

Digital Transformation and Good Governance in Licensing Services: An Evaluative Study of the Investment and One-Stop Integrated Service Office in Morowali Regency, Indonesia

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ABSTRACT:

This study evaluates the implementation of good governance principles in the licensing service program at the Investment Office and Integrated One-Stop Service (DPMPTSP) of Morowali Regency, Indonesia — a region undergoing rapid industrial transformation driven by one of the world's largest nickel processing industrial zones. Using a qualitative evaluative approach with six purposively selected informants, data were collected through in-depth interviews, participatory observation, and documentary analysis of official secondary datasets. Two analytical frameworks were applied simultaneously: Dunn's (2018) five public policy evaluation criteria (effectiveness, efficiency, adequacy, equity, and responsiveness) and three good governance principles (transparency, accountability, and effectiveness and efficiency) based on the World Bank (1992) and UNDP (1997) frameworks. Findings reveal that digital transformation through the Online Single Submission Risk Based Approach (OSS RBA) system serves as the primary determinant driving simultaneous improvements across all evaluation dimensions. Key achievements include the issuance of 6,331 Business Identification Numbers (NIB) over 2023–2025, 377 Building Approval Permits in 2024, 119 active Mining Business Licenses, completion of all 40 KPK Monitoring Center for Prevention (MCP) assessment documents, and a positive evaluation from the Ministry of Administrative Reform. However, two structural barriers persist: the systemically lengthy inter-agency coordination required for Land Use Activity Suitability (KKPR) permits, and a significant digital literacy gap affecting the 72.8% of service users who are individual sole proprietors. The study recommends accelerating KKPR mechanism simplification at the national level, developing structured digital literacy programs reaching village-level actors, and establishing mandatory service-level agreements for technical agencies involved in permit verification.

Keywords: Good Governance; Public Policy Evaluation; Licensing Service; OSS RBA; Digital Transformation; Morowali Regency

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Introduction.

The quality of public licensing services has long been recognized as a critical determinant of investment climate and economic development at the regional level (Dwiyanto, 2021; Sinambela, 2014). In Indonesia, licensing reform has undergone a fundamental transformation following the enactment of Government Regulation Number 5 of 2021 on Risk-Based Business Licensing, which introduced the Online Single Submission Risk Based Approach (OSS RBA) — a nationally integrated digital platform that classifies all business activities into three risk categories (low, medium, and high) and establishes differentiated licensing pathways accordingly.

Morowali Regency in Central Sulawesi Province represents one of the most compelling cases for examining the quality of licensing governance in the context of industrial transformation. Since the establishment of the Indonesia Morowali Industrial Park (IMIP) — now one of the world's largest nickel processing zones — the regency has experienced a dramatic surge in investment flows, population migration, and business permit applications (Duri et al., 2024). This economic dynamism places extraordinary pressure on the regional licensing apparatus to deliver services that are not only fast and efficient, but also transparent, accountable, and equitable — the foundational requirements of good governance (World Bank, 1992; UNDP, 1997).

Despite the growing body of literature on licensing service reform in Indonesia (Aryanti & Marliyah, 2022; Febriani & Tauran, 2024; Rosyada, 2016), two significant research gaps remain. First, most existing studies evaluate licensing services using either a policy evaluation framework or a good governance framework in isolation — rarely integrating both into a single comprehensive evaluative study. Second, there is a notable absence of empirical research examining licensing governance quality in regions characterized by high-intensity extractive industries, where the complexity and volume of permit applications are uniquely challenging.

This study addresses both gaps by simultaneously applying Dunn's (2018) five public policy evaluation criteria and three good governance principles (World Bank, 1992; UNDP, 1997) to evaluate the licensing service program at the Investment Office and Integrated One-Stop Service (Dinas Penanaman Modal dan Pelayanan Terpadu Satu Pintu — DPMPSTP) of Morowali Regency. The central research questions are: (1) How does the licensing service program perform across the five evaluation dimensions of effectiveness, efficiency, adequacy, equity, and responsiveness? and (2) How are the principles of transparency, accountability, and effectiveness and efficiency implemented in the licensing service program within the good governance framework?

The study makes two principal contributions. Theoretically, it demonstrates that the simultaneous application of Dunn's evaluation framework and good governance principles generates richer analytical insights than either framework applied independently, and generates empirical propositions about the role of digital transformation as a cross-framework enabler. Practically, the study provides evidence-based policy recommendations for DPMPSTP Morowali, the regional government, and the central government regarding systemic reforms needed to sustain and enhance licensing service quality.

