

Implementation of the New Public Service Principle as a Basis for Incremental Reform Action in the Dana Indonesiana Program

Darmawati¹⁾, Intan Suciati Daeng Baji²⁾, Sa'adati³⁾
^{1,2,3)}Public Administration, University of Indonesia

*Corresponding Author

Email: darmawatie.sviri@gmail.com, intan.daengbaji@gmail.com, tanvadeti@gmail.com

Abstract

This study analyzes the Dana Indonesiana cultural endowment fund (DAKB) program as a form of incremental service reform using the principles of New Public Service (NPS). The background of this study was triggered by the imbalance in the realization of the utilization of the cultural endowment fund compared to the results of management, which is 60% of IDR 337.5 billion. Not to mention when associated with the impact of funding on the cultural economy which from the realization of its utilization alone is not optimal. So logically, the impact of the cultural economy on improving the welfare of cultural actors is certainly not optimal. However, the objectives and benefits of the study are emphasized on enriching knowledge of the principles of New Public Service, and focus on indicators of inclusivity, transparency, and community involvement. This study was designed using a qualitative explanatory method, with data collection techniques through interviews and literature analysis. The study succeeded in explaining that the Dana Indonesiana DAKB service adheres to an incremental bureaucratic reform model. It is recorded that policy reform, service inclusivity is already very good at above 80%. Research shows that Dana Indonesiana has an important role in democratizing access to cultural resources, encouraging collaborative governance, and positioning the government as a servant, serving and not controlling. The indicators of collaborative work, community-based, and accountability are quite high. The weakness is not in the service providers, but lies in the beneficiaries who have minimal effort and are less responsive. Therefore, new policy innovations are needed so that Dana Indonesiana services have an impact on the cultural economy, and the coverage area becomes wider.

Keywords: *Indonesiana Fund Program, Incrementalism of Public Policy Reform, New Public Service.*

INTRODUCTION

Based on Law Number 5 of 2017 concerning the Advancement of Culture, it is stated in Article 49 that in order to advance culture, the Central Government forms a Cultural Trust Fund. Then it is followed up to become the Indonesian Cultural Endowment Fund (Law Number 5 of 2017). According to Presidential Regulation No. 111/2021, namely the budget accumulated in the form of an endowment fund whose management results are used to support activities related to the advancement of culture (Presidential Regulation number 111 of 2021). The Cultural Endowment Fund (DAKB) is known as the Indonesian Fund. Regarding DAKB, Roy Davidton, Chairperson of the Indonesian Fund Management, since 2020 Indonesia has invested IDR 3T, the management results of which in 2024 reached IDR 185 million. This management figure increased by IDR 20M from 2023 which reached IDR 165M. In 2022, the Ministry of Finance added an investment of IDR 2T so that the accumulation of DAKB became IDR 5T. Since the formation of DAKB until 2024, the value of the Indonesian Fund has accumulated to IDR 337.5 billion, the recipients of which can be individuals, communities, or cultural institutions. The use of the Indonesian Fund is to support cultural strategy activities, the creation of innovative creative works, documentation of works or masters of knowledge and Cultural Advancement Objects that are at risk of extinction, micro cinema, institutional support for cultural organizations, utilization of public spaces, studies of Cultural Advancement Objects, and funds for accompanying works for international distribution (Dana Indonesiana 2023) Currently, Dana Indonesia as a "service brand" of DABK does not stand

