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Local Government Politics and Governance: Local Government Governance Innovation in Realizing Responsive Public Services

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ABSTRACT

This study aims to analyze the concepts and forms of local government governance innovation, examine the relationship between such innovation and public service responsiveness, and identify the supporting factors, challenges, and strategies for strengthening local innovation to realize responsive public services. This study employs a qualitative method with a library research approach. Data were obtained by reviewing national and international scholarly journal articles, academic books, legislation, and official government publications relevant to public sector innovation, local government governance, and public services. Data collection was conducted through documentation, while the data were analyzed descriptively and qualitatively through the identification, classification, interpretation, and synthesis of literature. The findings indicate that local government governance innovation has developed in several major forms: service digitalization, cross-agency service integration through Public Service Malls, strengthening complaint and feedback channels, collaborative innovation involving non-governmental actors, and data-driven decision-making. These innovations contribute to service responsiveness by accelerating processes, expanding access, improving responses to complaints, and adapting services to community needs. However, local innovation continues to face several challenges, including uneven distribution, ceremonial innovation, low sustainability following leadership changes, the digital divide, sectoral ego, and a bureaucratic culture that tends to avoid risk. Therefore, innovation needs to be institutionalized, inclusive digital governance developed, multi-actor collaboration strengthened, complaints used as a source of organizational learning, innovation replicated, and impact-based evaluation implemented. This study emphasizes that local government governance innovation will produce responsive public services only when it is designed around citizens' needs, supported by institutional capacity, and implemented sustainably.

Keywords: local innovation, local government governance, public services, responsiveness, local government

INTRODUCTION

Public services are the most tangible manifestation of the state's presence in people's lives. Through public services, citizens directly experience the quality of government administration, whether in managing population documents, licensing, healthcare, education, or other basic services. Law No. 25 of 2009 on Public Services affirms that the state is obliged to serve every citizen and resident in fulfilling their rights and basic needs, guided by the principles of public interest, openness, accountability, participation, timeliness, speed, convenience, and affordability. Thus, the quality of public services is not merely an administrative and technical issue, but also a measure of government legitimacy in the eyes of the public.

Within the framework of decentralization, local governments occupy a strategic position because most basic services are delivered at the provincial, regency, and municipal levels. Their proximity to communities makes local governments the actors best positioned to understand citizens' needs and problems. Law No. 23 of 2014 on Regional Government specifically regulates local innovation as an effort to improve the performance of local government administration, which is further elaborated in Government Regulation No. 38 of 2017 on Regional Innovation. These regulations provide opportunities for local governments to introduce reforms in governance, public services, and other government affairs.

The need for innovation has become increasingly urgent as public expectations rise for services that are fast, convenient, transparent, and responsive to their needs. The development of digital technology has changed the way citizens interact with service providers, leading the public to expect government services to offer comparable speed and convenience. At the same time, local governments face limitations in budgets, human resources, and infrastructure. This situation requires local governments not merely to follow existing procedures, but also to find new ways to design and deliver services. (Osborne & Gaebler, 1993) emphasized early on that government needs to move away from rigid bureaucratic patterns toward governance that is more adaptive, results-oriented, and customer-oriented.

The development of public administration paradigms has subsequently shifted the orientation of services from mere efficiency toward fulfilling citizens' interests. Through the New Public Service perspective, (Denhardt & Denhardt, 2016) emphasize that government should serve citizens rather than simply steer them, placing the public interest as the primary objective of governance. From this perspective, responsiveness—the government's ability to listen to the community, establish service priorities, and respond to citizens' aspirations and complaints—has become an important indicator of governance quality.

Empirically, local government innovation in Indonesia has developed quite rapidly. The Domestic Policy Strategy Agency of the Ministry of Home Affairs recorded 28,539 innovations reported by 527 local governments through the Regional Innovation Index measurement in 2023 (ANTARA, 2024). Nevertheless, (Farhan, 2023) review of local government public service innovations recorded in national innovation competitions during 2014–2022 shows that innovation remains unevenly distributed and concentrated in certain areas, while many other regions have very limited innovation. This finding indicates that a large number of innovations does not necessarily reflect an equitable distribution of public service quality across all regions.

