

Reconstructing the Public Service Paradigm for Business Actors: From Policy Objects to Strategic Government Partners in Economic Development

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ABSTRACT: Public services connected with business activity in Indonesia have been progressively digitized and reorganized, yet legal and administrative friction remains visible when requirements, data, and operational instructions are not synchronized across institutions. Such friction can place business actors in the position of carrying documents between government bodies, repeating information already held by the state, or attempting to satisfy a requirement that another agency is not legally or technically able to issue. This article examines the legal position of business actors within the public-service framework and develops a normative reconstruction that treats them as strategic partners in economic development without weakening the regulatory and supervisory authority of the state. The study uses doctrinal legal research with statutory and conceptual approaches. Primary legal materials include the Public Service Law, the Government Administration Law, the Job Creation Law, Government Regulation Number 28 of 2025 on Risk-Based Business Licensing, regulations on One Data Indonesia and Electronic-Based Government Systems, and the Personal Data Protection Law. Secondary materials consist of public-administration and legal scholarship on public service, licensing, interoperability, and collaborative governance. The analysis finds that the central difficulty is not simply the number of regulations but the fragmentation of regulatory design, government business processes, data governance, and change management. The proposed model rests on legal certainty, integrated process ownership, a lawful single-source-of-data approach, a prohibition on shifting internal coordination failures to applicants, time-bound cross-sector escalation, synchronized updates to rules and digital systems, and transparent participation by businesses of different sizes. The reconstruction is intended to improve the predictability and accountability of public services while preserving public interest, equality before the law, data protection, and substantive compliance obligations.

KEYWORDS: public service; business actors; legal certainty; risk-based licensing; interoperability; strategic partnership

I. INTRODUCTION

Public service is one of the most concrete points at which the authority of the state is experienced by citizens and business actors. A licensing screen, an official request for documents, a decision on a permit, a response to a complaint, or an instruction from a technical officer may look administrative in character, but each of them has legal and economic consequences. For a business, uncertainty in a public-service process can affect the timing of investment, the cost of compliance, the use of capital, contractual commitments, recruitment, and the feasibility of operating in a particular location. This is why the quality of business-related public services cannot be reduced to a question of bureaucratic convenience. It is part of the architecture of legal certainty and, in a broader sense, of the relationship between government and economic actors.

Law Number 25 of 2009 on Public Services establishes public service as a responsibility of the state and provides a legal framework concerning principles, standards, rights and obligations, public participation, complaint management, and service organization [13]. Law Number 30 of 2014 on Government Administration complements that framework by regulating governmental decisions and actions through legality, proper use of authority, and the General Principles of Good Governance [14]. Read together, the two statutes do more than require government institutions to have a legal basis for acting. They also create an expectation that administrative procedures should be understandable, accountable, consistent, and capable of being completed in practice.

The regulatory environment for business licensing has also changed significantly. Law Number 6 of 2023 confirmed the current Job Creation framework [15]. More recently, Government Regulation Number 28 of 2025 replaced Government Regulation Number 5 of 2021 as the principal regulation on Risk-Based Business Licensing. Its scope covers basic requirements, business

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licensing, business licensing to support business activities, norms and procedures, Online Single Submission services, supervision, policy evaluation and reform, funding, sanctions, and the resolution of problems and obstacles [16]. The breadth of this scope is important. It reflects a regulatory understanding that licensing quality depends not only on the final issuance of a legal document, but also on the reliability of the process through which the document is obtained.

Nevertheless, integration at the level of regulation or technology does not automatically produce integration at the level of experience. An applicant may still face a situation in which Agency A requires a document sourced from Agency B, while Agency B has no legal basis, administrative product, or technical facility for issuing the document in the requested form. A different problem appears when a digital system displays one set of requirements but a technical unit applies another. In each situation the applicant confronts a practical contradiction created inside government. If the only institutional response is to tell the applicant to return to another office, the cost of governmental fragmentation is effectively transferred to the user of the service.

