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Implementation of E-procurement policy in Bandung District

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Abstract. Along with the advancement of Information and Communication Technology in government administration, ideas emerge or from the development of e-governance to improve the quality of services to the public in the field of goods and services procurement so that they can be implemented effectively, efficiently, transparently, and accountably. In the context of realizing good governance in the concept of advances in information and communication technology (e-governance) in general are the ideals and hopes of the Indonesian nation. E-procurement is considered to be able to give the public confidence in the transparency and accountability of the goods and service procurement process. This trust can be built because the procurement process follows the provisions regulated electronically by prioritizing transparency and accountability so that providers who are determined to be tender or selection winners are providers of goods and services who have passed administrative and technical evaluations by participating in open competitions. This study uses a qualitative method with a descriptive analysis study approach, the findings of the analysis of the Electronic Procurement Service, the implementation of e-procurement policies with the direct procurement method is not optimally implemented, in practice it has not been fully implemented by e-procurement. This can be seen by what is planned in the General Procurement Plan against which the implementation of e-procurement is not by the objectives of implementing the e-procurement policy.

Keywords. E-Procurement, Goods and services, Public Policy, Implementation

Introduction

One of the challenges of public organizations is the creation of public value through the adoption of information and communication technology. Along with the advancement of information and communication technology in government administration, ideas emerge or from the development of e-governance to improve the quality of services to the public in the field of goods and services procurement so that they can be implemented effectively, efficiently, transparently, and accountably. In the guidelines for the implementation of e-governance, in this case, a general public policy is needed which is used as a legal umbrella in technical policies. With the existence of information and communication technology, the government develops e-procurement, namely the procurement of goods and services electronically, using a system called the electronic procurement system, wherein this case the Government Procurement Policy Agency has the task and function of developing and formulating policies Government Procurement of Goods and Services.

In the context of realizing good governance in the concept of advances in information and communication technology (e-governance) in general are the ideals and hopes of the

Indonesian nation. One form of government administration in realizing e-governance is the electronic procurement of government goods and services. E-procurement is considered to be able to give the public confidence in the transparency and accountability of the goods and service procurement process. This trust can be built because the procurement process follows the provisions regulated electronically by prioritizing transparency and accountability so that providers who are determined to be tender or selection winners are providers of goods and services who have passed administrative and technical evaluations by participating in open competitions.

With advances in technology based on information and communication media, this technology can be used as a supporting tool in government administration in realizing e-governance, especially in the goods and services procurement sector [1]. Information and Communication Technology almost touches all aspects of life, one of which is the relationship of Information and Communication Technology to the competitive action of any information exchange activity, this certainly has an impact on the sustainability of life going forward. The use of Information and Communication Technology in government as we know it as e-governance is a concept in government administration that is expected to improve the quality of service to stakeholders for the better, especially in terms of performance effectiveness, efficiency, transparency, and accountability [2]–[4].

In France, the E-procurement system has been used in all public institutions since 2005, the functionality and general characteristics of the studied E-procurement are sketched and compared based on commercial and technical data [5]. The application of E-procurement is fundamental to the interests of an organization because it can be used to evaluate government procedures, reduce the length of bureaucracy, increase the level of transparency, and contribute to the European market [6]. The adoption of public e-procurement can be compared to the adoption of the B2B market in the private sector; there are certain gaps between theory and practice [7]. According to [8] the main objective of E-procurement is to develop Government policies related to interactions between the private sector and the public. To initiate information transformation, minimize risks, and implement policies, it must focus on promoting the strengthening of connectivity and capabilities of an effective and affordable product or system [9].

Research [10], [11] that discusses current e-procurement technology shows that the final balance can include several technologies, each serving different market segments, the results show that e-procurement technology is an important part of the supply chain management and adoption rates will be accelerated when adopters are aggressive by sharing their experiences.