Studies of public sector innovation also show that innovation is not merely the application of new technology. (De Vries et al., 2016) through a systematic review of public sector innovation literature, explain that innovation may take the form of process, product or service, governance, and conceptual innovation, and that its success is influenced by environmental, organizational, innovation-related, and individual factors. Meanwhile, Torfing (2019) emphasizes that multi-actor collaboration is a strong driver of public innovation because it brings together diverse knowledge, resources, and perspectives to develop solutions to public problems.

Based on this discussion, examining local government governance innovation is important for understanding how reforms in government management can be translated into public services that are genuinely responsive to community needs. This study develops the discussion through a literature review approach by integrating the concepts of public sector innovation, service responsiveness, collaborative governance, and digital government transformation. Specifically, this study aims to analyze the concepts and forms of local government governance innovation, examine its contribution to public service responsiveness, identify the supporting factors and challenges faced by local governments, and formulate strategies for strengthening sustainable local innovation oriented toward the public interest.

METHODS

This study employs a qualitative method with a library research approach. According to (Habsy, 2017), library research is an effort to collect data and sources related to the topic examined in a study. Furthermore, (Zed, 2025) states that library research consists of activities related to collecting library materials, reading, taking notes, and processing research materials without directly conducting fieldwork.

The library research approach was selected because it enables the researchers to develop a comprehensive conceptual understanding of local government governance innovation from diverse sources and across different contexts. Through this approach, the researchers not only compile references but also conduct critical analysis to identify patterns, themes, and gaps in the literature. This approach is used to develop a synthesis of the relationship between local innovation, government governance, and public service responsiveness.

The research data consist of secondary sources, including national and international journal articles, academic books, legislation, and official government publications discussing public sector innovation, regional innovation, public services, responsiveness, collaborative governance, and digital government transformation. Empirical literature published between 2019 and 2026 is prioritized, while classical works and legislation are used as conceptual and normative foundations.

The literature search was conducted through journal databases such as SINTA, Garuda, and Google Scholar, as well as official government websites, using the following keywords: regional innovation, public service innovation, local government governance, service responsiveness, public sector innovation, and collaborative innovation. Literature was selected based on its relevance to the research focus, clarity of bibliographic information, and contribution to the concepts analyzed. Since this study does not use primary data, its findings constitute a synthesis of literature intended to provide a conceptual framework and policy recommendations, rather than to empirically measure the level of service responsiveness in a particular region.

Data were collected using documentation techniques, namely identifying, reading, recording, and grouping information from various relevant sources. The data were then analyzed using descriptive qualitative analysis through four stages:

1. Literature identification, namely collecting scholarly sources and policy documents related to local government governance innovation and public services.
2. Information classification, namely grouping the literature according to themes concerning innovation concepts, responsiveness, forms of innovation, supporting factors, challenges, and strengthening strategies.
3. Analysis and interpretation, namely examining relationships among concepts and comparing the views and findings of previous studies.
4. Synthesis of findings, namely formulating conclusions regarding the relationship between local government governance innovation and the realization of responsive public services.

This approach is not intended to produce statistical generalizations, but rather to develop a conceptual understanding based on the review of relevant literature.

RESULT AND DISCUSSION

The Concept of Local Government Governance Innovation

Innovation in the public sector can be understood as the introduction of new ideas, processes, services, or ways of working adopted by government organizations to generate

greater public value. Unlike the private sector, which is oriented toward profit and market competitiveness, public sector innovation is oriented toward improving service quality, policy effectiveness, and the fulfillment of public interests. Moore (1995) explains that the main task of public managers is to create public value, namely the benefits experienced by society as a result of government action; therefore, innovation should be measured by its contribution to such value.

(De Vries et al., 2016) classify public sector innovation into several types: administrative and technological process innovation, product or service innovation, governance innovation, and conceptual innovation. Governance innovation concerns the development of new forms and processes for addressing public problems, including new patterns of relationships between government, communities, and non-governmental actors. Thus, governance innovation changes not only what government produces, but also how it makes decisions, coordinates resources, and interacts with citizens.