alone, it is still under the Public Service Agency (BLU) of the Education Fund Management Institute (LPDP), and in principle the government does not take "profit" from the funds that have been distributed. LPDP data states that Dana Indonesia in 2022 reached IDR 165 million, but the realization of its use was only 58.9% or around IDR 97.18 million. As a result, in 2023, LPDP lowered the budget ceiling of the Indonesian Fund to only IDR 47 billion, 29.5% of the 2022 DAKB service ceiling. In this way, the realization figure reached 95.22% or IDR 44.76 billion, which would be 100% if two proposal submitters made disbursements. The policy of lowering the utilization rate by 71.5% from 2022 indicates a problem in the Indonesian Fund service, it could be that LPDP as its parent considered the realization in 2022 to be less than optimal. So it is deemed necessary to tighten the eligibility of recipients by limiting the number of benefit distributions, as happened in 2023. The Indonesian Fund service with less than optimal performance, such as a low utilization ceiling with a ratio of no more than 60% of the total accumulated management results of IDR 337.5 billion, is a situation that must be reformed immediately. Therefore, the integration of the increase between the realization of the utilization of the Indonesian Fund and the managed funds will have an impact on the accumulation of "idle funds" which are actually very useful for the development of the welfare economy to improve the welfare of the welfare ecosystem actors. If this reality continues, the government will definitely stop increasing the amount of DAKB investment which has currently absorbed capital of IDR 5T, which is still 25% of the ideal estimate of IDR 20T. In reality, public service reform is already a necessity, as is the case for the Dana Indonesia program. As a reminder, DAKB does not take direct "profit" from the distribution of benefit funds to cultural citizens who are not viewed as "customers", which is the basic principle of the new form of public service or New Public Services (NPS). DAKB is also a gradual change from the facilitation of cultural activities at the Directorate General of Culture, Ministry of Education, Culture, Research and Technology at that time, changed incrementally with political desires through Law No. 5/2017 and Presidential Regulation No. 111/2021. Therefore, the Indonesian Fund Service is also continuously making adjustments in the context of sustainable reform. Thus, there are three discussions of issues in this paper related to Dana Indonesia, namely the inevitability of the need for service reform, and carried out gradually (precisely incrementalism), and consistency in the choice of implementing new public service principles. The purpose and benefits of this study are to determine the application of NPS principles as a form of incremental reform action in the Dana Indonesia Program.

RESEARCH METHODS

This study uses an explanatory qualitative design to explain the phenomenon of incremental service reform in the Dana Indonesia Program at the Ministry of Culture, by comparing its suitability according to the principles of new public services (NPS). The study was conducted by analyzing literature on public service reform, NPS principles, and cultural policies in Indonesia, and conducting interviews with closed questions as qualitative data. Interviews and feedback on the Indonesiaatv page to enrich the experiences, challenges, and perceptions of participants about transparency and accountability in the Dana Indonesia application process. This study also conducted an analysis of government reports, policy documents, and notes on Dana Indonesia for cross-references and to validate participant feedback. Measurement. To show the occurrence of incremental service reform, the study only shows the stages of change in Dana Indonesia. Meanwhile, a review of bureaucratic reform in the Dana Indonesia Program

service refers to the characteristics of open government, namely prioritizing the principles of transparency, integrity, accountability, and stakeholder participation in supporting democracy and inclusive growth. However, the study limits it to three characteristics of open government as evidence of service reform in the Dana Indonesiana Program, namely transparency, inclusiveness and level of participation. 1) Transparency is seen from the openness of information on program services and proposals such as what is eligible as a recipient of Dana Indonesiana, then abbreviated as "program eligibility", transparency in the budget and application process. 2) Inclusiveness is seen from the emergence of cultural group diversity, cultural actors feel that services are open to anyone, and anyone can easily access the Dana Indonesiana budget. 3) Level of participation, open to all groups involved and utilizing it, equal opportunities, free to take the initiative regardless of the background of the cultural activities they are responsible for. The study of the application of new public service principles, researchers limit it to collaborative aspects, community involvement and public accountability. 1) The collaborative principle is reflected in shared governance, occurs by involving many institutions and is a partnership. 2) The involvement of the community, is able to have an impact on a group of cultural actors even though it is local, is able to reach many communities wherever they are, and increasingly involves cultural actors. 3) Public accountability is reflected in the perceived transparency, the emergence of feedback responses to services, and increasingly open access to information. This study utilizes the reliability and validity of data through the triangulation method, by analyzing data from various sources (literature review, interview results, and government documents) which are re-checked to ensure the reliability of the findings. Key participants can be invited to review the initial findings to verify accuracy and provide further clarification if needed. Throughout its journey, this study maintains the researcher's awareness of the potential for bias during the analysis, especially given the qualitative nature of this study. The study at the Ministry of Culture of the Republic of Indonesia, in the period of November 2024, targets research subjects, including recipients and stakeholders of the Indonesiana Fund, including cultural observers, cultural actors (as recipients of funds), fund managers, and representatives of local governments. The analysis carried out applies; 1) Narrative Analysis, which is used to interpret qualitative responses from interview results according to the measurement indicators above. 2) Thematic Coding: Open coding will identify themes related to measurement indicators. 3) Interpretative Analysis, to explain the incrementalism model of policy reform, while consistently adhering to the principles of the new public service (NPS). So that with this data analysis technique, the research is able to qualitatively explain the existence of incremental service reform which adheres to minimal principles in the new public service theory.