THEORETICAL FRAMEWORK AND LITERATURE REVIEW

2.1 Public Policy Evaluation: Dunn's (2018) Five Criteria

Public policy evaluation provides a systematic framework for generating valid information about the value or merit of a given policy or program (Dunn, 2018). Dunn identifies five evaluative criteria that collectively generate a comprehensive assessment of program performance. Effectiveness asks whether the program has achieved its intended objectives and produced meaningful outcomes for target beneficiaries. Efficiency examines whether the achieved outcomes justify the resources expended, encompassing procedural simplicity,

technological optimization, and cost appropriateness. Adequacy addresses whether the achieved results sufficiently meet the needs that originally motivated the policy — including facility availability, service accessibility, and human resource capacity relative to service volume. Equity concerns the fair distribution of benefits and burdens across different population groups, including geographic reach, uniformity of treatment, and accessibility for disadvantaged groups. Responsiveness assesses the capacity of policy implementers to respond to the needs, preferences, and complaints of service users (Dunn, 2018). These five criteria have been applied in prior studies of Indonesian public services (Duri et al., 2024; Parlemerter, 2024), but rarely in combination with good governance principles in a single integrated evaluative study, and not previously in the context of licensing services in a high-intensity industrial regency.

2.2 Good Governance: Transparency, Accountability, and Effectiveness and Efficiency

The concept of good governance, as articulated by the World Bank (1992), refers to the manner in which public power is exercised in managing a country's economic and social resources for development. UNDP (1997) expanded this conception to encompass eight principles: participation, rule of law, transparency, responsiveness, consensus, equity, effectiveness and efficiency, and accountability. For the purposes of this study, analysis is confined to three principles most directly measurable in the context of licensing services.

Transparency, as defined by UNDP (1997), requires governments to make information about policies, procedures, and decisions freely available and easily accessible to the public. In the context of licensing, this encompasses the openness of procedural information, clarity of costs and timelines, and proactive communication of application status. Accountability, following Bovens (2007), entails the obligation of government actors to justify their decisions and actions to the public. Bovens identifies three dimensions: procedural

accountability (compliance with standard operating procedures), institutional accountability (responsibility to oversight bodies), and public accountability (responsibility to citizens). Effectiveness and efficiency in governance, per World Bank (1992) and Osborne (2010), refer to the institutional capacity to achieve policy objectives optimally while using resources economically, including through digital transformation and inter-agency collaboration.

2.3 Digital Transformation in Public Service Delivery

The relationship between digital transformation and public service quality has attracted increasing scholarly attention (Osborne, 2010; World Bank, 2019). The implementation of digital platforms in licensing services has been shown to enhance transparency through open-access information systems, strengthen accountability through automated audit trails, improve efficiency through paperless processing and reduced human intermediation, and widen equity through standardized procedures that minimize discretionary treatment (Febriani & Tauran, 2024). However, the literature also cautions that digitalization may inadvertently create new forms of inequity when digital literacy gaps leave certain user groups unable to access services independently (Aryanti & Marliyah, 2022; Duri et al., 2024).

2.4 Prior Research and Research Gap

Prior studies on Indonesian licensing service reform have examined good governance implementation at regional licensing offices in Sumatera Utara (Aryanti & Marliyah, 2022), effectiveness of OSS RBA in Kota Palembang (Duri et al., 2024), service innovation in Jawa Timur (Febriani & Tauran, 2024), and governance quality in Wajo Regency (Parlemerter, 2024). While these studies provide valuable empirical foundations, none has (1) simultaneously applied both Dunn's criteria and good governance principles as integrated analytical frameworks, (2) examined licensing governance in a regency characterized by large-scale nickel extraction and processing, or (3) analyzed the distributional effects of risk-based

licensing classification across business sectors with systematically distinct risk profiles. This study fills these three gaps.

Methods

Research Design

This study employs a qualitative approach with an evaluative research design. The qualitative approach is appropriate because the research aims to generate deep understanding of the meaning, processes, and contextual factors shaping good governance implementation in licensing services — dimensions that cannot be adequately captured by statistical measures alone. The evaluative design is selected because the research has explicit normative criteria against which empirical reality is systematically assessed: Dunn's (2018) five criteria and three good governance principles (World Bank, 1992; UNDP, 1997).