In Indonesia, Government Regulation No. 38 of 2017 on Regional Innovation divides regional innovation into local government governance innovation, public service innovation, and other regional innovations in accordance with the government affairs under regional authority. Law No. 23 of 2014 also stipulates that regional innovation must be guided by the principles of increased efficiency, improved effectiveness, better service quality, avoidance of conflicts of interest, orientation toward the public interest, openness, propriety, and accountability. The law also provides protection for public officials: an innovation that has been established but fails to achieve its targets does not automatically expose the officials involved to criminal prosecution. This provision is important because it creates a safe space for officials to experiment.

Based on these concepts, local government governance innovation can be defined as reform in the structures, processes, working mechanisms, and relationship patterns of local government aimed at improving government performance and the quality of services delivered to the public. Governance innovation provides the foundation for public service innovation, because new and improved services can operate sustainably only when supported by adaptive institutions, procedures, and work cultures.

Empirical data show that local government innovation has developed over time. (Farhan, 2023), through an analysis of local government public service innovations recorded in national competitions during 2014–2022, identified 675 local government innovations that passed the selection process. Among the innovations classified by typology, technological processes represented the largest category (25.12%), followed by administrative processes (19.88%) and social innovation (19.11%). These findings show that public sector reform involves not only the creation of new services, but also changes in work processes and organizational mechanisms.

At the regional reporting level, the Ministry of Home Affairs recorded 28,539 innovations from 527 local governments in 2023. This figure indicates a high level of innovation activity, but the number of innovations does not automatically demonstrate an increase in public value. Therefore, success must continue to be linked to the benefits experienced by the public, in line with Moore's (1995) concept of public value.

Responsiveness as a Measure of Public Service Quality

Responsiveness is the government's ability to recognize public needs, establish service agendas and priorities, and develop service programs that align with community needs and aspirations. In service delivery, responsiveness is reflected in the speed with which the government handles service requests, its attentiveness to complaints, its willingness to make improvements, and its ability to adapt services to the conditions of diverse community groups.

Responsiveness is closely related to the principles of public service set out in Law No. 25 of 2009, particularly participation, timeliness, speed, convenience, affordability, and the provision of facilities and special treatment for vulnerable groups. This means that responsive services must not only be fast, but also inclusive and capable of reaching people with limited access.

From the New Public Service perspective, responsiveness is not understood as passively waiting for requests, but as a commitment to listening to citizens, building dialogue, and involving the public in formulating solutions (Denhardt & Denhardt, 2015). Thus, responsive government opens two-way communication channels, follows up on public input, and openly explains how such input is considered in service improvements.

The relationship between innovation and responsiveness is mutually reinforcing. Innovation provides new instruments and mechanisms that enable government to respond to public needs more quickly and accurately. Conversely, responsiveness serves as both the direction and measure of innovation success. Innovation that does not address citizens' needs, regardless of how sophisticated its technology may be, risks becoming an unused and unsustainable program.

The substantial need for responsive mechanisms is reflected in data from the Indonesian Ombudsman. In 2024, the Ombudsman received 10,846 public complaints, a 28% increase from 8,452 complaints in 2023. Local governments were the most frequently reported institutions, accounting for 45.88% of reported institutions. This data shows that responsiveness cannot be assessed merely by the availability of service procedures, but also by the government's ability to listen, explain, and follow up on problems experienced by Indonesian citizens (Ombudsman, 2025).

Forms of Local Government Governance Innovation

Based on the review of literature and policy documents, local government governance innovations related to public service responsiveness can be grouped into the following main forms.

a. Service digitalization and electronic-based government

Digitalization is the most widely developed form of innovation among local governments. The use of online service applications, electronic queue systems, electronic signatures, and public information portals enables citizens to access services without having to visit government offices in person. This policy is in line with Presidential Regulation No. 95 of 2018 on Electronic-Based Government Systems, which promotes integrated, effective, transparent, and accountable governance. (Anjani & Malawat, 2023) show that e-government as a local government innovation can improve public service quality by making services more transparent, accountable, efficient, and effective. However, (Mergel et al., 2019) remind us that digital transformation is not simply about moving services into digital formats; it requires changes in processes, organizational culture, and relationships with service users.