RESULT AND DISCUSSION

Incrementalism policy in its service reform process by implementing the principles of new public services (New Public Services, NPS). Changes in Dana Indonesiana services show increasingly better policy developments, from the idea process, changes due to constitutional demands, strengthening legality so as to strengthen its formal accountability position according to state administration. Then it is increasingly improving by improving services as a continuous and sustainable bureaucratic reform cycle to achieve the goals of cultural advancement, namely; to develop the noble values of the nation's culture, enrich cultural diversity, strengthen the nation's identity, strengthen the nation's unity and integrity, educate the nation's life, improve the nation's image, realize a civil society, improve people's welfare, preserve the nation's cultural heritage, and influence the direction of the development of world civilization.

1. Incrementalism of Dana Indonesiana Service Reform

Gradually, Dana Indonesiana services have made significant progress in bureaucratic reform, by promoting an inclusive governance culture. Feedback from recipients of funds shows better accessibility and equitable funding opportunities across demographic groups. Analysis identifies areas that need improvement, especially in reaching marginalized communities. This can be seen in the following table 1 regarding the achievements of the incremental reform of Dana Indonesiana services.

Table 1. Periodization of Incrementalism in the Reform of Indonesian Fund Services

Periodisasi	Perubahan Ekosistem dan Respons Kebijakan
2017	<p>Law No. 5 of 2017 concerning Cultural Advancement – Cultural Trust Fund</p> <p>There are no derivative regulations of the Law, so the cultural administrator (Directorate General of Culture) “provides” a small budget with the nomenclature of Cultural Activity Facilitation</p> <p>Although very limited in terms of budget, in the context of accountability, the policy administrator has succeeded in creating implementation guidelines for prospective recipients of facilitation funds (Technical Instructions and Implementation Instructions)</p> <p>Accountability of implementation, users are required to provide reports on the use of funds, and administrators make activity reports institutionally.</p> <p>To achieve the best possible transparency, administrators carry out socialization of the cultural activity facilitation program.</p> <p>- As a result, the level of participation of cultural actors by involving as many cultural communities as possible is quite large because more activities are facilitated compared to before when there was no budget allocation. However, there is still minimal collaborative work (only one or two activities).</p>
2020	<p>Early 2020, DAKB – Dana Indonesiana was already being used, although it had not been strengthened by derivative regulations from Law No. 5/2017. Quarter II, April 2020, the beginning of the COVID-19 pandemic.</p> <p>Due to COVID, Dana Indonesiana services were used as much as possible to reduce the economic impact experienced by cultural actors.</p> <p>In the midst of the implementation of restrictions on community activities, Dana Indonesiana services, in addition to using open information through online media, have also implemented open governance (e-Gov). Its activities are also carried out online.</p> <p>- As a result, 59 thousand cultural actors have utilized Dana Indonesiana.</p>
2021	<p>Strengthening formal legal accountability with the issuance of Presidential Regulation 111/2021, so that it "officially" received an allocation of IDR 3 trillion from the State Budget, the situation is still the COVID-19 pandemic but there has been several relaxations of PPKM so that cultural activities can be carried out in a hybrid manner, namely a mix of online and limited offline.</p> <p>Dana Indonesiana services are increasingly open government, with applications. So that it is increasingly transparent, inclusive, participatory, collaborative, community-based and accountable.</p> <p>Collaborative work was seen at the National Cultural Week which took place in a hybrid manner.</p> <p>- Dana Indonesia assistance remains prioritized for cultural actors affected by COVID-19, with twice the coverage of cultural actors compared to 2021.</p>
2022	<p>Dana Indonesiana services as part of the recovery of the impact of the COVID-19 pandemic.</p> <p>Ceiling of IDR165M, realization of 58.9% or around IDR97.18M.</p> <p>Evaluation results, it is necessary to tighten the recipients of Dana Indonesiana.</p>

