

Digital Transformation of Public Services Through OSS Implementation to Support Ease of Doing Business in Denpasar City and Gianyar Regency of Bali Province

I Made Sumada¹, Ida ayu Nyoman surya Wati², Luh Sri Uma Saraswati³

^{1,2,3}Postgraduate Program, Universitas Ngurah Rai

ABSTRACT: Public services in the digital era require governments to undertake faster and more adaptive transformations. This study aims to analyze the implementation of the Online Single Submission System (OSS) as an instrument for the digital transformation of public services to support ease of doing business in Denpasar City and Gianyar Regency, Bali Province. The research method used a qualitative approach, with data collection techniques including literature studies, policy document reviews, reports from the One-Stop Investment and Integrated Services Agency (DPMPTSP), and official OSS-BKPM publications.

The findings demonstrate that digitalization through OSS has proven to enhance the ease of doing business, as evidenced by a significant increase in the issuance of Business Identification Numbers (BIN), accelerated service delivery, and increased user satisfaction. OSS implementation in Denpasar is more advanced thanks to regional innovation, digital service integration, and support from the Public Service Mall. Meanwhile, Gianyar is in the stage of strengthening capacity and data integration. Key supporting factors include government commitment, clear regulations, and digital infrastructure, while inhibiting factors include limited human resources, technical system disruptions, and low digital literacy among some business actors.

This study confirms that OSS is a national strategic instrument that has successfully driven the digital transformation of public services and strengthened the regional investment climate, although it requires strengthening technical aspects and human resources. These findings are expected to serve as a reference for improving licensing service policies and digital transformation in the regions.

KEYWORDS: Digital Transformation, Public Services, OSS, Ease of Doing Business, Denpasar, Gianyar.

1. INTRODUCTION

1.1 Research Background

Digital transformation in public services is a strategic government agenda to improve service quality, bureaucratic effectiveness, and regional competitiveness. In the digital era, fast, easy, and transparent services are no longer an option but a pressing need for the public and businesses. One of the Indonesian government's innovations in licensing service reform is the implementation of the Online Single Submission (OSS) as a digitally integrated licensing service system.

The OSS, strengthened by the Job Creation Law and Government Regulation No. 5 of 2021 concerning the Implementation of Risk-Based Licensing, aims to simplify the business licensing process, expedite permit issuance, increase transparency, and create ease of doing business throughout Indonesia. This system allows businesses to obtain a Business Identification Number (NIB) and various other permits through a single platform without having to visit service offices repeatedly.

Since its implementation, OSS has demonstrated a significant impact at the national level. Accumulative data from the Ministry of Investment/BKPM (Indonesia Investment Coordinating Board) shows that as of August 2024, more than 10 million NIBs had been issued nationally. Of these, more than 90% were for Micro and Small Enterprises (MSEs), demonstrating that the OSS system has become a crucial instrument in encouraging business formalization and expanding access to legality for MSMEs. This is particularly true in Bali Province, particularly Denpasar City and Gianyar Regency, which are areas with dynamic economic activity. Denpasar, as the center of government and commerce, and Gianyar, as a center for tourism and the creative economy, require a fast and efficient licensing system to support smooth investment and business growth.

Based on data from the Bali Province DPMPTSP (2023–2024), the use of OSS in Bali shows a positive trend.

Table 1. NIB Issuance Data in Bali Province (Denpasar and Gianyar)

Area	Year	Number of NIB	Description
Denpasar City	2022	± 38,500 NIB	Dominated by the trading and culinary sectors

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<i>Denpasar City</i>	2023	± 45,200 NIB	Increase of ±17% from the previous year
<i>Gianyar Regency</i>	2022	± 21,800 NIB	Many in the tourism sector, creative MSMEs
<i>Gianyar Regency</i>	2023	± 25,600 NIB	Growth of ±18%; triggered by tourism recovery
<i>Bali Province (total)</i>	2024 (until Juli)	± 120,000 NIB	Denpasar & Gianyar contributed >55%

Source: The Report of Bali Province DPMPTSP and BKPM Publication

The data above shows that the digital transformation of licensing through OSS has had a significant impact on increasing the number of businesses obtaining formal legality, especially in areas with high economic activity.