BPS data in the 2024 Indonesian Telecommunications Statistics show that 72.78% of Indonesia's population accessed the internet in 2024, up from 69.21% in 2023. At the same time, the 2024 SPBE Evaluation recorded a national SPBE index of 3.12 on a scale of 5, with a good rating. Both indicators show developments in digital access and electronic government governance. However, they should not be interpreted as proof that all regional services are easily accessible or integrated; service quality still needs to be measured through user experience, completion time, and procedural convenience (BPS, 2025; Ministry of Administrative and Bureaucratic Reform, 2025).

b. Service integration through Public Service Malls

Public Service Malls (MPP) are an innovation that integrates various services provided by central and local governments, state-owned and regionally owned enterprises, and private parties in a single location. Their implementation is regulated by Presidential Regulation No. 89 of 2021 on the Implementation of Public Service Malls. This integration reduces the burden on citizens who previously had to visit multiple agencies to obtain a single service. (Arkham et al., 2026), in their study in Mataram City, found that service quality at MPPs had a positive and significant effect on public satisfaction, with empathy as the most dominant dimension. This finding shows that the physical integration of services needs to be accompanied by staff competence and attitudes so that the public genuinely experiences responsiveness.

The development of MPPs can be seen in data from the Ministry of Administrative and Bureaucratic Reform. In June 2024, Indonesia had 206 MPP units. By December 2024, this number had increased to 272 operating MPPs. This increase indicates the expansion of the service integration model, but the number of units does not directly reflect the quality of inter-agency coordination, waiting times, or user satisfaction. Therefore, MPP evaluation needs to measure the ease of completing cross-agency procedures and the quality of interactions between staff and the public (Ministry of Administrative and Bureaucratic Reform, 2024).

c. Strengthening public complaint and feedback channels

Service responsiveness depends greatly on the government's ability to receive and follow up on public complaints. Presidential Regulation No. 76 of 2013 on the Management of Public Service Complaints provides the foundation for developing a nationally integrated complaint management system. At the local level, innovation is implemented through online complaint channels, instant messaging services, official social media accounts, and integrated call centers. Such innovations enable local governments to detect service problems earlier, accelerate follow-up actions, and use complaints as a basis for policy improvement.

Indonesian Ombudsman data reinforce the importance of complaint channels as instruments of oversight and learning. Throughout 2024, 10,846 complaints were received and 10,768 were resolved or closed. Frequently reported issues included agrarian/land affairs (17.17%), personnel affairs (12.45%), and education (9.56%). Local governments can use this data to map recurring problems, identify service units requiring improvement, and develop evidence-based follow-up actions. It should be noted that the Ombudsman's resolution figure is not equivalent to the resolution rate of all complaints handled by each local government.

d. Collaborative and participatory innovation

Innovation does not always originate within the bureaucracy. (Hartley, 2013) explains that collaborative innovation is a viable alternative to market competition and organizational entrepreneurship models because it involves public and private actors in formulating, testing, and implementing new ideas. (Torfing, 2019) adds that multi-actor collaboration can enrich innovation processes by bringing diverse knowledge and strengthening ownership of the resulting solutions. In local contexts, collaborative innovation can involve universities, communities, businesses, the media, and civil society organizations.

Empirical evidence on the importance of organizational capacity and actor involvement can be found in the study by (Imaniyati et al., 2024). A quantitative study of 130 employees in local government offices in Indonesia found that staff competence and organizational culture positively influenced organizational innovativeness. Organizational innovativeness also had a positive effect on service performance. This finding supports the argument that collaborative innovation requires internal bureaucratic capacity, a work culture that supports reform, and the ability to connect government knowledge with the knowledge of communities and non-governmental partners.

e. Data-driven decision-making

Governance innovation also includes the use of data to formulate service priorities. Population data, poverty data, complaint data, and public satisfaction survey results can be used to identify underserved groups, areas with low service quality, and the types of services most frequently complained about. A data-driven approach enables local governments to move from a reactive to a proactive pattern by anticipating needs before problems develop into complaints.