3.2 Research Site and Context

The research was conducted at the DPMPSTSP of Morowali Regency, Central Sulawesi, Indonesia, including its Public Service Mall (Mall Pelayanan Publik — MPP) operational location. Morowali Regency was selected based on three criteria: (1) its status as a high-volume licensing jurisdiction driven by the IMIP industrial zone; (2) the recent full implementation of OSS RBA as the primary licensing platform; and (3) the absence of prior integrated evaluative research on its licensing governance quality. Data collection was conducted from October 2025 to March 2026.

3.3 Data Sources and Collection

Data were collected through three complementary methods. First, in-depth semi-structured interviews were conducted with six purposively selected informants representing both internal service providers and external service users: the Head of DPMPSTSP (I-1), Head of Licensing Service Division (I-2), Head of Licensing Service Section (I-3), OSS System Operator (I-4), Front Office Officer (I-5), and a Business Actor (I-6). The interview protocol was structured around the eight analytical dimensions (five Dunn criteria and three governance principles). Second, participatory observation

was conducted at the MPP to directly assess facility conditions, service flows, staff-applicant interactions, and digital system usage. Third, documentary analysis was performed on eight official datasets provided by DPMPSTSP Morowali: NIB data (2023–2025), PBG/IMB data (2024), IUP operational data, KKPR applications (2025), business actor data by sector (trading, industrial, mining), and groundwater utilization permit data (2024).

3.4 Data Analysis

Data analysis followed the interactive model of Miles, Huberman, and Saldaña (2014), comprising three simultaneous and iterative stages. Data reduction involved systematically coding all interview transcripts, observation notes, and documentary data according to the eight analytical dimensions, yielding 20 key informant statements central to addressing the two research questions. Data display involved constructing analytical narratives integrating direct quotations from informants with quantitative evidence from secondary datasets, presented across ten sub-sections in the findings chapter. Conclusion drawing involved formulating interpretive conclusions for each dimension, followed by cross-framework synthesis to identify patterns connecting the two analytical frameworks.

3.5 Trustworthiness

Data trustworthiness was ensured through four criteria following Lincoln and Guba (1985). Credibility was established through source triangulation (comparing evidence from all six informants) and method triangulation (cross-checking interview findings against observational records and official documentary data), resulting in consistent findings across all eight analytical dimensions. Transferability was ensured through thick description of the research context. Dependability was established through systematic documentation of all research procedures, raw transcripts, and supporting documents. Confirmability was ensured by grounding each analytical claim in direct informant quotations or official data, rather than researcher inference.

Results

Research Site Overview: DPMPSTP Morowali Regency

Morowali Regency spans approximately 3,037 km² across nine sub-districts in southeastern Sulawesi. The establishment of the Indonesia Morowali Industrial Park (IMIP) in Bahodopi Sub-district has transformed the regency into a center of global nickel processing, attracting billions of dollars in foreign and domestic investment, tens of thousands of migrant workers, and hundreds of supporting businesses. This economic dynamism has created extraordinary demand for licensing services across all risk categories. DPMPSTP Morowali operates from the Public Service Mall (MPP) using three integrated digital platforms: OSS RBA (the national risk-based business licensing system), PTSP Room (a locally developed application for permits not covered by OSS RBA), and MPPDN (the national digital platform for healthcare professional permits). The concurrent operation of three platforms reflects institutional capacity and innovation beyond standard administrative practice, and represents DPMPSTP's adaptive response to the diverse and complex licensing needs generated by the industrial zone.

Evaluation Using Dunn's (2018) Five Criteria Effectiveness

The evaluation of effectiveness centers on the extent to which the licensing service program has achieved its intended objectives (Dunn, 2018). Empirical evidence across three dimensions demonstrates that the program has fulfilled its core function in a substantive manner.

