

Effectiveness of Online Single Submission Implementation in Business Licensing Services at the Directorate of Goods Traffic Services and Investment in Batam City

Alvin Pratama Nasution¹, Yosi Handayani²

{alvinnasution04@gmail.com¹, yosi@polibatam.ac.id²}

Business Management, Batam State Polytechnic, Jl. Ahmad Yani, Batam Centre, Batam^{1,2}

Abstract. The purpose of this study is to find out all kinds of obstacles that occur in the application of an electronic-based system, namely the Online Single Submission (OSS) system in several companies in Batam City and to provide improvements to the previous system along with the opinions of investors regarding the business licensing system. Data collection uses descriptive methods with a qualitative approach by taking data related to the problems to be studied so that problems can be described descriptively and later data collection is in the form of direct questions by system users (OSS), especially companies in Batam City. The results of the discussion on the lack of training or socialization provided by the central agency and regional agencies because there are still many corporate investors who are still confused about the use of electronic-based systems for business licensing.

Keywords: System Technology Online Single Submission, Perspective customers and investment staff.

1 Introduction

Indonesia is a country based on law and has laws and the implementation of the Indonesian government has a central government and local governments who have responsibilities. One of the powers held by the Central Government and Local Governments (PEMDA) is in the form of licensing. Running a business activity requires a permit. The definition of licensing is the right to apply legality to a person or business actor, both regarding matters in the form of permits and business registration marks. Licensing is one of the most frequently used supporting instruments in Indonesia or more precisely in administrative regulations. In Indonesia, the business licensing service system was first launched on December 15, 2014 namely the Electronic Licensing and Information Service System (SPIPISE) until it was used in 2017 [1]. This system is an information gateway for Indonesian investment licensing in the form of an electronic-based website so that it can be accessed by the whole community. In 2014 companies wishing to register a company to carry out a production activity must register with the Electronic Licensing and Information Service System (SPIPISE).

However, with the development of the era, the SPIPISE system is too complicated to be used for investors/users in accessing and registering their company because they are still required to come to the information service system and all filing is still done manually so that it hampers the time in the process of registering the company and there are still many shortcomings in the process. system mechanism and appearance that is still less attractive. In 2018, an improvement system was developed from the previous system, namely the Online Single Submission (OSS). This system was presented to the public in 2018 in August which was inaugurated by the President of the Republic of Indonesia, which is an electronic system that issues business permits for a company. This system has developed very rapidly compared to the previous system, starting from submissions that can be directly done electronically and can be used without the need to come directly to the party handling the system because this system is quite complete with features and easy to use. Submissions for the Online Single Submission (OSS) can be made by all parties who wish to apply for investment in Indonesia, both foreign and domestic investors. However, if there is an application access problem, assistance can be provided by the party handling the system. Especially for the Riau Islands region, you can come directly to the Sumatra Building/Public Service Mall in the Batam Center area. The Online Single Submission is part of the Investment Coordinating Board (BKPM) which has a function as a provider of licensing services and investment-related facilities, coordinating investment activities and monitoring in the form of monthly monitoring that goes directly to the field related to technical problems faced by customers so as to encourage investors foreign and domestic in developing the economy in each region, especially the Batam City area [2].

Before the company enters the Online Single Submission (OSS) application page, the company first makes a company deed issued by the Ministry of Law and Human Rights (Kemenkumham) after the company gets the deed then the company can register the company on the website <https://oss.go.id/>. Of course, with some requirements for the process of making a Business Identification Number (NIB), which consists of 13 digit numbers as the identity of business actors. After all documents are complete and have been filled in according to the guidelines, within a period of no later than 1 working day, a Business Identification Number (NIB) will be issued on the application page. Based on the results of the explanation above, it can be seen that the importance of the online is so that the author wishes to investigate further about the use of the Online Single Submission which greatly affects the operational effectiveness of the Investment Agency and its importance for business actors who want to invest in Indonesia. Therefore, the author is interested in discussing the **"Effectiveness" Application of Online Single Submission in Business Licensing Services at the Directorate of Goods Traffic Services and Investment in Batam City.**

2 Theory Review

2.1 Effectiveness

According to the KBBI the term effective has the meaning of impact and effect or can produce results. Effectiveness is the activity, usability, suitability in an activity and carrying out tasks using the intended target [3]. Effectiveness basically shows the level of achievement of the results that will occur and is always associated with the notion of efficiency. Effectiveness according to Campbell JP (1970) in [3], The ability to determine goals by utilizing perfect

facilities and infrastructure to achieve goals precisely and quickly. And the approach according to Gibson in [4] in the book *Office Management* is effective, efficient and professional the approach aims to find the main problem to be solved, the theoretical approach emphasizes the entry and exit process as well as adapting the environment, the multiple constituency which emphasizes the relationship between group and individual interests. It can be concluded that effectiveness is very important to use for the continuity of daily work because without effectiveness, the achievement targets in a company do not meet the required targets.

