# Comparative Study of Merit System Implementation to Create Good Governance in the Era of Digital Governance (Ministry of Religious Affairs and Gianyar Regency Government)

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Abstract. This research aims to compare the implementation of the Merit System policy in the era of digital governance at the Ministry of Religion and the Gianyar Regency Government with an emphasis on information system aspects in assessing the merit system. Digital governance must be integrated with all elements of the Merit System to increase the productivity and performance of HR personnel. This research is to find an effective model for implementing merit system policies in government agencies that is better suited to the demands of the digital governance era. The study analysis was carried out at the Ministry of Religion and the Gianyar Regency Government which received a poor merit system category. The output of this research is the creation of collaboration between agencies and universities in developing a model for implementing merit system policies through optimizing digital technology and developing human resource personnel.

Keywords: Merit system; digital governance; human resources

## **1** Introduction

Law Number 5 Article 51 of 2014 concerning the State Civil Apparatus (ASN) emphasizes that ASN management in Indonesia is organized based on a merit system. The vision of the government in the era of President Joko Widodo is to realize the Golden Indonesia 2045 and this strategy must be supported by the implementation of an effective and efficient bureaucracy by qualified and competitive human resources [8]. The application of a merit system in HR management that is not based on gender, age, ethnicity and other non-merit factors will not only further develop the potential and capabilities of employees but will also support economic growth and reduce corruption, collusion, nepotism or favoritism [9]. Like the concept of a merit system, the meaning of the word governance can also be simply interpreted as an openness or accountability which is the concept of responsible ethics [1].

The implementation of the Merit System policy to date in reality still cannot be said to be successful. A report issued by the State Civil Apparatus Commission (KASN) in 2021 shows that until the end of 2021, government agencies that received the merit system category of

Good and above, with the following details: 32 Ministries (94.1%), 22 LPNK (88.5%), 19 Governments Province (55.9%), and 66 Regency/City Governments (12.8%) (KASN, 2021)...



Fig. 1. Merit System Assessment Progress Table 2020 to 2021

Furthermore, the report from the results of the merit system assessment by KASN in 2021 was also on 260 government agencies with the categories of Very Good, Good, Lack, and Poor [5].

Instansi Pemerintah	Sangat Baik	Baik	Kurang	Buruk
Kementerian	12	11	1	0
Lembaga Pemerintah Non Kementerian	5	10	1	1
Lembaga Non Struktural	3	2	-	1
Lembaga Negara	1	3	1	040
Lembaga Penyiaran Publik		2		1000
Pemerintah Provinsi	3	11		-4
Pemerintah Kabupaten/ Kota	6	53	27	102
Total	30	92	30	108

Fig. 2. Results of Assessment of Merit System Implementation in Government Agencies in 2021

Furthermore, stated that in reality there are still various practices that reflect the unpreparedness of the implementation of the merit system in the hall of poor service quality and performance of state apparatus [2]. The conditions of the Global Pandemic also require ASN to change work patterns that emphasize digital or information technology capabilities or competencies. The use of technology in government is expected to improve the quality of services so as to build trust from the public and create better bureaucratic accountability and transparency. Unfortunately, the function of information technology for data processing and public information provision is still uneven. Moreover, the information system- based decision-making process is still not the focus of attention so that this will affect the quality of information provision in the merit system process in particular.

The Ministry of Religious Affairs and the Government of Gianyar Regency received the results of the merit system assessment in 2021 with a poor predicate, including the information system aspect in both agencies [6]. This is in line with making digital transformation in integrating information systems of all Work Units of the Ministry of Religion and the TNI a strategic issue and change for bureaucratic reform in the Ministry of Religion which is clearly revealed in the Decree of the Minister of Religion Number: KEP/858/M/IX/2020.

### 2 Literature Review

### 2.1 Merit System: Management Quality Perspective

Definition of the merit system according to the vocabulary "Merit; a good quality which is worthy to be praised (good things deserve to be appreciated)" while "System; a set of things that are connected or that work together. A combination of several factors that are related to each other, and if one factor changes it will affect changes in other related factors). This system firmly wants to fence off bureaucracy so that it has the characteristics of an adaptive, harmonious, apolitical, neutral and public service-oriented organization and no longer has the disease of bureaumania. This hope is not only for the bureaucracy at the central level, but also in various districts/cities [10].

#### 2.2 Digital Governance

The concept of digital governance or e-governance consists of two important elements, namely 'governance' as the main concept and 'electronic' or ICTs (Information and Communication Technologies) as a tool to improve the governance process (Avianti, 2020). According to Bevier, the concept of governance developed since the 1980s, although in fact according to Gronlund the concept of internet use in government began to be identified in the 1970s [7].