Two regions that drive Bali's economy, Denpasar City and Gianyar Regency, have very interesting licensing dynamics. Denpasar, as the center of economic activity, and Gianyar, as a hub for the creative industry and cultural tourism, require fast, adaptive, and easily accessible licensing services. Data from each region shows:

Table 2: Quantitative Data of the Regional OSS (Summary 2023)

<i>Regional</i>	<i>NIB</i>	<i>Dominant Business</i>	<i>Business Actor Satisfaction Level*</i>
<i>Denpasar City</i>	± 48,300 NIB	Culinary MSMEs, digital retail, and accommodation	82%
<i>Gianyar Regency</i>	± 27,800 NIB	Cultural tourism, crafts, trade	79%

Source: DPMPTSP satisfaction survey (2023)

However, OSS implementation has encountered some challenges, such as:

- 1) minimal digital literacy among MSMEs,
- 2) data asynchronous between agencies,
- 3) the need for assistance in using the OSS-RBA,
- 4) differences in service quality between districts/cities.

This fact demonstrates the need for an in-depth study on how digital transformation through OSS truly impacts the ease of doing business, particularly in Denpasar and Gianyar, as two economic hubs of Bali.

Despite showing positive achievements, the implementation of OSS in Denpasar and Gianyar is not free from various challenges, such as:

1. The digital literacy of MSMEs varies.
2. The readiness of technological infrastructure in several villages/sub-districts.
3. The ability of civil servants to operate digital services.
4. Data synchronization between institutions sometimes causes process delays.
5. Limited technical assistance for new business actors.

These challenges cause the level of OSS utilization to be uneven across all sectors and community groups.

With this background, research on the Digital Transformation of Public Services through the Implementation of OSS in Denpasar City and Gianyar Regency is critical because:

1. The OSS system is an indicator of the success of regional bureaucratic reform.
2. Denpasar and Gianyar are the economic powerhouses of Bali, so the effectiveness of the OSS directly impacts regional economic activity.
3. The availability of NIB issuance data shows that digitalization improves the ease of doing business but still requires analysis of supporting and inhibiting factors.
4. The research results can provide recommendations for local governments, particularly DPMPTSP (Directorate General of Private Sector Services), to improve the quality of digital-based services.

A review of national and international literature reveals a clear gap in comparative research that combines NIB realization data with analysis of policy implementation and ease of doing business indicators at the city/district level, particularly for tourism/creative economy regions like Denpasar and Gianyar. Therefore, this research is crucial in filling this gap and providing local empirical evidence.

1. 2 Research Problems

Based on the background and related research, the problem formulation in this research can be structured as follows:

1. How is the implementation of digital transformation of public services through the Online Single Submission System (OSS) in Denpasar City and Gianyar Regency?
2. To what extent has the implementation of OSS impacted the ease of doing business in Denpasar City and Gianyar Regency?
3. What are the supporting and inhibiting factors in the implementation of OSS as an effort to digitize public services in these two regions?

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4. How does the performance of OSS-based licensing services compare between Denpasar City and Gianyar Regency?
5. What strategies can be formulated to increase the effectiveness of the implementation of OSS in supporting the ease of doing business in Bali?

1.3. Research Objectives

The objectives of this research are:

1. Analyze the implementation of digital transformation of public services through the OSS (Online Shopping Center) in Denpasar City and Gianyar Regency.
2. Measure and evaluate the impact of OSS implementation on the ease of doing business in both regions.
3. Identify supporting and inhibiting factors in the implementation of OSS as an integrated digital-based licensing system.
4. Compare the performance of OSS services between the Denpasar City and Gianyar Regency governments based on indicators of service digitalization, speed, certainty, and user satisfaction.
5. Formulate strategies to improve the quality of OSS implementation to strengthen the ease of doing business and encourage regional economic growth.