2.2 Online Single Submission

Online Single Submission is a licensing service system reconstruction program carried out at the One Stop Service Office (PTSP). This system has been regulated by the government in 2018 regarding electronic-based integrated business licensing services [4]. Currently, Indonesia is trying to implement the One-Stop Integrated Licensing System (PTSP). In the Riau Islands area, a one-stop licensing system has been implemented, so all permits cover everything. Investment carries out the function of coordinating with local governments from the province to the district. This system will provide a smooth path for licensing investments that have large capital and direct influence with the central government, but private companies that do not have a direct correlation with the government will experience difficulties in running their business.

2.3 Public Services

Services according to (Rasyid, 1998) in [5], public services can be associated as service providers for the needs of the community who have an interest in the organization in accordance with applicable rules and established procedures [5]. The government essentially provides services to the community in order to create conditions that allow for the achievement of common goals. Public services can provide as an achievement of services (serving) the needs of people or citizens who have an interest in the organization in accordance with established rules. For the government, service is a process of activities for the needs of citizens in terms of services and physical services. It can be concluded that public service is an act of someone's treatment of a customer to provide information related to the questions given by the customer and of course those who provide information must be clear in the delivery so that the information provided can be accounted for.

2.4 Implementation of E-Government in Indonesia

E-government began to be introduced in public institutions towards the end of the 20th century, precisely in the late 1990s. Information technology is developing in Indonesia, but its implementation in government agencies began with the issuance of a policy in 2001 through an instruction (President No. 6 of 2001) on telecommunications, media and informatics which stated that government officials must use this technology to support good governance and accelerate democracy [6]. E-government is an application system created by the government that is useful for providing information online so that good communication is established between the government and the community, as well as increasing productivity and reducing training time and costs. (Indrajit, 2002) in a quote [6] *indra Government to Citizens (G-to-C)* Government to citizens an application that makes it easier for the government to build technology for the community, *Government to Business (G-to-B)* to business refers to provision of information services for businesses, *Government to Government (G-to-G)*, The need to interact between one government and the government every day to facilitate cooperation between countries related to administration [7]. *Government to Employees (G-to-E)*, To

improve employee performance and welfare of government employees. Based on the understanding of e-government according to the experts described above, it can be concluded that a government application system is useful for providing information online so that good communication between the government and the community is established, increasing productivity and reducing training time and costs.

2.5 Consumer Satisfaction

The consumer satisfaction index is a data and information about the level of customer satisfaction obtained from the measurement of customer opinions in obtaining public services by comparing expectations and reality [8]. There are many benefits received by the company by achieving a high level of customer satisfaction. A high level of one's satisfaction can increase customer loyalty and prevent customer turnover, reduce customer sensitivity to price and reduce the cost of marketing failure. According Handi (2002: three) in [8] is consumer satisfaction is a perception of products and services that have met expectations. From the conclusions of experts, it can be concluded that consumers are something that cannot be ignored because the role of consumers is very helpful in the process of interaction between the two [9]. Consumer Satisfaction can be said to be effective if the consumer himself is satisfied and clear about the delivery method carried out by the informant himself.

2.6 Summary of Previous Research

In a study that is obtained from the results of observations including the results of previous research, it is argued that it includes relevant theories and concepts.

First, a study conducted by Eko Prasetio, Isnaini & Adam (2021) entitled Analysis of the Quality of Licensing Services Through Online Single Submission at the City Investment and One Stop Integrated Licensing Service, where obstacles occurred regarding the inaccuracy of licensing service times due to the length of technical recommendations required. issued.

Second, the research conducted by Yeni Denisa Lestari, Joko Tri Nugraha, Nike Mutiara Fauziah (2019) entitled E-government Through Community Aspiration Services at the Communication and Information Office of Magelang Regency, services in Magelang Regency experienced problems regarding trust and the quality of services provided.

