of service seen from a willingness to help service users and provide services sincerely Dwiyanto (2021) adds responsiveness to measure organizational responsiveness to expectations Desires and aspirations, as well as demands of service users. Before implementing the boarding pass system, the expectations of service users, namely regularity and order, comfort, and safety in trains, were still not guaranteed.

PT KAI found that expectation from a survey of complaints from service users published in various media. In the Annual Report of PT KAI 2012 in 2012, there were 78 complaints made in the news in the mass media. Electronic Responsivity here measures the extent to which the implementation of a boarding pass system can meet the expectations of service users, namely regularity and orderliness, comfort, and safety in trains that were previously disrupted due to brokering practices stowaway passengers and more seating quota. Regularity and order, comfort, and security for service users, implementation during the service process both during the boarding period and on the train.

4. CONCLUSIONS

Policy innovation in Indonesia entered the new ground with the implementation of the Public Service Innovation competition, which must be participated by every government agency both within the scope of the Ministry of Institutions and Local Government. This competition succeeded in encouraging the productivity of public service innovations. Several factors cause public service innovation to be ineffective in influencing service quality, namely the lousy innovation climate and the incompatibility of innovation with the values believed by the adopter environment. The bad innovation climate affects the ability of Human Resources (both leaders and employees) to implement public service innovation. The reward and punishment system in Indonesia has not been maximized. Rewards have been made through the Top 99 Public Service Innovations, but no punishment model has been applied to public service innovations. With a weak innovation climate, internal and external barriers will affect the effectiveness of public service innovation. Then, the mismatch of innovation with the values that exist in the adopter environment (innovation adopters) causes low commitment to guarantee the effectiveness of public service innovation. For example, PT KAI, after two years of running, the innovative boarding pass system has improved the quality of service at Surabaya Gubeng Station. The decrease in the number of service users from 1,468,478 passengers in 2018 to 1 159 553 in 2019 is not due to lousy boarding services provided, but because of a quota limitation if the seats in the train are 100% filled.

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