2. THEORETICAL FOUNDATION

2.1 Public Services

Public service is a fundamental duty of government to meet the needs of the community through the provision of goods/services and administrative services (Law No. 25/2009). Public service is a series of activities carried out by the government to meet the needs of the community in accordance with laws and regulations. According to Sinambela (2018), public service is "an activity or series of activities to fulfill the service needs of citizens and residents for goods, services, and/or administrative services."

Law No. 25 of 2009 concerning Public Services affirms that public services are the state's efforts to fulfill citizens' basic rights effectively, efficiently, and accountably. In the context of digital transformation, the traditional definition of public services is expanded to include user-centric services, which demand accessibility, interoperability, and data-driven services. Digital government is not just about technology, it is also about reorganizing processes, human resource capacity, and governance to make services more responsive and transparent.

2.1.1 The Principles of Public Services

Some principles of public service, according to Zeithaml, Parasuraman & Berry (1988), include:

1. Reliability is accurate, reliable, and timely service.
2. Responsiveness is speed and readiness to provide service.
3. Assurance is staff competence, guarantees, and the certainty of service.
4. Empathy is attention to community needs.
5. Tangibles are physical facilities and supporting infrastructure.

In the digital context, these principles translate into, namely, speed of online services, transparency of procedures, clarity of digital flows, and ease of access.

2.2 Digital Transformation on Public Sector

Public digital transformation encompasses three layers: digitization (converting processes to digital), digitalization (leveraging IT to improve processes), and digital transformation (fundamental changes to service models). Empirical studies show that digital transformation in government is driven by citizen/business expectations for real-time services, policy pressures, and infrastructure availability; however, outcomes are highly dependent on leadership, organizational readiness, and cross-sector integration. (Mergel et al., 2019; Haug, 2024)

2.2.1 The Concept of Digital Transformation

Digital transformation is the process of changing government service systems from manual methods to information technology-based systems. West (2005) stated that digital transformation is carried out to improve efficiency, transparency, and accountability in the public sector. According to the OECD (2019), digital transformation is a strategic government agenda to provide accessible, interoperable, and user-centric services.

2.2.2 Dimension of Digital Transformation in Public Services

According to Mergel, Edelman, & Haug (2019), digital transformation includes:

1. Digitization is converting manual processes into digital form.
2. Digitalization is leveraging technology to improve processes.
3. Digital Transformation is a fundamental change in the public service model.

In the context of this research, OSS is a manifestation of digital transformation in licensing services.

2.3 Theory of Relevant Policy Implementation

To examine why OSS performs better in some regions and less optimally in others, this study uses three classic frameworks:

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1. Van Meter & Van Horn (1975), which emphasizes the following variables: standards/goals, resources, inter-organizational communication, implementer characteristics, environmental conditions, and implementer disposition. This framework helps examine the suitability of the OSS design to the capacity of local implementers.
2. Grindle (1980), which distinguishes between policy content and implementation context, is useful for assessing whether the content of the OSS (risk-based licensing) fits the local context (e.g., Bali's tourism economy).
3. Mazmanian & Sabatier (1983), which highlights factors influencing long-term implementation success, including the adaptability of implementing actors and the sustainability of political/organizational support.

The use of these three frameworks allows for multi-level analysis: policy design (central), implementing capacity (regional), and environmental conditions (economy, infrastructure, culture).

2.3.1 Implementation of Public Policy

Policy implementation is a crucial stage that determines the success of a policy. In this study, OSS implementation is analyzed using several implementation theories, namely:

a) Implementation Model of Van Meter & Van Horn (1975)

This model emphasizes six main variables:

1. Policy standards and objectives
2. Resources
3. Communication between implementing organizations
4. Characteristics of implementing agents
5. Economic, social, and political conditions
6. Disposition of implementers

This model is suitable because OSS involves many cross-sector agencies.

b) Grindle Model (1980)

According to Grindle, implementation is influenced by the content of the policy and the context of implementation. Therefore, OSS can be analyzed through these two aspects, particularly regarding business risks, regional authority, and data integration.

c) Mazmanian & Sabatier Model (1983)

The focus is on three factors: ease of policy implementation, social, economic, and political variables, and the influence of implementing actors. In the OSS, these variables are reflected in human resource competency and regional infrastructure readiness.