The problem is not new. Mursitama emphasized more than a decade ago that government, society, and the business community are interrelated actors in public service and that effective service requires a cooperative relationship grounded in good governance [3]. Studies of public-service malls have also recorded sectoral ego and inter-agency coordination as practical obstacles [4]. More recent literature on digital public services in Indonesia continues to identify fragmented systems, uneven infrastructure, and sectoral interests as structural challenges, even while digitalization has accelerated [8]. These studies arise from different methods and settings; they therefore cannot be treated as proof that every licensing service experiences the same failure. Their value lies in showing that fragmentation is a recurring governance concern rather than an isolated technical inconvenience.

The digital-policy framework already points toward a different direction. Presidential Regulation Number 95 of 2018 establishes the Electronic-Based Government System, or SPBE [17]. Presidential Regulation Number 39 of 2019 establishes One Data Indonesia [18]. Presidential Regulation Number 132 of 2022 sets the National SPBE Architecture, including policy direction, architecture domains, reference architecture, and strategic initiatives [19]. Presidential Regulation Number 82 of 2023 further directs the acceleration of digital transformation and integrated national digital services, with priority SPBE applications designed around integration and interoperability [20]. These instruments provide a normative basis for thinking beyond stand-alone applications and toward end-to-end government processes.

This article develops that direction into a legal and administrative proposition: business actors should not be treated merely as objects of regulation or passive applicants for permission. They are service users and stakeholders in economic development, while the state remains the regulator, supervisor, and guardian of public interest. The proposed partnership is therefore not a privatization of authority. It is a change in the design of interaction. Government retains the power to impose substantive requirements, refuse non-compliant applications, and enforce safety, environmental, labor, spatial, tax, and other public-interest rules. At the same time, government should assume responsibility for coordinating its own data, processes, and institutional interpretations.

Three questions guide the discussion. First, how should the position of business actors be understood within Indonesian public-service and administrative-law frameworks? Second, how do cross-sector inconsistencies, data fragmentation, and differences between digital requirements and operational practice affect legal certainty? Third, what legal-administrative model can reposition business actors as strategic partners while maintaining equality before the law, accountability, regulatory supervision, and protection of public interests? The novelty of the argument lies in combining these questions into a single reconstruction centered on responsibility for coordination: failures inside government should be resolved inside government as far as lawfully possible, rather than being converted into repetitive or impossible obligations for applicants.

II. RESEARCH METHOD

This research is doctrinal or normative legal research. The object of analysis is not the statistical performance of a particular licensing office, but the legal structure that governs public service, administrative action, digital government, business licensing, data interoperability, and institutional coordination. The study applies a statutory approach to examine the relationship among relevant laws and regulations, and a conceptual approach to develop a coherent model of public-service responsibility. The method is prescriptive in the legal sense: after identifying normative tensions, it proposes principles and institutional arrangements that are consistent with the legal framework and with the objectives of integrated public service.

Primary legal materials include Law Number 25 of 2009 on Public Services [13], Law Number 30 of 2014 on Government Administration [14], Law Number 6 of 2023 concerning the Job Creation framework [15], Government Regulation Number 28 of 2025 on Risk-Based Business Licensing [16], Presidential Regulation Number 95 of 2018 on SPBE [17], Presidential Regulation Number 39 of 2019 on One Data Indonesia [18], Presidential Regulation Number 132 of 2022 on the National SPBE Architecture

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[19], Presidential Regulation Number 82 of 2023 on the Acceleration of Digital Transformation and Integrated National Digital Services [20], and Law Number 27 of 2022 on Personal Data Protection [21]. The materials are read systemically rather than in isolation, because the central issue itself concerns the consequences of fragmented interpretation and implementation.