2023	<p>Dana Indonesiana services have entered the "new normal" cultural life, but the budget ceiling for utilization has been reduced to only IDR 47 billion, but DAKB has increased to IDR 5 trillion.</p> <p>Improvement of Dana Indonesiana services, from open information, open service innovation so that it is more transparent and accountable.</p> <p>As a result, the realization of utilization of IDR 44.76 billion (or 95.22%), due to the small ceiling, the distribution of Dana Indonesiana has become more selective. Almost 100% of this absorption indicates the success of improving the quality of cultural activities or the need to increase the budget ceiling so that the scope of beneficiaries is wider.</p>
2024	<p>Dana Indonesiana services must continue to improve, because managed funds are increasing, especially with the addition of DAKB. So that it demands absorption of utilization that has a positive impact on improving the welfare of cultural actors.</p> <p>Dana Indonesia services must expand their scope and increase professionalism while continuing to adhere to the principles of good new public services and carry out continuous reforms by involving more stakeholders, including through open feedback mechanisms.</p>

Source: Processed research, 2024

2. Implementation of Dana Indonesiana in Indonesian Policy Reform

Analysis of DAKB (Dana Indonesiana) through respondent data and literature highlights the significant contribution of Dana Indonesiana in promoting inclusive, transparent, and participatory cultural governance. These findings illustrate how the Dana Indonesiana initiative is aligned with the principles of the New Public Service (NPS) framework, especially in promoting accountability, community engagement, and collaborative governance. However, the data also shows specific gaps, especially in reaching remote or underrepresented communities, which indicate areas that are targeted for policy reform.

Based on the results of the analysis of the themes of Transparency, Inclusivity, and Community Engagement, the data obtained are as illustrated in Graph 1 below:

Transparency: Feedback from respondents, especially from the Arts Coalition, 2023 and the Directorate General of Culture, Ministry of Education, Culture, Research and Technology, 2023 revealed that Dana Indonesiana has made great strides in making program outcomes visible. However, the fund allocation process still shows transparency issues, as seen in Graph 1 some respondents noted a lack of clarity in the criteria for fund distribution. While 100% of positive responses (meaning that Indonesiaku is very positive) emphasized appreciation for the visibility of program outcomes, 37% of negative responses (meaning that Indonesiaku needs to make some improvements) indicated gaps in terms of transparency in fund allocation. Addressing these gaps is critical to maintaining public trust and demonstrating government accountability in the public funding process.

Inclusivity: Inclusivity emerged as a cornerstone of Dana Indonesiana's mission, with evidence from respondent data showing broad access to funds across demographic groups. However, there was some ambivalence among respondents about the depth of inclusivity in decision-making. According to the analysis of the open-ended questionnaire, depicted in Figure 1, while there were 81% positive responses (meaning the Indonesian fund is very positive) supporting equitable access, there were 25% neutral responses indicating concerns about the representation of voices involved in the administration of the fund. This disparity suggests the need for a stronger framework to actively include diverse cultural perspectives, particularly from historically marginalized or rural communities.