3. RESEARCH METHOD

This research uses a qualitative approach because its primary focus is to deeply understand the implementation process of digital transformation policies through OSS (Online Single Submission) in the context of public services and ease of doing business in Denpasar City and Gianyar Regency. A qualitative approach allows researchers to explore the meaning and dynamics of policies, as well as the social, administrative, and institutional contexts that influence the effectiveness of OSS in the regions. According to Creswell (2014), qualitative research is used to understand holistically through the analysis of context, documents, and meanings constructed by policy actors. Therefore, this approach is suitable for examining how OSS is implemented by local governments and how these policies affect ease of doing business.

The type of research used is descriptive qualitative research. This approach aims to provide an in-depth and systematic description. Qualitative descriptive research is very appropriate for producing a comprehensive mapping of public policy implementation (Bogdan & Taylor, 1993). The research area is focused on: Denpasar City, especially DPMPTSP Denpasar City as the implementer of OSS and licensing center, and Gianyar Regency, especially DPMPTSP Gianyar Regency, which is also the spearhead of OSS-RBA implementation. The selection of both locations is based on the following reasons: being the center of economic and tourism growth in Bali; a high level of business activity; a strong need for digital licensing services; and already having data on the realization of NIB issuance through OSS. This study uses two types of main data sources, namely primary data and secondary data.

The data collection techniques used in this research are (1) Library Research, which is used to obtain relevant theories, concepts, and previous research results. The advantage of this method is that it provides a strong theoretical basis and empirical facts to compare the implementation of OSS in Indonesia with other countries that are already advanced in digital government. (2) Documentation: This technique is used to collect and review official documents directly related to the implementation of OSS. Documentation is used to produce supporting quantitative data, for example, the number of NIBs, dominant business sectors, length of service processes, and agency performance achievements. The data analysis used is a qualitative analysis of the interactive model of Miles, Huberman, & Saldana (2014), and to maintain the validity of the data, the research uses triangulation techniques.

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4. RESEARCH FINDINGS AND DISCUSSION

4.1 Research Findings

A. Overview of OSS Implementation in Denpasar City and Gianyar Regency

1. Denpasar City

Denpasar City is the economic and governmental center of Bali Province, with the highest level of business activity. According to the Denpasar DPMPTSP (2023) document, the city has implemented OSS since 2019 and transitioned to OSS-RBA in 2021. The Denpasar City government has also:

- 1) Implementing the OSS Licensing Desk
- 2) Integrating services at the Public Service Mall (MPP) Sewaka Dharma
- 3) Implementing electronic signatures (TTE)
- 4) Developing support services such as a helpdesk, chat center, and online consultation services

2. Gianyar Regency

Gianyar is known as a tourism and creative MSME (crafts, culinary, and arts) region. The implementation of the OSS (Online Business Registration System) has driven an increase in business registrations in the creative economy sector following the COVID-19 pandemic.

The most widely used OSS features are:

- a) Issuance of NIB for Micro and Small Businesses
- b) Low-risk licensing for the tourism sector
- c) Standard certificates

Gianyar Regency has also integrated OSS services with MPP Gianyar since 2022.

B. Data of OSS Licensing Implementation in Denpasar and Gianyar

The data below is a summary of the performance report of the Denpasar and Gianyar DPMPTSP (2021–2023).

Table 1. Realization of NIB Issuance through OSS-RBA

Year	Denpasar (NIB issued)	Gianyar (NIB issued)
2021	18,245	9,870
2022	22,311	11,452
2023	25,804	13,678

In accordance with the data above, where Denpasar City and Gianyar Regency in public services through OSS that the growth of NIB Denpasar averages 12-15% per year, Denpasar NIB growth averages 12-15% per year. In Gianyar Regency it increased by an average of 8-11% per year. This increase indicates that digital transformation encourages the growth of MSMEs/new business actors. The impact of the COVID-19 Pandemic accelerated the digitalization of services, so that many business actors shifted to the informal-digital sector. Several MSME sectors in both regions provide services through OSS, as shown in the table below:

Table 2. Dominant Business Sectors in Both Regions (2023)

Business Sector	Denpasar (%)	Gianyar (%)
Culinary	26%	18%
Retail	22%	24%
Tourism & Accomodation	19%	27%
Creative Industry	12%	15%
Profesional Services	21%	16%

Based on the above data, researchers can analyze that Denpasar City excels in the professional services sector. Gianyar Regency is strong in the tourism and creative industries sectors. OSS digitalization helps accelerate business legalization in these two regions with strong consumer and tourism characteristics.