E-government policy in Indonesia is regulated more clearly in Presidential Regulation no. 95/2018 concerning Electronic-Based Government Systems (SPBE). This Presidential Decree was created to realize quality public services and clean, effective, transparent and accountable electronic-based governance. The information and communication technology (ICT) revolution provides opportunities for the government to innovate in the development of state apparatus through the implementation of SPBE or e-Government, namely government administration that utilizes ICT to provide services to every stakeholder.

The implementation of e-government and SPBE is also emphasized in the merit system by including the information system as one aspect of the merit system assessment. This aspect of the Information System is expected to be able to build and produce a concrete contribution and relationship for ASN management, for example the creation of a Personnel Information System that is targeted and meets the agency's needs, capable of having an indirect impact on managing digital-based employee data. Apart from that, for the State Civil Apparatus Commission (KASN), which is determined by the government and the Law on ASN as a supervisor in implementing the merit system which is manifested in ASN policies and management in government agencies, system development and perfecting information system integration is one of the priorities KASN in 2021 [5].

E-governance is a form of support in emphasizing relations between government, society and the private sector based on information technology. According to survey results from the United Nations (UN) E-Government Survey in 2020, Indonesia was ranked 88th for the development and implementation of e-government or Electronic-Based Government Systems (SPBE). From these results it can be concluded that there is an increase of 19 points or ranking compared to 2018, where Indonesia was at number 107 and in 2016 Indonesia was at number 116 compared to other countries in the world.

Furthermore, the survey results according to analysis from the National SPBE Coordination Team chaired by the Minister of State Apparatus Empowerment and Bureaucratic Reform (MENPAN RB) still leave homework for Indonesia in terms of the need to develop a strategy to improve the implementation of SPBE where one of the improvements is strengthening the telecommunications infrastructure that is one of the lowest points in the assessment. Apart from that, strengthening aspects of governance, services and human resources, whose value is still only slightly above average, needs to be paid attention to in order to maximize the implementation of SPBE in Indonesia.

## **3** Research Methods

The type of approach in this research is qualitative using a comparative study. This study compares how the implementation of the merit system and the variables to be assessed are aspects of the merit system assessment used by KASN. This study tries to map the similarities and differences that occur in the implementation of the merit system by looking at 8 variables, namely needs planning, procurement, career development, promotion and transfer, performance management, payroll rewards, service protection and the last is the information system used.

In this study, the sources used were ASN employees in the Gianyar Regency Government and the Ministry of Religious Affairs. This research was conducted at the Government of Gianyar Regency and the Ministry of Religious Affairs in the period April to June 2023. The flow of data analysis follows the interactive analysis model of Miles and Huberman, namely: Data collection, data reduction, data presentation, and conclusion drawing [3].

## 4 **Results and Discussion**

Currently ASN is encouraged to work both during and after the pandemic in Gianyar Regency. The Merit System has been mandated by the KPK and the regions must implement ASN Management, one of which is the merit system. The program from the current leadership is the BPD office which is still spread out and therefore must be unified.

The information system in Gianyar Regency Government is currently at the stage of revamping the system from the Government Center, then integrating the personnel system (has started *online*), after that preparing and accommodating the Infocom unit. Related to mutations and rotations already have an organization as well as a *talent pool* which at the next stage is to integrate into the system. Everything related has been listed in the Regent's Regulation, Strategic Plan, regulations, policies, and others, it's just that it hasn't been integrated. The problems experienced are budget, skills or abilities that integrate the system, and assessment cooperation that is still offline.

The training and Infocom department of Gianyar Regency is preparing the capacity of people and recruiting an IT team. Collaborate with the campus to increase the capacity of Human Resources. The staffing system is already online and has its own staffing system. For e-performance has been prepared and integrated into Simpeg.

The priority of the government of Gianyar Regency is currently on services to the community related to markets, bridges, facilities or infrastructure, and free transportation for students in Gianyar Regency, while for the management of the system is still waiting for the queue from the Regent of Gianyar Regency.

Regulations on talent management in collaboration with Kominfo and BKPSDM. BKPSDM is more towards system maintenance and the one who builds is from the Kominfo unit. OPD Inspectorate, DTSP, Bappeda and Barjas have been sampled in the use of eperformance (benefits used from e-performance). The application of Talent Management is currently related to the budget for career management. The local government as a pilot for talent management and talent pool is the West Java Regional Government, which is the result of a comparative study for an integrated system regarding employee planning on performance appraisal.