The relevance of data-driven decision-making is evident in the large volume of available complaint information. The Indonesian Ombudsman received 10,846 complaints in 2024, with local governments accounting for the largest share of reported institutions (45.88%). By combining complaint data with population data, poverty data, satisfaction surveys, and service time standards, local governments can identify the services and groups of citizens most in need of intervention. Such data need to be analyzed regularly, rather than merely collected to fulfill reporting obligations.

Dynamics and Distribution of Regional Innovation in Indonesia

Regional innovation policy in Indonesia is strengthened through the Regional Innovation Index measurement mechanism and the Innovative Government Award presented by the Ministry of Home Affairs. This mechanism encourages local governments to report, develop, and replicate innovations. The number of reported innovations indicates strong enthusiasm among local governments, as reflected in the tens of thousands of innovations collected from most local governments in 2023 (ANTARA, 2024).

Nevertheless, the quantity of innovation does not fully reflect quality or equitable distribution. (Farhan, 2023) found that local government public service innovation was dominated by technology-based process innovation, followed by social innovation, new services, and administrative process innovation, with health being the sector with the greatest number of innovations. The same study showed that innovation remains concentrated in certain regions, while many areas outside these regions have very limited innovation. (Farhan, 2023) also emphasized that equitable innovation depends greatly on a shared understanding of its importance and the political will of regional heads to improve public services.

These findings show that regional innovation cannot be separated from the political context and institutional capacity of each region. Regions with visionary leadership, adequate fiscal capacity, and better infrastructure tend to have greater room for innovation. Conversely, regions with limited resources need guidance, assistance, and innovation replication to prevent widening disparities in service quality across regions.

(Farhan, 2023) analyzed 675 local government innovations that passed the selection process of the public service innovation competition during 2014–2022. The results showed that provincial innovations were still dominated by Java, with the exception of Banten. The study also found that the largest innovation categories were health (36.06%), administration (12.79%), government governance (9.86%), and education (9.71%). These findings reinforce that an increase in the national number of innovations is not necessarily accompanied by equitable geographic or sectoral distribution.

An empirical study published in Heliyon, using district-level data from 2015–2022, also found that districts in Java and Sumatra had higher innovation productivity and regional innovation indices than those in Kalimantan and Eastern Indonesia. This finding indicates the need for affirmative policies in the form of mentoring, knowledge transfer, and capacity support for regions lagging behind in innovation development (Reddy et al., 2023)

Factors Supporting the Success of Local Government Governance Innovation

The literature review indicates that the success of innovation in realizing responsive public services is influenced by several key factors.

a. Leadership and political commitment of regional heads

Regional heads determine the direction, priorities, and resource support for innovation. Leadership commitment is needed to make innovation a regional strategic agenda rather than a fragmented activity of individual agencies. Leadership also helps build an organizational climate that gives officials room to propose and test new ideas.

A study of 424 employees in four local governments found that leadership had a positive and significant effect on the implementation of digital government services ($p = 0.025$). The model explained 83.4% of the variation in digital service implementation ($R^2 = 0.834$) through several organizational and governance factors. This finding reinforces that leadership commitment is not merely a normative statement, but a factor associated with service transformation (Ahdarrijal, et al., 2024).

b. Human resource capacity of public officials

Innovation requires public officials with technical competence, analytical skills, and a service-oriented mindset. Research indicates that staff competence and attitude contribute substantially to public satisfaction. Therefore, capacity building should include not only technological skills but also empathy and the ability to communicate with the public (Arkham et al., 2026).

(Imaniyati et al., 2024)A survey of 130 local government employees found that staff competence positively influenced organizational innovativeness and service performance. Another study found a positive and significant effect of employee skills on digital service implementation ($p = 0.034$). Thus, officials' capacity needs to include technological skills, problem-solving, communication, and citizen-oriented service (Ahdarrijal, et al., 2024).

c. Regulatory and institutional support

Innovation established through regional head decisions, supported by budgets, and incorporated into the core duties of regional agencies has a greater chance of being sustained. Institutions responsible for local research and innovation also play an important role in coordinating, documenting, and evaluating innovation.