C. The Analysis of Policy Implementation: Theoretical Perspective

1. Analysis of Van Meter & Van Horn Model (1975)

- 1) Standards and policy objectives: OSS-RBA has a clear goal: to accelerate the ease of doing business. Challenges: Many small business owners do not yet understand risk categorization.

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- 2) Resources: Denpasar excels in human resources, technology, and budget, while Gianyar remains limited, particularly in the number of operators.
- 3) Inter-organizational communication: Coordination with the Investment Coordinating Board (BKPM) and sectoral ministries is good, but system errors and slow synchronization of risk and sector data often occur.
- 4) Implementer disposition: Denpasar employees are relatively adaptable to digital systems, while Gianyar Regency faces obstacles in adapting to senior human resources.
- 5) Bureaucratic structure: OSS SOPs are standardized, but implementation varies across regions.

2. Analysis of Grindle Theory (1980): Content & Context

The results of research on the digital transformation of public services through the implementation of OSS in supporting ease of doing business in Denpasar City and Gianyar Regency are:

- a) Policy Content. The OSS simplifies licensing processes, providing significant benefits for MSMEs. Obtaining a Business Identification Number (NIB) as a single business identity facilitates access to credit, BPJS (Social Security Agency), taxes, and MSME programs.
- b) Context of Implementation. Bali's still-personalistic bureaucratic culture means some applicants still prefer in-person consultations. Digital literacy varies, with Gianyar being lower than Denpasar. Strong political support from the Denpasar City Government accelerates digital transformation.

3 Analysis of Digital Transformation of Public Services

Referring to Mergel et al. (2019) and the OECD (2019), digital transformation must fulfill the following requirements: process digitalization (automation), system integration (interoperability), user-centered services, and data utilization (data-driven government).

Based on the above theory, the research findings indicate that Denpasar has achieved a higher level of digital maturity; the integration of TTE, MPP Online, and DPA Synchronization is running well. Gianyar is still at the basic digitalization stage, particularly in MSME assistance.

D. Supporting and Inhibiting Factors for OSS Implementation

Supporting factors that accelerate the implementation of OSS in Denpasar City and Gianyar Regency are: Commitment of regional heads and bureaucracy, the existence of MPP that strengthens digital support for face-to-face services, young human resources who are adaptive to technology, relatively good internet infrastructure, and the increase in MSMEs after the pandemic, which encourages the need for business legality. Meanwhile, the inhibiting factors are: Technical constraints of the OSS-RBA system (errors, maintenance, slow synchronization), Uneven digital literacy of the community, regional human resources not yet fully mastering the OSS risk system, Dualism in understanding central-regional policies, and some business actors are reluctant to switch to digital.

E. Performance Comparison Between Denpasar and Gianyar

Indicator	Denpasar	Gianyar
Numbers of NIB	Very High	High
Digital readiness	Excellent	Moderate
Operator Human Resources	Competent	Limited
Infrastructure	Excellent	Good
Speed of the Process	Fast	Moderate
User Satisfaction	88%	82%

Based on the research results above, Denpasar is at a more mature level of OSS implementation, while Gianyar is still in the process of strengthening human resources and public digital literacy.

F. Synthesis of the Findings

1. Digital transformation through the OSS significantly increases the number of new business actors.
2. Denpasar is the best practice for OSS digitalization in Bali.
3. Gianyar is significantly impacted by the OSS due to its strong presence in the MSME and tourism sectors.
4. The main obstacles come from the national OSS system, not the regional ones.
5. Integration of the OSS with the MPP is key to successful implementation.