Citizen Participation: The Indonesian fund has encouraged citizen participation by

enabling community-driven projects and providing avenues for community input, in line with the NPS' emphasis on participatory governance. As depicted in Figure 1, respondent data shows high approval of this approach, particularly in supporting community-led initiatives and empowering local voices. However, 31% negative responses (meaning the Indonesian fund needs some improvement) and 31% neutral responses regarding opportunities for community input suggest that while participation is encouraged, there may be logistical or communication barriers that limit broader citizen engagement. A more systematic approach to collecting and aggregating public feedback could help deepen citizen engagement in the fund's processes.

3. Implementation of the New Public Service (NPS) Principle in Dana Indonesiana

Based on the results of the analysis of the themes of Public Accountability, Community Involvement, and Collaborative Governance.

Public Accountability: Dana Indonesiana's commitment to public accountability is reflected in its efforts to make application information accessible and respond to stakeholder feedback. Feedback from respondent data shows mixed perceptions, as illustrated in Graph 2: 100% of positive responses (meaning Dana Indonesiana is very positive) appreciated the accessible information regarding the application process, 44% of positive responses, 31% of negative responses (meaning Dana Indonesiana needs to make improvements), and 25% of neutral responses indicate variability in terms of satisfaction with the feedback mechanism. This suggests that while Dana Indonesiana has laid a strong foundation for public accountability, its responsiveness to beneficiary feedback still needs to be improved. By actively collecting, analyzing, and acting on beneficiary feedback, Dana Indonesiana can serve as an example of an NPS-aligned approach to transparent governance, emphasizing accountability as an ongoing process rather than a static outcome.

Community Engagement: Dana Indonesiana is aligned with the NPS principle of community engagement, as seen through active engagement with cultural actors and positive local impacts. However, the Arts Coalition, 2023 shows that community outreach is uneven, and as depicted in Graph 2 56% of responses were positive (meaning Dana Indonesiana is very positive) and 44% of responses were negative (meaning Dana Indonesiana needs to make some improvements). This difference highlights the gap between policy goals and reality on the ground, where outreach may be more effective in easily accessible areas but limited in underserved or remote areas. Expanding community engagement through localized outreach efforts, especially in underrepresented areas, will not only support the values of the NPS but also ensure a more equitable distribution of cultural resources across Indonesia.

Collaborative Governance: Dana Indonesiana has effectively implemented collaborative governance by partnering with local governments, cultural organizations, and community groups. These partnerships are critical to bridging the gap in the implementation of cultural policies, especially in areas that lack institutional representation. According to Kemdikbudristek, 2023 and Ditjen Kebudayaan, Kemdikbudristek, 2023, respondents viewed the partnership positively (81-100% positive responses), but they called for continued investment to maintain and expand the collaboration (Dana Indonesiana 2023, 2023). As a model of shared governance, Dana Indonesiana's success here illustrates how inter-institutional and cross-sectoral partnerships can strengthen public value by pooling community resources, knowledge, and insights into cultural governance.

CONCLUSION

Chronologically, due to changes in the cultural ecosystem, the DAKB Dana Indonesiana service adheres to an incremental bureaucratic reform model. This can be seen from the gradual changes since its nomenclature was still called the Cultural Activity Facilitation Program until

now. Service improvements as part of policy reform actions that adhere to the New Public Services (NPS) principle must be carried out continuously. This is because the environment and subsystems within it continue to change, such as the need for curators to assess cultural activities that are worthy of being funded have an impact on advancing culture, including from an economic perspective.

In terms of policy reform, the inclusiveness of services is already very good at above 80% both in terms of the diversity of cultural groups and access to Dana Indonesiana funding, as well as the openness of decisions in providing services. The existence of DAKB Dana Indonesiana proves that increasing public participation in cultural activities has almost reached 100%, only in terms of access to applications, many cultural actors experience obstacles. This is possible due to the lack of digital literacy among cultural actors, especially traditional arts actors who are usually not young on average.