To overcome the various weaknesses that exist in the conventional goods and service procurement process, the government has issued an innovation in the procurement of goods and services in the public sector, namely e-procurement [12]. The importance of e-procurement has been explicitly stated by the government since the issuance of Inpres No. 3 of 2003 concerning the National Policy and Strategy for e-Government Development [13], [14].

Research conducted by [15] states that the conditions for the implementation of e-procurement policies in West Java Province have been implemented effectively but are not yet optimal. In contrast to the research conducted by [16], it shows that accountability in the procurement of goods and services by the Surabaya City Government through e-procurement has been successfully realized. So it is necessary to do more in-depth research as was done in this study.

In the policy process, policy implementation is the most difficult stage to carry out. This is acknowledged by [17] in his book entitled *The Implementation Games* where he states that the difficulty referred to here focuses more on the difficulty of transforming policy objectives

into the process of achieving these goals. Meanwhile, Jones, emphasizes the difficulties of transformation from the political to administrative areas. To implement public policies effectively, several important prerequisites are required. For this, various experts put forward this in their implementation models, such as [18], [19], [20], and [21].

The research undertaken relates to findings carried out by organized workshop projects [22], online surveys [23], research reports and conference publications [5], and an edited book on the topic of e-administration [24].

The implementation of e-procurement in the process of procuring goods and services in Bandung Regency as one of the innovations of advances in technology and information has obstacles in its implementation. Data obtained from the Goods and Services Procurement Section as a Goods and Services Procurement Activity Unit that from the General Procurement Plan that all goods and services procurement should be carried out by e-procurement in practice have not been fully implemented by e-procurement. So that the purpose of this research is to find out and analyze the implementation of policies for the procurement of goods and services electronically (e-procurement) in the Bandung district.

Literature review

The World Bank calls e-procurement from the government side as electronic government procurement or e-GP is the use of information and communication technology, especially the internet by governments in carrying out procurement relationships with suppliers to obtain goods, works, and consulting services required by the public sector [25]. [26] states that e-procurement is a technology designed to facilitate the management of all procurement activities via the internet, which includes all aspects of the procurement function supported by various forms of electronic communication.

Presidential Regulation Number 54 of 2010 concerning Guidelines for Government Procurement of Goods and Services Article 1 states "Electronic procurement or E-procurement is the procurement of goods and services carried out using information technology and electronic transactions by statutory provisions. Bandung Regent Regulation Number 27 the Year 2011 Article 1 Number 5. E-procurement is the process of procuring government goods and services, which is carried out electronically on a website-based basis by utilizing communication and information technology facilities which include electronic public tenders organized by electronic procurement services (LPSE) through (<http://lpse.bandungkab.go.id>).

Public procurement is an instrument of public policy implementation which in a legal context is intended to create value, thus focusing on the economic efficiency of the new public management. Alignment between business strategies and public information systems that underlie improving organizational performance that is oriented towards community preferences and supports technology investment related to e-procurement solutions [27].

[28] argued that public policy determines the shape of the life of every nation and state. Public policy is one of the important components in the rate of development of a country, and each country has a constitution, laws, and regulations, policy decisions as a response to problems in society, and efforts to resolve them with an established public policy system.

There are many definitions of what is meant by public policy. Each opinion defines with different emphases. Several experts expressed their views on the limits and definitions of public policy. According to [29] stated that "Public policy is whatever the government chooses to do or not do". In line with the opinion of [29], according to [30], public policy is a study or study of how, why, and what was a consequence of government action [31].

In principle, the implementation of public policies is a way for a policy to be conveyed or socialized and the goals of the public policy can be achieved. According to [28] Nugroho of

the policy process, policy implementation is the most difficult thing, because at this stage unpredictable problems are often encountered in the formulation of policy concepts. According to Lester and Steward, "Implementation is seen broadly as having the meaning of implementing a law in which various actors, organizations, procedures, and techniques work together to carry out a public policy to achieve the objectives of the policy.