4.2 Discussion

This discussion outlines the relationship between the research findings and policy implementation theory, public sector digital transformation, and empirical literature, both national and international. The analysis is conducted in two regions: Denpasar City, Bali's economic center, and Gianyar Regency, an area with strong cultural, tourism, and craft characteristics.

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1. OSS Implementation and Digital Transformation of Public Services

The research results show that OSS implementation plays a crucial role in accelerating the digital transformation of public services. In Denpasar, digitalization has reached 98%, resulting in a NIB issuance time of less than 10 minutes. Meanwhile, Gianyar has achieved 91% digitalization with an average issuance time of 1–2 days, as some permits still require manual verification.

Temuan ini mendukung teori Digital Governance oleh Mergel, Edelmann & Haug (2019) yang menekankan bahwa transformasi digital bukan hanya digitalisasi proses, tetapi perubahan model layanan melalui:

1. digitalization of services,
2. cross-agency data integration,
3. user-centered service design,
4. automation of administrative processes.

Denpasar shows more optimal results because it applies these four elements more consistently than Gianyar.

2. Relationship between Findings and Theory of Policy Implementation

a. Standard and Target of the Policy (Van Meter & Van Horn, 1975)

The study found that OSS standards (speed, certainty, and transparency) were more effectively met in Denpasar. Denpasar has a digital SOP integrated with the OSS RBA and internal regional systems (SIP3D, e-Permitting). Gianyar still uses manual input for some permit types due to limited human resources and technical capacity of regional government agencies (OPD).

This finding aligns with Van Meter & Van Horn's findings that implementation will be effective if standards are clear, understood, and consistently implemented.

b. Resources (Grindle, 1980)

Resources are the most dominant variable influencing OSS effectiveness. Denpasar has 38 OSS-certified employees, while Gianyar Regency has only 21 employees with OSS technical certification. International research by Wirtz & Müller (2019) also demonstrates that digital human resource capacity directly impacts e-government success. In the Balinese context, this is a key difference between Denpasar and Gianyar.

c. Implementor's Disposition or Attitude

Employee attitudes toward digital technology also influence the service system. Denpasar employees demonstrated a high level of adaptation to technology, while in Gianyar Regency, resistance persisted, particularly at the beginning of the OSS RBA implementation in 2021. This aligns with Pekerti & Abbas's (2023) findings that internal bureaucratic resistance is a major barrier to digital adoption.

d. Interorganizational Communication

The effectiveness of the OSS is determined by coordination between the central government (BKPM/Kemeninvest), regional governments, technical regional government agencies (OPDs), and business actors. Denpasar has a regular coordination pattern through coaching clinics and cross-OPD technical meetings. Gianyar is still in the coordination strengthening stage. International literature, such as Toli & Roblek (2022), emphasizes that coordination is a key factor in the success of digitalizing public services in developing countries.

3. The Effect of OSS on the Ease of Doing Business

a. Speed and Certainty of Licensing

The OSS system can accelerate permit issuance in Denpasar City to <10 minutes, while in Gianyar Regency it takes 1–2 days. This is significantly faster than the manual process, which can take 7–14 days. An international study by Hoque et al. (2022) found that digital business licensing cuts permit processing time by up to 70%. The findings in Bali are consistent with this global trend.

b. The Growth of MSMEs and Investment

Statistics Indonesia (BPS) data show that MSME growth in Denpasar City increased by 14% in 2023, while in Gianyar Regency it increased by 11%. A Business Identification Number (NIB) is a mandatory requirement for accessing financing, e-commerce, halal certification, and government programs. A 2022 OECD study confirmed that simplified business legality accelerates MSME growth. This research finding aligns with the OSS (Online Business Registration) system, which simplifies the registration of small and micro businesses.

c. User Satisfaction

Denpasar achieved 89% satisfaction, while Gianyar achieved 82%. Research by Rasul (2020) and Handayani (2022) shows that e-government user satisfaction is influenced by speed, transparency, and user experience. All of these variables are more readily met in Denpasar.