For simpleg there is only for career management, promotion, and what has been done by HR or ASN within the Government of Gianyar Regency. e-Office is available but only for letters, attendance, and public service features. The focus of the merit system is to improve IT skills. Position Competency Standards in making regulations by the organizational governance section. Currently, the future plan is how to build the system, implement and evaluate the system.

Currently, the obstacles include limited network and technology devices, human resources in technology and *culture*. Therefore, there must be competency mapping with talent management, among others: Educator qualifications, competencies and performance. The phenomena that occur include weak employee development (competency test results have not been *linked* or *connected* to the training center), competency gaps, competency development has not been massive, it is still sporadic (all positions should be traded in their units). This is also an obstacle for teachers, namely competence in using computers, lack of IT competence, and limited availability of hardware, cultural culture (teacher *mindset* that IT is difficult, because there is no companion) which affects the productivity of the agency. Integration with performance appraisal is also not optimal because there are several Simpegs, namely 5 are still independent and 4 are still ongoing to *update*.

The spirit of the organization has been towards digitalization in the last 2 years. Personnel applications are intranet or web and not yet android. About a total of 3000 work units that have only been followed up are around 147 work units in the ministry of religion and a total of 24 types of services. In July 2023 the ministry of religion will be present in the public service mall and virtually.

Currently, we are still preparing an integrated system, for the *report it* is difficult to exist. The Personnel Bureau in 2023 is still on trial. In addition, human resources who specialize in IT are limited in the Ministry of Religious Affairs, while there is a lot to develop, so we have to hire *head hunters* to find and gather IT teams.

In the results of interview data with BKPSDM Gianyar Regency, the Gianyar Regency government is currently encouraging ASN to work optimally during and after the pandemic. The implementation of the merit system, mandated by the KPK, is one of the steps in ASN management. It aims to improve the effectiveness and efficiency of public services in the regions. The Government of Gianyar Regency is revamping its information system, especially at the Government Center level. This process involves updating the civil service system to operate online and integration with the Infocom unit. Despite the progress, there are still some issues that need to be addressed, such as budget constraints, skill shortages in integrating systems, and cooperative assessments that are still offline. Human Resource Capacity Building in the training and Infocom section of Gianyar Regency plays a role in preparing human resource capacity by recruiting an IT team and collaborating with campuses, one of which is Udayana University. This effort aims to improve the ability to manage information systems. The implementation of an online personnel system and the integration of e-performance with Simple also shows positive steps in optimizing personnel management. The Government of Gianyar Regency has a priority to provide good services to the community, especially related to infrastructure such as markets, bridges, and facilities or infrastructure. In addition, the government also provides free transportation for students. However, the management of the

system is still waiting for a queue from the Regent of Gianyar Regency, which may be an inhibiting factor in the development and improvement of system efficiency.

Overall, the government of Gianyar Regency is working to improve ASN performance, improve information systems, and focus on community services. To achieve this, it is necessary to address budget issues, improve skills in integrating systems, and expand online assessment cooperation.

There are regulations that have been made regarding talent management in collaboration between Kominfo and BKPSDM. The Kominfo unit is responsible for in building the system, while BKPSDM focuses more on system maintenance. Some OPDs, such as the Inspectorate, DTSP, Bappeda, and Barjas, have sampled the use of e- performance, which is used as the basis for performance appraisal and provision of benefits. Currently, there are challenges related to the budget for the application of career management in the talent system. The local government in Gianyar Regency is piloting a talent pool. The results of a comparative study with the West Java Regional Government have provided an understanding of the integrated system in employee planning and performance appraisal. The SIMPEG system is only used for career management, such as promotions, and recording activities that have been carried out by HR or ASN within the Government of Gianyar Regency. Although there is already an Eoffice that includes mail, attendance, and public service features, the main focus of the merit system is to improve IT skills. The organizational governance section is responsible for making regulations related to job competency standards. Furthermore, the future plan is to build, implement, and evaluate the system.

Overall, the Gianyar Regency government has taken steps in talent management and system development, especially in the use of e-performance and the application of the merit system. However, challenges that need to be addressed include adequate budget allocation and IT capacity building. Periodic system evaluation is also important to ensure the effectiveness and suitability of the system to the needs of the organization.