Regarding output achievement, DPMPSTP issued a total of 6,331 Business Identification Numbers (NIB) over the three-year period 2023–2025 (2,300 in 2023; 2,268 in 2024; 1,763 in 2025 through the research period), 377 Building Approval Permits (PBG/IMB) in 2024, and managed 119 active Mining Business Licenses (IUP). Additionally, 27 Land Use Activity Suitability (KKPR) applications were under active processing. The compositional analysis of NIB recipients reveals that 72.8% are individual sole proprietors (4,610 of 6,331), indicating that the program has successfully reached micro and small business actors who constitute the numerically dominant segment of Morowali's business ecosystem. Regarding processing timeliness, the Head of Licensing Service Section confirmed that DPMPSTP's institutional commitment is to process permit applications on the same day that all required documents are verified: 'As long as all requirements have been fulfilled and verified by the relevant technical agency, we process it on that same day. There is no more waiting for this or that.' This commitment is structurally embedded in the OSS RBA digital system, which automatically routes applications through the appropriate SLA timelines based on risk category. Regarding investment facilitation impact, the Head of DPMPSTP articulated the program's strategic role: 'Investors need legal certainty — they need to feel comfortable investing in Morowali. That means we give them maximum service, including ensuring their permits are processed quickly and clearly.' The growth of business registration across all sectors confirms that the program has contributed to sustaining the investment climate in a high-pressure industrial context.

Table 1. Business Permit Output at DPMPSTP Morowali Regency, 2023–2025

Year	Total NIB	Individual Proprietors	Corporate Entities	Dominant Sub-district
2023	2,300	1,651 (71.8%)	649 (28.2%)	Bungku Tengah (577), Bahodopi (552)
2024	2,268	1,754 (77.3%)	514 (22.7%)	Bahodopi, Bungku Tengah
2025*	1,763	1,205 (68.4%)	558 (31.6%)	Bahodopi (IMIP vicinity)
Total	6,331	4,610 (72.8%)	1,721 (27.2%)	All 9 sub-districts covered

Source: DPMPSTP Morowali Regency Official Data, 2026. *Data through research period.

Efficiency

Efficiency evaluation focuses on whether achieved outcomes justify the resources expended (Dunn, 2018). Three aspects are analyzed: procedural design, cost policy, and structural impediments.

Regarding procedural efficiency, DPMPTSP's paperless operation across three integrated digital platforms represents a fundamental procedural transformation. The Head of Licensing Service Division described the system: 'Our service process here is paperless — everything is digital. We use three applications: OSS RBA, then for things not covered by OSS we have our own application called PTSP Room, then for healthcare professionals there is MPPDN. The procedures, the standard norms, are all embedded in the applications from registration through to issuance.' The embedding of normative standards directly into digital workflows eliminates procedural ambiguity and standardizes the service experience regardless of which officer handles a given application.

Regarding cost efficiency, DPMPTSP implements a universal zero-cost policy for all permit types. The Head of DPMPTSP emphasized: 'All services here — none of them have any charge. Everything is free.' This policy eliminates financial barriers for all applicant groups and closes the space for informal payments, directly supporting both efficiency and equity outcomes simultaneously.

Regarding structural efficiency impediments, the most significant bottleneck identified is the inter-agency coordination process for Land Use Activity Suitability (KKPR) permits. The Head of Licensing Service Division described the problem explicitly: 'For KKPR as a basic requirement, the process is very long and slow because it involves not only PTSP — it has to go through Public Works, through Land Affairs, through a spatial planning forum meeting. If we could process it ourselves without involving other agencies, it would certainly be much faster.' The 2025 KKPR data confirms this: 27 applications were pending processing, including some covering areas exceeding 41 million square meters, requiring

coordination across multiple agencies with independent procedures and timelines. This structural bottleneck represents a systemic efficiency constraint that transcends DPMPTSP's institutional capacity to resolve unilaterally.

Adequacy

Adequacy assessment examines whether available services sufficiently meet the needs of all user groups (Dunn, 2018). The MPP facility has passed national assessment requirements prior to inauguration, meeting all minimum standards including facilities for persons with disabilities, children's play areas, and computing equipment for applicants. Human resources are adequately staffed across functional officer grades, with additional personnel recruitment underway to anticipate growing workloads.

The most critical adequacy challenge concerns digital literacy. The Head of Licensing Service Division described the extent of the gap: 'In this region, some business actors don't even know how to create an email. We have to create it for them. That's our role here — accompanying them until the process can be completed.' This gap is structurally significant given that 72.8% of NIB holders are individual proprietors who, as a group, have considerably less digital capacity than corporate applicants. DPMPTSP has developed a flexible response: applicants may choose between having their accounts created by staff (with credentials subsequently returned) or receiving guided self-registration assistance. The positive experience reported by the business actor informant — 'It was easy to understand because the staff educated us on how to obtain a business license' — confirms that this pendampingan (accompaniment) approach effectively compensates for literacy gaps at the individual level, though the structural challenge of scaling this approach to serve all 9 sub-districts remains.