A study of 424 employees across four local governments found that regulations positively and significantly affected digital service implementation ($p = 0.014$). This indicates that innovation requires clear rules, a division of authority, operational standards, and accountability. National regulations such as Presidential Regulation No. 95 of 2018 on SPBE need to be translated into local governance arrangements and operational procedures (Ahdarrijal, et al., 2024).

d. Infrastructure and technology

Internet networks, hardware, interconnected information systems, and data security are prerequisites for digital innovation. Without adequate infrastructure, digital innovation may widen disparities in service access across regions.

BPS data show that 72.78% of Indonesia's population accessed the internet in 2024, while household computer ownership was 18.52%, according to the 2024 Indonesian

Telecommunications Statistics. The difference between high internet access and more limited computer ownership indicates that digital service design needs to consider the devices citizens actually use, particularly mobile phones. A study also found that ICT infrastructure positively and significantly influenced digital service implementation (p = 0.031) (Ahdarrijal, et al., 2024).

e. Public participation and collaboration

Rosika et al. (2023) emphasize that public participation, collaboration and partnerships, and the use of technology are key to successful government innovation under decentralization. Public involvement ensures that innovation is designed around real needs while increasing the use of and sense of ownership over the services developed.

The large number of public complaints indicates the need for accessible channels of participation. The Indonesian Ombudsman recorded 10,846 complaints in 2024, a 28% increase from the previous year. Research also shows that organizational culture and employee competence are positively associated with organizational innovativeness. External participation will be more meaningful when local governments have an internal culture that is open to feedback and able to turn it into improvements (Imaniyati et al., 2024).

Challenges to Local Government Governance Innovation

Despite a strong regulatory foundation and relatively rapid development, local government governance innovation continues to face several challenges.

a. Ceremonial innovation

Some innovations are developed primarily to meet reporting requirements or participate in competitions, and therefore stop at the launch stage. Such innovations tend not to be accompanied by assessments of public benefits and do not receive budgetary support for maintenance.

The difference between the number of innovations and the quality of outcomes needs attention. In 2023, 527 local governments reported 28,539 innovations to the Ministry of Home Affairs. Other research indicates geographic concentration of innovation and differences in capacity across regions. The number of reported innovations is an indicator of activity, not a direct measure of impact. Evaluation should examine whether innovations are used regularly, have maintenance resources, and produce changes that people can experience (Farhan, 2023).

b. Low sustainability of innovation

Changes in regional heads, transfers of officials, or the departure of innovation initiators often result in innovations being discontinued. This shows that innovation still depends on particular individuals and has not been institutionalized in the organizational system.

A study of 130 local government employees found that organizational culture positively influenced organizational innovativeness and service performance. This provides empirical support that innovation sustainability is related to organizational conditions, not merely the existence of an application or an individual initiator. Process documentation, assignment of responsibility, budgeting, and integration of innovation into routine procedures are therefore important.(Imaniyati et al., 2024).

c. The digital divide

Limited internet connectivity, devices, and digital literacy continue to affect some communities, particularly rural and remote residents, older people, and persons with disabilities. Local governments are therefore advised to continue providing offline, online, and hybrid services, alongside improvements in officials' technological capabilities and supporting infrastructure (Anjani & Malawat, 2023).

Although 72.78% of Indonesia's population accessed the internet in 2024, 27.22% were not recorded as having accessed it during the BPS measurement period. This national figure indicates that fully online services risk leaving some citizens behind. Local governments therefore need to maintain face-to-face channels, mobile services, and digital assistance, while ensuring accessibility for older people, persons with disabilities, and residents in areas with limited connectivity (BPS, 2025).

d. Sectoral ego and weak interoperability

Regional agencies often develop their own applications without data integration. As a result, citizens must use multiple applications, data are not interconnected, and cross-sector services become slow. This contradicts the principle of integrated electronic-based government.

The 2024 SPBE evaluation produced a national index of 3.12 on a scale of 5, but only 48 of 615 central and local government institutions received a satisfactory rating. The gap between the national aggregate index and the number of institutions with the highest rating shows that digital maturity is not evenly distributed. This underscores the importance of integrating business processes, data standards, and interoperability between systems so that digitalization does not produce disconnected applications (Ministry of Administrative and Bureaucratic Reform, 2025).

e. A risk-averse bureaucratic culture

A work culture focused on procedural compliance often makes officials reluctant to try new approaches because they fear administrative and legal risks. Yet innovation always involves uncertainty and requires room to learn from failure.