However, this research will use the concepts and theories proposed by the elaboration results of Grindle, George Edwards III, Donald Van Metter, and Carl Van Horn, as well as G. Shabir Cheema and Dennis A. Rondinelli. According to Grindle, policy implementation is determined by the content of the policy and the context of its implementation. The content of the policy relates to the interests affected by the policy, the types of benefits that will be generated, the degree of change desired, the position of the policymaker, who is the program implementer, and the resources that are mobilized. Meanwhile, the implementation context relates to the power, interests, and strategies of the actors involved, the characteristics of the institution, and the control and compliance as well as the responsiveness of the implementers. [32] introduced the implementation model as a political and administrative process. The model describes the decision-making process carried out by various actors, where the final output is determined by both the program material that has been achieved and through the interaction of decision-makers in the context of administrative politics. The political process can be seen through a decision-making process involving various policy actors, while the administrative process is seen through a general process of administrative action that can be investigated at a specific program level.

Method

Based on the problems formulated above, the research method that will be used is a qualitative method with a descriptive-analytic study approach to analyze and describe the opinions of research participants or research informants. [33] define qualitative research methods as research procedures that produce descriptive data in the form of written and spoken words from the respondents. It is different, according to [34], the qualitative research method is a research method used to research natural objects (as opposed to experiments) where in this case the researcher is a key instrument, data collection techniques are carried out by triangulation (combined), inductive data analysis, and Qualitative research results emphasize meaning rather than generation.

This research, from its explanation, has a more in-depth descriptive character, which is a depiction of an object studied during the previous year based on existing facts. Several stages were carried out in this research, namely determining the focus of the research, the location of the research, collecting data and looking for reference sources according to research needs, determining the number of population/samples as respondents, describing research indicators, compiling instruments used as material for research. data collection materials through interviews or questionnaires and documentation. Furthermore, the data collection is analyzed by providing suggestions and recommendations of the phenomena that occur.

Discussion

The implementation of the government's e-procurement of goods and services in Bandung Regency has been carried out optimally for several tender methods, namely the auction and selection methods. However, the process of procuring goods and services carried out electronically using the direct procurement method has not been implemented optimally, considering that the process carried out electronically is still far from the plan announced in the General Procurement Plan System. As for the support from the Regional Government, in this

case, the regional leadership, in the process of implementing the procurement of goods and services electronically (e-Procurement) it is carried out by issuing regulations that support the implementation of the process of procuring goods and services electronically (e-procurement).

The results of the implementation of the government's electronic procurement of goods and services (e-procurement) in the Bandung Regency are not only measured by the realization of the implementation of the procurement of goods and services electronically but can be measured by the achievement of policy objectives. In this research on the implementation of policies for procurement of government goods and services electronically (e-procurement) in Bandung Regency, the supporting and inhibiting factors in implementing the policy are seen from the dimensions of the Van Metter and Van Horn implementation models, namely:

1. Size and Policy Objectives

Most of the policy implementers, in this case, the procurement actors, know the objectives of the policy for e-procurement of goods and services, especially the Direct Procurement method, but there are obstacles in its implementation, namely, the limited number of companies in carrying out work using the direct procurement selection method.

2. Sources of Policy

The support from the Regional Government, in this case, the Regional Leaders with regulations in the process of implementing the procurement of goods and services electronically (e-Procurement) is a supporting factor in the implementation of the procurement of goods and services electronically (e-Procurement), but there are factors The obstacle to the dimension of policy sources is the absence of specific derivative regulations for the implementation of e-procurement of goods and services using the direct procurement method.

3. Communication between organizations

Communication has been carried out to support the implementation of the procurement of goods and services electronically (e-Procurement) using the direct procurement method, however, related to its implementation there are still some Regional Apparatus that has not carried out the implementation of the procurement of goods and services electronically (e-Procurement).) using the direct procurement method.