Equity

Equity evaluation examines whether the benefits and burdens of the licensing program are distributed fairly across population groups (Dunn, 2018). Three dimensions are assessed: geographic distribution, treatment uniformity,

and distributional equity across business risk categories.

Regarding geographic distribution, NIB data confirm coverage across all nine sub-districts of Morowali Regency. The dominance of Bungku Tengah (ibukota/capital) and Bahodopi (IMIP site) reflects the economic geography of the regency rather than service delivery failures in peripheral areas. Even geographically remote sub-districts such as Menui Kepulauan (archipelagic, 122 NIBs in 2023) and Bungku Selatan (35 NIBs in 2023) received service, indicating meaningful geographic reach.

Regarding risk category distribution and sectoral equity, analysis of active business data reveals important patterns that reflect Morowali's economic structure (Table 2). Across all three sectors, the overwhelming majority (79.1%) of active businesses hold low-risk permits that are automatically issued by the OSS system without DPMPTSP intervention. High-risk permits

constitute only 8.4% of total registrations but absorb a disproportionately large share of DPMPTSP's coordination capacity. Notably, in the industrial sector, the high-risk category is the only one where foreign investment (PMA) outpaces domestic investment (PMDN) — 36 versus 24 enterprises — reflecting the capital-intensive nature of nickel smelting and steel processing operations.

The mining sector presents the most distinctive equity pattern: all 82 registered mining businesses carry high-risk classification, mandated by national regulation given the environmental and social impacts of extractive activities. This 100% high-risk profile makes the mining sector uniquely intensive in its demands on DPMPTSP's verification and coordination capacity. Of the 82 enterprises, 89% are organized as limited liability companies (PT), reflecting the complex corporate and regulatory compliance requirements of mining operations.

Table 2. Active Business Actors by Sector and Risk Category in Morowali Regency (2024)

Risk Category	Trading	Industrial	Mining	Total	% of Total
Low	2,067 (84.5%)	478 (69.3%)	0 (0%)	2,545	79.1%
Medium-Low	247 (10.1%)	74 (10.7%)	0 (0%)	321	9.97%
Medium-High	5 (0.2%)	78 (11.3%)	0 (0%)	83	2.6%
High	127 (5.2%)	60 (8.7%)*	82 (100%)	269	8.4%
TOTAL	2,446	690	82	3,218	100%

Source: DPMPTSP Morowali Regency Official Data, 2026. *Industrial high-risk includes 36 PMA vs 24 PMDN enterprises — the only category where foreign investment exceeds domestic.

Responsiveness

Responsiveness evaluates the capacity of service implementers to address the needs and complaints of service users (Dunn, 2018). DPMPTSP has established several complementary mechanisms that together constitute a robust responsiveness infrastructure.

The primary complaint mechanism is a QR-code (barcode) digital complaint system installed at the MPP. The Head of Licensing Service Division described its operation: 'Complainants just scan the barcode, fill in their identity and what the complaint is about, and we then respond. We respond immediately if we can settle it directly, or if the complaint is complex, we discuss it in a meeting or invite the relevant stakeholders.' This

mechanism ensures all complaints are documented and cannot be administratively ignored — a structurally important accountability feature.

A further dimension of institutional responsiveness is the development of digital sub-accounts within OSS for all technical agencies involved in permit verification. The Head of Licensing Service Section explained: 'We invite all technical agencies related to business activities to a meeting to give them OSS sub-accounts. When an application comes in that needs technical verification from a particular agency, it automatically appears in their sub-account — there's no more letter-sending back and forth.' This innovation eliminates a major coordination

delay and represents a proactive institutional solution to the systemic challenge of inter-agency communication in a paper-based workflow context.

External validation of DPMPTSP's responsiveness is provided by two national oversight bodies. The Ministry of Administrative Reform (KemenPAN-RB) has rated Morowali Regency's service performance positively. The Corruption Eradication Commission (KPK) confirmed that all 40 Monitoring Center for Prevention (MCP) assessment documents — a comprehensive integrity and anti-corruption assessment — have been completed on schedule. These external assessments provide independent, verifiable confirmation of institutional responsiveness that transcends self-reported organizational performance.