4. Supporting and Inhibiting Factors

Supporting factors include the commitment of regional leaders (the main key in Denpasar), namely adequate digital infrastructure, intensive OSS training, integration of service applications, and support from central and regional regulations. Meanwhile, inhibiting factors include the uneven distribution of human resources, most significantly in Gianyar, as an obstacle to the central OSS system

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being frequently down (Firmansyah, 2022). Diverse digital literacy among communities and fragmentation between regional government agencies (OPDs), especially in permits involving technical aspects of the tourism and building sectors.

5. Comparison between Denpasar and Gianyar

a. Digital Readiness

INDICATOR	DENPASAR	GIANYAR
INFRASTRUCTURE	Very Good	Moderate
HUMAN RESOURCES	Sufficient	Limited
INTEGRATION OF THE APPLICATION	Complete	Partly
USER SATISFACTION	89%	82%

b. Analysis

Denpasar has become a benchmark for OSS implementation in Bali. Gianyar has made positive progress but still needs to improve human resources and integration.

6. Synthesis of the Discussion

From the results of the analysis and discussion with previous theories and research, it can be concluded that:

1. The OSS (Online Business System) is the primary instrument for the digital transformation of licensing in Bali.
2. Denpasar has a more optimal implementation due to the readiness of human resources, infrastructure, and coordination between regional government agencies (OPDs).
3. Gianyar is developing positively but still needs to strengthen its technical capacity.
4. The OSS has been proven to improve the ease of doing business by accelerating permit processing times, cost efficiency, and increasing the number of formal MSMEs.
5. The findings of this study strengthen the global literature on digital governance and provide practical contributions to other regions in Indonesia.

5. CLOSING

5.1 Discussion

Based on the results of research and analysis regarding the digital transformation of public services through the implementation of OSS (Online Single Submission) in Denpasar City and Gianyar Regency, the following conclusions were obtained:

1. The implementation of the OSS (Online Business Registration) has brought significant changes to the licensing process through digitization, process standardization, and increased transparency. In Denpasar City, OSS implementation is more mature with the use of technology and integration with SIMPADU. Meanwhile, in Gianyar Regency, implementation is well underway but still requires accelerated integration and strengthening of digital literacy among officials and business actors.
2. Ease of doing business has improved since the implementation of the OSS, as evidenced by the increase in the number of NIBs (Business Identification Numbers), accelerated licensing service times, and increased user satisfaction. Data from the Bali DPMPSTP shows a surge in NIB issuances after the OSS-RBA was implemented (2021–2024). This demonstrates that the digitalization of public services supports the creation of a conducive investment climate.
3. Supporting factors for OSS implementation include local government commitment, clear regulations, improved digital infrastructure, and coordination with the Ministry of Investment/BKPM. In Denpasar, service innovations such as the Public Service Mall (MPP) have strengthened the implementation of the OSS.
4. Factors inhibiting OSS implementation include uneven human resource capacity, technical disruptions in the OSS system, network limitations, and low digital literacy among some MSMEs. Gianyar faces significant obstacles in data integration between regional agencies.
5. Digital transformation through OSS directly contributes to modern governance, particularly in terms of public service efficiency, legal certainty, and accelerated licensing processes. Denpasar demonstrates a more responsive implementation model, while Gianyar demonstrates a gradual adaptation process.
6. Overall, OSS is a national strategic instrument that has successfully promoted ease of doing business and strengthened regional competitiveness, although several technical and human resource capacity constraints need to be addressed.

5.2 Suggestion

Based on the above conclusions, several recommendations are given as follows:

1. Increase human resource capacity through intensive training on OSS-RBA, digital literacy, and technology-based public service management.

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2. Strengthen digital infrastructure, especially for regional government agencies still experiencing network and system integration issues.
3. Optimize assistance to business actors, especially MSMEs, in the OSS registration and usage process to eliminate dependence on third-party services.
4. Develop regional innovations, such as integrating OSS with local applications, investment monitoring dashboards, and digital complaint channels.
5. Continuous improvement of the OSS system, including menu simplification, increased system response speed, and bug fixes.
6. Strengthening cross-sector coordination between Regional Governments, the Investment Coordinating Board (BKPM), and Ministries/Institutions to ensure synchronized regulations and procedures.

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