Based on the discussion of the research above, the Dana Indonesiana service appears to consistently adhere to the New Public Services (NPS) principle. Collaborative, community-based, and accountability indicators are relatively high. The weakness is not in the service providers, but in the beneficiaries who have minimal effort and are less responsive. In order for this service to have a maximum impact, there are many things that need to be done by the Dana Indonesiana providers who must be able to improve the digital literacy skills of cultural actors. Moreover, Dana Indonesiana services have utilized digital platforms. Meanwhile, to increase the opportunity for Dana Indonesiana to have an impact on the cultural economy, service providers must open up opportunities as widely as possible to utilize digital platforms. This means that future improvements must focus on increasing accessibility and deepening public involvement to ensure a major impact on the cultural economy, with a wider coverage throughout Indonesia.

REFERENCES

- Amelia, A. and. (2019). The Problem of Imposition of the Death Penalty in the Perspective of Human Rights and Criminal Law. *Vol.19, Cosmic Law*.
- Cairney, Paul. 2012. *Understanding Public Policy: Theories Arts Funding and Cultural Inclusivity in Local Arts Agencies*. Vol. 11. Palgrave Macmillan.
- Dana Indonesiana. 2023. *Laporan pelaksanaan pemanfaatan hasil kelola dana abadi kebudayaan (Dana Indonesiana) tahun 2022-2023*.
- Dana Indonesiana. 2023. *Informasi Umum Dana Abadi Kebudayaan, Penciptaan Karya Kreatif Inovatif 2023*.
- ISOemantr, S. (1992). Flower of Indonesian Constitutional Law. *Alumni, Bandung*.
- Lindblom, Charles E. 1959. *The Science of "Muddling Through."* Vol. 19. OECD. 2022. *The Culture Fix*.
- OECD Komalawati, V. (1989). Law and Ethics in Physician Practice. *Sinar Harapan, Jakarta*.
- Kusumaatmadja, M. (2006). Legal Concepts in Development. *Alumni, Bandung*.
- Mertokusumo, S. (2010). Legal Discovery. *Atma Jaya University, Yogyakarta*.
- P.Y, K. (2001). Euthanasia in the Perspective of Human Rights. *Media Presindo*.
- Paulus P.K.P, A. (2013). Study of Euthanasia According to Human Rights (Comparative Study of Dutch National Law). *Unsrat Law Journal*,.
- Rada, A. (2013). Euthanasia in the Perspective of Islamic Law. *Journal of Perspective*.
- SJ, W. J. V. der M. (1987). History and Philosophy. *Kanisius, Yogyakarta*.
- Sabatier, Paul A. 1998. "The Advocacy Coalition Framework: Revisions and Relevance for Europe." *Journal of European Public Policy* 5(1):98–130. doi: 10.1080/13501768880000051I
- Made Wahyu Chandra Satriani. (2020). Criminal Law Reform A Study of the Concept of Desired Death (Euthanasia). *Udayana University Press, Denpasar*.
- Sugama, A. A. G. B.

Supriadi, W. C. (2001). *Medical Law, Mandar Maju. Bandung.*

Sutarno. (2014). *Health Law, Euthanasia, Justice and Positive Law in Indonesia. Setara Press, Malang.*

Undang-Undang Nomor 5. 2017. "Undang-undang nomor 5 tahun 2017 tentang pemajuan kebudayaan."

Trisasongko, D. (2004). *Legal Reform in a Changing Era. Jentera.*

Yusuf, N. R. (2020). *Exploring the Soul, Removing the Stigma: Psychological Autopsy of Two Painters' Suicides. Kompas Book Publisher.*

W. P. and I. D. G. D. (2023). *Legal Arrangements that Limit Euthanasia in Indonesia in the Perspective of Human Rights, Journal of Kertha Wicara. Volume 12, Faculty of Law, Udayana University.*