Good Governance Principles Analysis

Transparency

Research findings indicate that transparency in DPMPTSP Morowali's licensing service delivery has been realized through three mutually reinforcing mechanisms. First, the OSS RBA system is publicly accessible without restriction, making all procedural information, requirements, processing timelines, and status updates available to any applicant at any time. This structural openness aligns with UNDP's (1997) conception of transparency as a systemic rather than episodic property of governance. The Head of DPMPTSP articulated this commitment: 'We give them transparency — here is what the licensing process looks like, so they don't feel that our system is overly procedural, but we accompany them as much as possible so the process goes quickly.'

Second, the universal zero-cost policy eliminates financial ambiguity entirely — there is no informational uncertainty about what fees, if any, will be charged, and no institutional space for informal payment demands. The Head of Licensing Service Section confirmed regular reminders to all staff against soliciting any form of payment from applicants.

Third, front office officers proactively communicate the complete licensing pathway to

every applicant upon arrival, including information about any involvement of technical agencies outside DPMPTSP. The front office officer described this practice: 'We explain the flow from start to finish, and also communicate using language they can understand well. And if there are other agencies involved, we inform them of that too.'

One area where transparency requires strengthening is proactive status notification for high-risk permit applications. Applicants awaiting complex multi-agency coordination processes currently receive no automated progress updates between submission and notification of approval or rejection, creating an information vacuum that may undermine trust in the process despite genuine institutional commitment to openness.

Accountability

The accountability architecture of DPMPTSP Morowali Regency has been constructed across three layers corresponding to Bovens's (2007) typology. Procedural accountability is achieved through the embedding of all standard operating procedures into the digital workflow of OSS RBA and PTSP Room. Every procedural step is automatically documented, every decision timestamped and attributed to a specific user account, and the complete history of any application is retrievable at any point. This creates built-in accountability that operates without requiring additional supervisory intervention.

Institutional accountability is realized through the OSS sub-account system, which ensures that every technical verification decision is attributable to the specific official of the specific technical agency who made it. No verification decision can be made anonymously. This structural traceability is particularly significant in the context of high-risk permits, where technical verification by multiple agencies creates multiple accountability nodes in the process chain.

Public accountability is evidenced by two significant external assessments. The completion of all 40 KPK MCP assessment documents confirms that DPMPTSP meets the national standards for anti-corruption system integrity. The Head of DPMPTSP noted: 'From the KPK's

MCP assessment — all forty documents have been completed, alhamdulillah, all running on target.' The positive KemenPAN-RB evaluation provides additional external confirmation of service quality accountability. Together, these assessments place DPMPSTSP's accountability within a verifiable framework of national oversight that goes beyond internal compliance.

Effectiveness and Efficiency of Governance

At the institutional level, DPMPSTSP Morowali demonstrates strong governance effectiveness through its capacity to manage three simultaneous digital platforms while processing thousands of permit applications annually with a finite human resource base. The development of PTSP Room as a locally innovated solution for permit types not covered by the national OSS RBA system is particularly noteworthy — it reflects an institutional culture of problem-solving and adaptation rather than passive compliance with national mandates.

The digital coordination system through OSS sub-accounts represents an important efficiency innovation in inter-agency governance. By replacing paper-based correspondence with real-time digital notification, DPMPSTSP has reduced a major source of coordination delay within the boundaries of what is institutionally achievable at the regency level.

The most significant governance efficiency constraint — the KKPR coordination bottleneck — operates at the systemic level, beyond individual institutional capacity. The Head of Licensing Service Division identified this clearly:

'Our biggest constraint now is inter-agency coordination for KKPR. If there were one integrated system connecting all these agencies, it would certainly be far more efficient and effective.' This finding has direct implications for national policy on inter-agency digital integration in spatial planning and land use governance.

Synthesis: Digital Transformation as Cross-Framework Enabler

The integration of Dunn's (2018) evaluation framework with good governance principles (World Bank, 1992; UNDP, 1997) reveals a consistent pattern across all eight analytical dimensions: digital transformation through OSS RBA functions as the primary cross-framework enabler, simultaneously advancing performance across both analytical frameworks. This finding goes beyond demonstrating that digitalization improves operational efficiency. It demonstrates that digitalization generates systemic improvements in governance quality — transparency (through open-access information), accountability (through automated audit trails), equity (through standardized non-discriminatory procedures), and responsiveness (through real-time complaint and coordination systems) — all of which are normative governance properties that extend well beyond technical service delivery.