Third, the research conducted by Uchaimid Biridlo"i Robby and Wiwin Tariwini (2019) entitled Licensing Service Innovation Through Online Single Submission (OSS) Studies on Business Permits at the Bekasi Regency Investment and One Stop Integrated Service (DPMPTSP) service can be concluded that integrated business licensing services electronically through the Online Single Submission (OSS) system has been running properly, but there are obstacles that are faced and must be addressed immediately to find solutions to resolve the problems faced by the Bekasi Regency DPMPTSP.

3 Research Methods

In completing this research using a descriptive method with a qualitative approach, namely by taking data related to the problems to be studied so that the problems to be discussed can be described descriptively and comprehensively by describing and discussing problems related to the effectiveness of a licensing system. attempted. As well as for analysis purposes, a case study

approach is used to understand and investigate a problem encountered after which the data will be processed to obtain a solution so that the problem can be resolved.

3.1 Research Sites

Research location will be carried out at the Directorate of Goods Traffic Services and Investment at the Batam Concession Agency (BP) which is located at the Batam City Public Service Mall, Sumatera Building JL. Engku Putri, Batam Center, as well as several companies in Batam City that use the Online Single Submission. Tempat penelitian akan dilaksanakan di Direktorat Pelayanan Lalu Lintas Barang dan Penanaman Modal di Badan Pengusahaan Batam (BP) yang berlokasi di Mall Pelayanan Publik Kota Batam, Gedung Sumatera JL. Engku Putri, Batam Centre, serta beberapa perusahaan di Kota Batam yang menggunakan sistem Online Single Submission.

3.2 Research Informant

For research informants in the Goods Traffic and Investment Services at the Batam Concession Agency, namely the Head of the Investment Sub-Directorate of the Batam Concession Agency, as well as for informants from the company Director of PT. Raajratna Wire, Operational Manager of PT. Metricpack Mandiri, as well as Assistant Manager of PT. Casco Sea.

3.3 Data Collection Methods

a. Interview

According to Sugiyono (2016: 231) in (Pratiwi, 2017), the interview is a meeting of two people to exchange information and ideas through question and answer, so that meaning can be constructed in a particular topic. In this method the author conducts interviews for users of the Online Single Submission especially in Batam City. The interview has two stages, namely introductions to build chemistry between each other to build trust with each other. This stage is very important because the data is obtained directly by the company, the last stage is about customer and confirmation of additional information provided. To collect data directly from the subjects involved in the use of the application, an in-depth interview.

b. Observation

Researchers make observations in the form of direct observations to the field by looking at the problems that occur in the system to be studied and documents that cannot be uploaded to the system. After that, the researcher will find out what actually happened in the field and then process the data in a scientific way so that the activities carried out get written data that is considered relevant.

c. Documentation

The documentation method helps researchers in obtaining evidence of data relating to the implementation of information related to activities in the field. In the process of documentation the author uses a camera and voice recorder /recorder which is poured into the text. Researchers will conduct interviews with resource persons asking for problematic documents in the Online Single Submission in the form of a Supervision Report (BAP) from BP Batam monitoring employees and company documents in the form of an online LKPM receipt (Investment Activity

Report) which contains Online Single Submission. After that, the researcher will take a photo with the resource person.

3.4 Data Analysis Techniques

In the data analysis method, the author uses a qualitative method, where the author collects data, meaning summarizing the main things related to the data taken and, focusing on the problems to be managed so that the data that has been collected will be able to provide a clear picture of the problems to be solved. researched so as to make it easier for researchers to collect further data, Completing data after carrying out data collection activities, the next step is improving data in the form of brief descriptions and similar categories of data that will be arranged in a pattern so that it will be easy to understand, Data processing is an information provided by sources in the form of data that produce information that is very useful for achieving a research goal, triangulation increases the depth of understanding of the results of data analysis obtained through many sources such as documents from interviews after which the results of the research are the final conclusion in the withdrawal of all the data that has been obtained.

4. Results and Discussion

4.1 Licensing Process Before Online Single Submission

Before the Online Single Submission appeared, the Electronic Licensing and Information Service System or commonly called SPIPISE. This system has been used by companies in Indonesia and Batam City since 2017 but many companies have complained about this system because there are still many bugs that occur in the system and the incomplete features provided and in the previous system to verify company data such as taking care of licensing. The company deed is still working on manually, i.e. the business actor scans the company's own documents, after that it can only be uploaded to the system and the business actor cannot check the validity of the document. This is reinforced by the results of an interview with a company in Batam City. Actually, almost all companies in the past, especially in Batam City, did not understand the mechanism of the previous system, namely the system (SPIPISE) only knowing the legality of documents now with OSS. The company knows that this system is very important for the company but does not rule out the possibility that the current system does not experience technical problems, the proof is that companies in Batam City are still being visited by the Batam Concession Agency because they entered the nominal incorrectly into the system application data. The following table and picture comparison of the previous and current systems:

Table 1. Comparison of the previous and current systems.