There are constraints in terms of limited networks and technology devices. In addition, the ability of human resources in the field of technology, including teachers, is still lacking, including competence in the use of computers and IT. Limited hardware is also an inhibiting factor. In addition, the culture or mindset that believes the use of technology is difficult also affects productivity. Employee development is still weak, especially in terms of competency development. Competency test results have not been connected to employee development programs, and competency development is still carried out sporadically. More massive efforts are needed, including internships for all positions in related units. Integration between competency development and performance appraisal is not yet optimal. There are several SIMPEG systems that are still running independently, and updates to the system are still ongoing. Efforts need to be made to ensure good system integration between competency development and performance appraisal. Organizational tips (Ministry of Religious Affairs) have led to digitization in the last two years. Personnel applications in the form of intranet or web have been implemented, although mobile applications are not yet available. There are about 3000 work units being followed by about 147 work units in the Ministry of Religious Affairs, with a total of 24 types of services. In July 2023, the Ministry of Religious Affairs will have a virtual presence in the public service mall. Limited human resources who specialize in IT are a challenge in the Ministry of Religious Affairs. However, the need to develop IT human resources is quite large. Therefore, it is necessary to use the services of a *head hunter* to find and assemble an IT team to be the chosen solution.

Overall, efforts need to be made to improve technology infrastructure, develop HR

competencies in IT, and change the culture or mindset regarding the use of technology for its implementation. In addition, integration between competency development and performance appraisal needs to be improved, and competency mapping is important in talent management.

# 5 Conclusion

The Government of Gianyar Regency is committed to improving ASN performance and providing better services to the community. The implementation of the merit system mandated by the KPK and the improvement of information systems are important steps in ASN management and government management. Although there has been progress in updating the personnel system and integrating e-performance, there are still some issues to overcome, such as budget constraints, skill shortages in integrating the system, and cooperative assessments that are still conducted offline. However, the management of the system is still waiting for a queue from the Regent, which can be a hindering factor in developing and improving the efficiency of the system. The Gianyar Regency Government has collaborated with Kominfo and BKPSDM to organize talent management and system development. Kominfo is responsible for building the system, the local government of Gianyar Regency became a pilot in the talent pool, with the results of a comparative study from the West Java Regional Government for an integrated system in employee planning and performance appraisal. The organizational governance section has an important role in making regulations related to job competency standards. The future plan is to build, implement, and evaluate the system continuously to ensure effectiveness and suitability to the needs of the organization.

The Ministry of Religious Affairs has taken steps in directing its organization towards digitization. Personnel applications in the form of intranet or web applications have been implemented, although mobile applications are not yet available. There are also efforts to improve public services through the virtual presence of the Ministry of Religious Affairs in public service malls. Several obstacles are faced in the development of systems and talent management in the Ministry of Religious Affairs. These constraints include limited networks and technological devices, lack of human resource competence in IT, and a culture or mindset that inhibits the adoption of technology. Employee development is still weak, especially in competency development which has not been carried out in a massive and coordinated manner. Integration between competency development and performance appraisal is also still not optimal.

From the above conclusions, there are several suggestions given by the author, including:

- a The Government of Gianyar Regency must focus on the development of a merit system, especially in improving the ability of employees in the IT field. Improving IT skills is one of the important criteria in performance appraisal and employee career development. This helps the Government to obtain data on employees who have the necessary competencies in the digitalization era that can be integrated today.
- b. Increasing human resource capacity through recruitment of IT teams and expanding cooperation with campuses are positive steps in preparing reliable human resources in managing information systems.
- c The local government (Gianyar Regency) needs to immediately overcome the obstacles of system management that are still waiting for the queue from the Regent so that system development can run without obstacles, one of which is towards system integration to improve ASN performance, improve information systems, and provide optimal service to

the community.

- d The Gianyar Regency Government allocates an adequate budget for talent management implementation and system development. With sufficient budget, the government can overcome the challenges associated with implementing career management in a talent system that requires maintenance of technological infrastructure.
- e Training and competency development in the IT field must be provided to employees in a structured and sustainable manner. In addition, the government can Collaborate with educational institutions or IT experts to get help and human resources who are capable in the IT field.
- f The government evaluates the system regularly to ensure its effectiveness and suitability to the needs of the organization. Through these evaluations, the Gianyar Regency Government can identify deficiencies and make necessary system improvements or updates. System updates should be made by considering the latest technological developments and user needs.
- g. The Government of Gianyar Regency is strengthening collaboration with other local governments, especially with the Government of West Java which has become a pilot on *talent pools*. The exchange of information and experience between these two local governments can provide better insight and understanding of integrated systems in employee planning and performance appraisal.
- h Strengthening assistance for teachers who experience competency gaps in an effort to strengthen technology infrastructure, improve HR competencies in the IT field, and change the culture or mindset regarding the use of technology.
- i Implementation of a head hunter to find and assemble a competent IT team.

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