Table 3 presents the synthesized assessment across all eight dimensions, identifying the primary evidence base, the relevant governance principle, and the key area requiring improvement for each dimension.

Table 3. Synthesis Matrix: Policy Evaluation and Good Governance Assessment

Dimension	Key Empirical Evidence	GG Principle	Priority Improvement Area
Effectiveness	6,331 NIB (2023–25); 377 PBG; 119 IUP; same-day processing commitment	Effectiveness & Efficiency GG	Acceleration of inter-agency KKPR coordination
Efficiency	3 integrated platforms; universal zero-cost; SLA by risk; KKPR structural bottleneck	Transparency; Effectiveness GG	KKPR simplification; internet infrastructure
Adequacy	National-standard MPP; flexible OSS accompaniment (2	Effectiveness GG	Digital literacy program; staff reinforcement; parking capacity

	options); full functional staffing		
Equity	9 sub-districts covered; zero-cost universal; 79.1% low-risk; PMA dominates high-risk industrial	Transparency; Accountability	Structured UMKM digital literacy to village level
Responsiveness	QR-code digital complaints; OSS sub-accounts; positive KemenPAN-RB rating; all 40 KPK MCP complete	Accountability; Transparency	Real-time permit status notification system
Transparency (GG)	Public OSS access; zero-cost; proactive front-office communication	—	Progress notification for high-risk applicants
Accountability (GG)	Built-in SOP accountability; OSS sub-account traceability; 40 KPK MCP complete; positive KemenPAN-RB	—	Complex cross-agency complaint response
Effectiveness & Efficiency (GG)	3 simultaneous platforms; PTSP Room innovation; digital sub-account coordination	—	National KKPR-OSS system integration

Source: Synthesized from research findings, 2026.

Two structural barriers require specific attention. First, the KKPR coordination bottleneck reflects a systemic gap between the aspirations of digital governance reform and the fragmented institutional architecture of spatial planning, land administration, and environmental governance — a multi-agency coordination challenge that cannot be resolved at the regency level and requires national-level policy intervention. Second, the digital literacy gap among individual sole proprietors — who constitute 72.8% of service users — poses a long-term equity and adequacy challenge as licensing services become progressively more digitalized. Without structured, geographically reaching digital literacy interventions, the benefits of digital transformation risk being unevenly distributed in favor of more digitally capable corporate applicants.

5. Conclusion

This study demonstrates that digital transformation through OSS RBA constitutes the primary determinant of simultaneous service quality improvements across both Dunn's (2018) five evaluation criteria and three good governance principles in the DPMPSTSP

Morowali Regency context. The completion of 6,331 NIBs, achievement of positive KemenPAN-RB ratings, and completion of all 40 KPK MCP assessment documents provide multi-layered empirical evidence of institutional performance that substantially meets the normative standards of transparent, accountable, and effective public governance.

The study contributes three specific findings to the public administration literature. First, it provides the first integrated empirical assessment combining Dunn's policy evaluation criteria with good governance principles in an Indonesian extractive-industry regency context, demonstrating that the two frameworks are not only complementary but generate richer insights when applied simultaneously than either generates independently. Second, it identifies digital transformation as a cross-framework enabler — a single institutional intervention that simultaneously generates improvements across governance quality dimensions that existing literature has typically treated separately. Third, it generates empirically grounded evidence that the KKPR coordination process represents a systemic efficiency and equity bottleneck in risk-

based licensing that requires national-level digital integration policy to resolve.

Based on these findings, three sets of policy recommendations are advanced. At the DPMPSTSP level: develop automated real-time permit status notification systems; establish structured digital literacy programs reaching village-level business actors; and strengthen cross-agency complaint response mechanisms. At the Morowali Regency government level: allocate dedicated budget for MPP parking capacity expansion; establish a regular inter-agency licensing coordination forum with binding SLA enforcement authority; and issue mandatory response time regulations for technical verification agencies. At the national government level: integrate OSS RBA with

spatial planning, land administration, and environmental information systems to create a single-window KKPR process; and prioritize digital infrastructure investment in high-investment regencies such as Morowali as a prerequisite for effective digital governance.

Future research should extend this integrated evaluative framework to comparative multi-regency studies in other nickel-producing regions such as North Konawe and Kolaka; conduct large-sample surveys of business actor satisfaction to generate statistically representative performance assessments; and quantify the economic costs of KKPR processing delays to generate evidence for national-level advocacy on spatial planning reform.

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