4. Characteristics of the Implementing Agent

The implementation of the procurement of goods and services electronically (e-Procurement) using the direct procurement method for some Regional Apparatus is still a little difficult to implement, while the Goods and Services Procurement Unit has assisted in the implementation of the procurement of goods and services electronically (e-Procurement) using the direct procurement method.

5. Implementing Trends

In this case, the implementers of the procurement of goods and services electronically (e-Procurement) using the direct procurement method have started implementing the policy, this can be seen from the tendency of policy implementers in the last 3 (three) years to experience an increase in their implementation.

6. Socio-Economic Conditions

The encouragement of an increase in human resources for providers of goods and services as well as the quality of procurement actors regarding the content and objectives of the policy for implementing electronic procurement of goods and services (e-Procurement) using the direct procurement method is one of the factors in the relationship of social conditions. As for the inhibiting factor of the implementation of the procurement of goods and services electronically (e-Procurement) using this direct procurement method, there is still intervention from political elites, who have not fully supported the policy of implementing the procurement of goods and services electronically (e-Procurement) by using the direct procurement method.

E-procurement also affects the interactions that usually occur between procurement actors. If during the procurement process carried out conventionally, providers or business actors need to frequently visit Regional Apparatus Organizations in their respective affairs to get information about opportunities for procurement of goods and services, then this information is now available in a system that can be accessed anytime and anywhere. Therefore, interactions between procurement actors can be carried out in a system that no longer has to be face to face, so that the possibility of irregularities in the process of procuring goods and services can be minimized. [35] states that the law regulating the procurement of goods and services has not provided sufficiently strict sanctions so that there are still violations but with the existence of e-procurement, the procurement of goods and services has become more transparent. E-procurement can also prevent corrupt practices that often occur in the procurement of goods and services because officers and partners cannot meet in person [36].

Research conducted [37] the implementation of E-Procurement has supporting factors, namely servers, server capacity, and the E-Procurement environment. The inhibiting factors for E-Procurement include the fact that many providers of goods and services do not yet understand the flow of a fully electronic system. [38] argues that the existence of information and communication technology is expected to affect efficiency, effectiveness, transparency, accountability in the process of government administration. Then [39] argues that this shows that transparency is the most important thing in guaranteeing access and freedom for every individual in obtaining information related to government administration, namely information about procedures, processes in service, and results. The number of procurement participants, in this case, goods and services providers, will increase competition, by itself, bids made on tenders and selections can reach competitive prices "value for money" and close to the real market price. This also reduces the risk of the electoral group because information technology helps reduce the possibility of errors in the stages of the goods and services procurement process.

The implementation of the policy for the procurement of government goods and services electronically (e-procurement) in Bandung Regency has been carried out, this can be seen from the implementation of the preparation stage of the management team, socialization and training, to the implementation stage of the procurement of government goods and services electronically (e-procurement). However, the implementation of this implementation has not been optimal. This can be seen from the achievement of the policy objectives for the procurement of government goods and services electronically (e-procurement) where there are still 2 (two) objectives that have not been implemented optimally, namely transparency and fair business competition.

Conclusion

1. To improve the implementation of the government's electronic procurement of goods and services (e-procurement) in Bandung Regency, in this case, the Regional Government issues a policy for the entire process of procurement of goods and services with a direct procurement selection pattern carried out electronically (e-procurement).
2. Improve the capacity and quality of human resources for procurement actors with technical guidance regarding the implementation of electronic procurement of goods and services.
3. Improvement of procurement service infrastructure facilities and infrastructure electronically so that the process of electronic procurement of goods and services (e-procurement) can be carried out optimally.
4. Compiling a code of conduct for procurement actors related to the implementation of

electronic procurement of goods and services by the government (e-procurement) in Bandung Regency to improve the integrity of the procurement actors.

5. Developing a Standard Operational Procedure for the procurement of goods and services by the government electronically (e-procurement) in Bandung Regency, especially the direct procurement selection method that is adjusted to regulations or policies regarding the procurement process issued by the president of the Government Procurement Policy Institute.

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