Electronic based application system comparison	SPIPISE	OSS
The definition	of SPIPISE is an online system managed by BKPM, the government agency that handles investment.an integrated system with other relevant institutions and ministries.	SPIPISE BKPM isMinisters, heads of institutions, governors, or regents through an integrated electronic system
Data sources and access	https://spipise.bkpm.go.id/	https://oss.go.id/
Advantages	Easy access This system can be accessed from anywhere as long as the internet connection is smooth. The data stored in the system is also safe.	Facilitate the management of various business licenses, starting from the requirements for doing business (permits related to location, environment, and building) business permits, to operational permits for business activities from the central and regional levels with a mechanism for fulfilling the permit requirements commitments.
Advantages	Flexible hours Unlike BKPM's physical office which has certain working hours, the SPIPISE system is open 24/7. Companies can submit applications need to visit the physical office to upload documents manually by officers.	Facilitate the management of various business licenses, starting from the requirements for doing business (permits related to location, environment, and building) business permits, to operational permits for business activities from the central and regional levels with a mechanism for fulfilling the permit requirements commitments. And the features provided on the Online Single Submission are already widely available in the menu.

Electronic based application system comparison	SPIPISE	OSS
Weakness	The features provided by the SPIPISE system are incomplete and the permissions that must be completed, many must be uploaded, cannot be combined in one file.	This system still lacks coordination between the central and local governments because this system can be said to be new and under repair.

(Source: Investment Directorate Interview Results, 2022)



Fig. 1. Image of past and present business licensing system logo.

4.2 Process Flow of Licensing Issuance in Online Single Submission System

The flow of the licensing issuance process is the most important flow for the sustainability of a company because it has positive impacts such as legal protection, as a condition for activities to support the development of a business, as a means of promotion and increasing business credibility. The following is the mechanism for the process flow for the issuance of a business license:

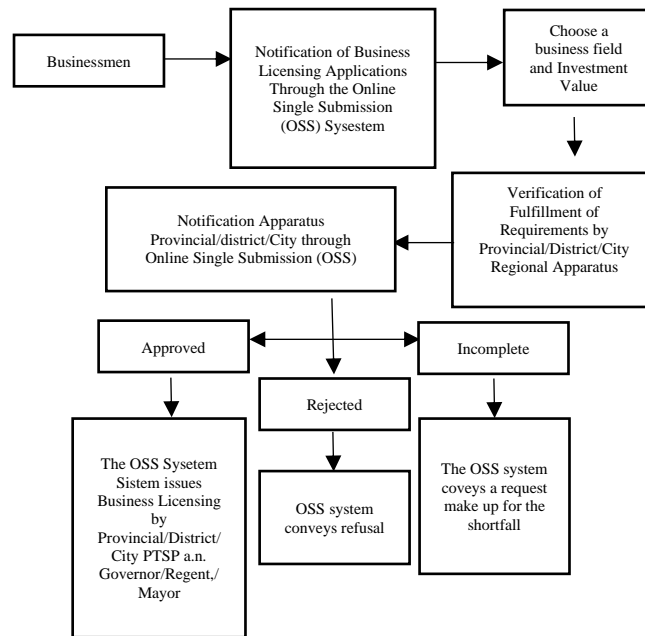


Fig. 2. Image of the flow of the permit issuance process.

1. Business Actor registers through the OSS website to create a user-ID to the Online Single Submission by entering the Population Identification Number (NIK) for Indonesian Citizens (WNI) while Foreign Citizens (WNA) have a passport and complete the email listed on the system.
2. The system (OSS) will send an email that has been registered containing the user-ID and password that will be used to log-in the system (OSS).
3. The company or business entity selects the business field to be selected and enters the initial nominal/capital value of the company's investment.
4. After everything is completed, the system will issue a Business Identification Number (NIB) which will be issued by an authorized government agency, while in the Riau Islands the authorities issue a Business Identification Number, namely the Investment and One Stop Service Office (DPMPTSP) and the One Stop Service PTSP which is located at the Batam Center Public Service Mall.
5. The system (OSS) will provide notifications via email to regional devices.
6. The notification provided by the system (OSS) verifies the submission with the status of approved, incomplete, or rejected.