Research shows that organizational culture positively influences organizational innovativeness and service performance. Another study found that employee skills, leadership, regulations, ICT infrastructure, transparency, and accountability significantly influence digital service implementation. These findings indicate that bureaucratic culture change needs leadership support, competence, and rules that provide certainty for public officials.(Imaniyati et al., 2024).

f. Budget constraints

Budget-efficiency policies and limited local fiscal capacity can reduce allocations for innovation development and maintenance. Under these conditions, local governments need to prioritize innovations that directly affect basic services and optimize collaboration with non-governmental actors.

These challenges show that strengthening local innovation requires simultaneous improvements in leadership, institutions, resources, technology, and organizational culture.

A study of four local governments found that the budgeting variable did not have a statistically positive and significant effect on digital service implementation in the model tested ($p = 0.210$). This does not mean budgets are unnecessary; rather, budget availability alone is insufficient to guarantee implementation. Budgeting needs to be directed toward appropriate needs, such as system maintenance, data security, competency development, and support for groups facing access barriers (Ahdarrijal, et al., 2024).

Strategies for Strengthening Innovation for Responsive Public Services

Based on the literature review, several strategies can be implemented to strengthen local government governance innovation and produce responsive public services.

a. Institutionalizing innovation in the planning and budgeting system

Innovation needs to be included in regional planning documents, established through regulations, and provided with a clear budget allocation. Institutionalization is important to

ensure that innovation does not depend on particular individuals and continues despite leadership changes.

The finding that regulations significantly influence digital service implementation (p = 0.014), while budgeting is not significant in the same model (p = 0.210), demonstrates the importance of linking resource support with institutional governance. Innovation therefore needs to be incorporated into planning documents, performance indicators, organizational responsibilities, and evaluation cycles so that it does not remain a temporary project (Ahdarrijal, et al., 2024).

b. Developing inclusive digital governance

Service digitalization needs to be designed around user experience and supported by data interoperability, personal data protection, and system security. Local governments also need to provide non-digital service alternatives and assistance for communities experiencing access limitations.

BPS data for 2024 show that 72.78% of the population accessed the internet, meaning that a portion of the population remains outside internet access. Susenas data also show that internet access in rural areas is lower than in urban areas. This provides an empirical basis for developing multichannel services: digital services for users who are ready, as well as offline services and assistance for residents facing access limitations.

c. Strengthening multi-actor collaboration

Local governments need to create opportunities for collaboration with universities, businesses, communities, the media, and civil society organizations. Collaborative innovation can serve as a means of creating public value in addressing complex societal problems (Crosby et al., 2017).

Research shows that employee competence and organizational culture are positively associated with organizational innovativeness. This indicates that external collaboration needs to be supported by internal government readiness. Local governments can strengthen partnerships with universities, communities, and businesses through joint problem mapping, service trials, and user-involved evaluation (Ahdarrijal, et al., 2024).

d. Making complaints a source of organizational learning

Public complaints should not be viewed as a threat, but as valuable information for improving services. Complaint data need to be analyzed regularly, followed up within clear deadlines, and the results communicated openly to the public.

In 2024, the Indonesian Ombudsman received 10,846 complaints and resolved or closed 10,768. Local governments were the most frequently reported institutions, accounting for 45.88% of reported institutions. This data can be used to map maladministration risks and improve procedures. Local governments need to categorize complaints by service type, location, service unit, and resolution time, and publish follow-up actions.

e. Encouraging replication and knowledge sharing across regions

Replicating proven innovations can be an efficient approach for regions with limited resources. However, replication needs to be adapted to the social, geographical, and institutional context of the receiving region rather than simply copying a program.

(Farhan, 2023) Research found that local government innovation is unevenly distributed and remains concentrated in certain regions. District-level findings in (Reddy et al., 2023) also show relatively higher innovation productivity in Java and Sumatra than in Kalimantan and Eastern Indonesia. This supports replication and knowledge sharing, provided that models are adapted to the geography, fiscal capacity, infrastructure, and characteristics of residents in the receiving region.

f. Developing impact-based evaluation

Innovation evaluation needs to move beyond measuring outputs, such as the number of applications or services, toward measuring impacts, such as shorter service completion times, lower costs for citizens, increased satisfaction, and wider service coverage for vulnerable groups. Evaluation results should provide a basis for improving innovation.