4.3 Results of the Effectiveness of the Implementation of the Online Single Submission

An effectiveness can run with a predetermined plan with results that have been achieved, therefore effective and efficient implementation can lead to positive results because

effectiveness can also be related to the degree of success of a system operation such as the use of the Online Single Submission in providing services. community which is the target that has been determined. The presence of this system has been carried out well, namely making it easier for investors to invest, especially in the Batam City area regarding business licensing and business actors who can access the system from the company without the need to come to Helpdesk system located at the Batam City Public Service Mall. It's just that there are still obstacles in implementing the system but the Online Single Submission has a positive impact on the company so far the effectiveness of the system has been implemented in all companies in Batam City.

4.4 Barriers to Use Online Single Submission in the Company

Barriers are something that becomes a problem in a process that can hinder achieving the target to be achieved. In this study, the inhibiting factor that occurs in the problem of using an electronic-based application system is the Online Single Submission for investors, the lack of socialization provided by the Investment Coordinating Board (BKPM) related to the data input process that often occurs in companies. Because companies really need socialization such as making workshops because this can minimize errors and companies in Batam City ask for workshops to be divided into daily sessions specifically for companies that experience problems while the results of the socialization that have been held are not very effective because there are too many participants and give time too little and too much material explained by the institution. Meanwhile, from the regional side, the Batam Concession Board, said that the system has changed many times from the central government. There are two problems that occur between system problems as users and from the HR side, sometimes there lag between user and even between inadequate employee devices and lack of personnel in explaining to several companies, especially the Batam City area, but the Batam Business Board will provide the best service in the area. system for investors. The presence Online Single Submission has been carried out well, namely making it easier for investors to invest in Indonesia related to business licensing and business actors who can access the company's system without the need to come to the helpdesk system at the Public Service Mall. It's just that there are still obstacles in implementing the system, starting from some business actors who still don't understand how to fill in the Investment Activity Report licensing, the company still lacks education from the system, fortunately from the Batam Concession Agency, they come directly to the location for monitoring every month so that minimize the mistakes made by the company and in the future the Online Single Submission can run properly without the need for the Batam Concession Agency to come to the location.

5. Conclusion and Suggestions

5.1 Conclusion

Based on the results of research on "The Effectiveness of Application of Online Single Submission in Business Licensing Services at the Directorate of Goods Traffic Services and

Investment in Batam City". Based on the results of the analysis of the general description of the application of electronic-based applications are as follows:

- a) The Online Single Submission has several obstacles in its implementation in every company. Based on the results of direct observations as well as researchers monitoring several companies in Batam City. Researchers received complaints from several companies regarding the lack of training or socialization provided by the central and local governments regarding the Investment Activity Report (LKPM).
- b) Regarding the differences in the previous investment system, there are still many companies who complain about the previous system because there are still many bugs that occur in the system and the incomplete features provided and in the previous system to verify company data such as taking care of licensing Deeds are still working manually, while the current system has much more sophisticated.
- c) Regarding the views of company investors from the previous system and now, of course, the current system, especially for managing business permits, is better than the previous system because it has progress and is faster in licensing management because it is an online system in terms of filing and uploading company documents, while the previous system still needs come directly to the permit management office and upload documents still done manually by officers.
- d) Regarding perspective of customers in using the system, there are positive and negative sides given the positive side, this system has had a good impact on investors and companies because all types of permits are complete in the system, while the negative impact for companies is the lack of guidance and training provided regularly. directly by the agency related to the Online Single Submission only provides ways to upload documents through tools available on the menu.

5.2 Suggestions

Based on the results of the discussion in this study, there are still many shortcomings that must be corrected in this study. The following are suggestions that researchers can give as follows:

1. Practical advice that is taken into consideration for every company and the Directorate of Investment in the future for the Online Single Submission should be improved on the procedure for uploading documents to each application feature. Because the company is still confused in filling out the Quarter every 3 months and providing special training for business actors.
2. The application system is still not in sync with the central government and local governments. This affects business licensing which is still running in several regions in Indonesia.
3. The application system is still not in sync with the central government and local governments. This affects business licensing which is still running in several regions in Indonesia.

Theoretical suggestions for future research who wish to conduct the same research in order to develop the results of this research by raising a wider object not only in several companies but all companies, especially the Batam City area.

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