These strategies show that strengthening local innovation cannot be achieved merely by launching new programs; it requires systemic changes in how local governments plan, implement, and evaluate public services.

The number of innovations, the number of Public Service Malls, and the SPBE index are indicators of outputs or system capacity, but are insufficient to conclude that service impacts have been achieved. For example, the number of MPPs reached 272 in December 2024, while the national SPBE index stood at 3.12 on a scale of 5. Impact evaluation needs to be complemented by outcome indicators, such as changes in service completion times, costs incurred by citizens, complaint resolution rates, user satisfaction, and access for vulnerable groups.

Synthesis of Findings: The Relationship between Governance Innovation and Public Service Responsiveness

Based on the preceding discussion, local government governance innovation and public service responsiveness have a mutually reinforcing relationship. Innovation provides new mechanisms, instruments, and work patterns, while responsiveness serves as the orientation and measure of innovation success.

The relationship between the dimensions of innovation and their contributions to service responsiveness can be explained through the following synthesis:

Table 1: Dimensions and Forms of Public Service Innovation and Their Contributions to Service Responsiveness

Innovation Dimension	Form of Innovation	Contribution to Responsiveness
Service digitalization	Online services, electronic queues, electronic signatures	Accelerates processes and expands service access
Service integration	Public Service Malls and integrated services	Reduces the time and costs borne by citizens
Complaint management	Integrated complaint channels and transparent follow-up	Improves responsiveness to citizens' complaints
Collaboration	Partnerships with universities, the private sector, and communities	Produces solutions that address real needs
Data-driven governance	Use of complaint data, surveys, and sectoral data	Shifts service delivery from reactive to proactive
Institutional framework	Regulations, budgets, and innovation management units	Ensures the sustainability of service improvements
Public officials' resources	Development of competence, empathy, and an innovative culture	Improves the quality of interactions with the public

This synthesis shows that local government governance innovation strengthens the government's capacity to listen to, understand, and respond to public needs. Technological innovation will produce optimal results when supported by strong institutions, competent public officials, and meaningful participation mechanisms. Thus, responsive public services

are not merely the result of applying new technology, but of governance reform that places citizens at the center of service design and evaluation.

Overall, the secondary data reveal three interrelated trends. First, local innovation activity has increased, as reflected in the 28,539 innovations reported by 527 local governments in 2023. Second, digital infrastructure and governance have developed, as indicated by internet access among 72.78% of the population and a national SPBE index of 3.12 in 2024. Third, the need for service improvement remains evident, as reflected in the 10,846 complaints received by the Ombudsman in 2024 and the dominance of local governments among reported institutions. Thus, the growing number of innovations and digital progress must be accompanied by tangible improvements in access, timeliness, complaint resolution, and public experience.

CONCLUSION

Based on the literature review, it can be concluded that local government governance innovation is a strategic instrument for realizing responsive public services. Such innovation has developed in the forms of service digitalization, service integration through Public Service Malls, strengthening complaint channels, collaborative innovation, and data-driven decision-making. Through these forms, local governments can accelerate service processes, expand access, improve responsiveness to complaints, and adapt services to public needs.

The success of innovation is influenced by the leadership and political commitment of regional heads, the human resource capacity of public officials, regulatory and institutional support, technological infrastructure, and public participation and collaboration. However, local innovation still faces challenges, including uneven distribution, ceremonial tendencies, low sustainability, the digital divide, sectoral ego, a risk-averse bureaucratic culture, and budget constraints. These challenges need to be addressed through institutionalizing innovation, inclusive digital governance, multi-actor collaboration, using complaints as a source of learning, innovation replication, and impact-based evaluation.

Thus, public service quality is determined not by the number of innovations launched, but by the extent to which those innovations change how local governments understand and respond to citizens' needs. Future research is recommended to empirically test these conceptual findings through case studies in specific regions, so that the relationship between governance innovation and service responsiveness can be measured in greater detail.

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