Secondary materials include legal scholarship, public-administration theory, and recent empirical or literature-based studies on business licensing, public-service malls, OSS implementation, One Data Indonesia, digital public services, and intergovernmental collaboration [1]-[12]. The New Public Service approach is used to illuminate the idea of serving public values rather than merely controlling administrative subjects [1]. New Public Governance is used to understand why contemporary public problems often require coordination among interdependent actors and organizations [2]. Indonesian studies provide contextual evidence of the types of obstacles that may occur in licensing and digital service implementation. Their findings are used cautiously: a case study in one local government is treated as evidence of a possible pattern, not as a national measurement.

Legal materials were analyzed through interpretation, comparison, and normative synthesis. The analysis first identifies obligations and principles embedded in the public-service and government-administration regimes. It then maps points where those principles may be undermined by contradictory requirements, duplicated data requests, or unsynchronized digital and manual procedures. Finally, the study formulates a reconstructed paradigm and tests it against four safeguards: legality, public interest, accountability, and data protection. Because no interviews, observations, or user surveys were conducted, examples of inter-agency inconsistency in this article are analytical illustrations rather than generalized empirical findings. That limitation is important and is retained throughout the discussion.

III. RESULTS AND DISCUSSION

A. Business Actors within Public Service and Administrative Law

The conventional image of licensing places government on one side as the grantor of permission and the business actor on the other side as the applicant. The image is legally understandable because many economic activities require prior administrative authorization, technical standards, supervision, or continuing compliance. Government may restrict or condition business activity to protect safety, the environment, labor rights, spatial planning, consumer interests, fiscal interests, fair competition, and other public values. A reconstructed paradigm does not challenge that regulatory authority. It asks a different question: how should that authority be administered when the regulated party must interact with several government units as part of a single service journey?

The Public Service Law provides a useful starting point because it treats service quality as a legal matter rather than a matter of courtesy. Principles such as public interest, legal certainty, equality of rights, balance of rights and obligations, professionalism, participation, openness, accountability, timeliness, speed, convenience, and affordability shape the duties of service providers [13]. A procedure that is formally authorized but impossible to complete because two agencies apply incompatible requirements may therefore present more than an operational inconvenience. It may undermine the predictability and accessibility that the statutory service framework seeks to secure.

The Government Administration Law adds a second layer. Governmental decisions and actions are expected to be grounded in lawful authority and the General Principles of Good Governance [14]. Administrative legality is consequently not exhausted by the existence of a regulation. The manner in which authority is exercised matters. If an applicant is directed repeatedly between offices because government units cannot agree on which document is valid, the problem concerns the quality of administrative action. If a digital system accepts a document but a field officer later requires a different document without a transparent legal basis, the user cannot reliably know which standard governs the transaction. Such uncertainty weakens the practical meaning of legal certainty.

From a public-administration perspective, the relationship also benefits from a more relational understanding. The New Public Service emphasizes service to citizens and public values instead of treating administration primarily as a steering mechanism [1]. New Public Governance draws attention to networks, interdependence, and the fact that public outcomes frequently emerge from interactions among multiple organizations [2]. These approaches do not erase hierarchy where law requires hierarchy. Their relevance lies in recognizing that a licensing process is often a networked service even when the applicant experiences it as one transaction. A system designed as a network must therefore assign responsibility for the quality of the network, not merely for each institutional fragment.

Business participation in public-service improvement should also be distinguished from preferential access. Mursitama's earlier work describes government, civil society, and the business community as interrelated actors in the pursuit of transparent public service [3]. The implication for the present study is not that business preferences should control regulatory policy. Instead,

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businesses possess operational knowledge about where requirements conflict, where data are duplicated, and where a formal rule creates an unintended implementation barrier. A lawful service system can use that information as feedback while still applying the same substantive standards to all applicants.

B. Risk-Based Business Licensing as a Test of Integrated Government

Risk-based licensing is a particularly useful setting for examining integration because the model connects regulatory classification, business identity, sector-specific requirements, supporting approvals, supervision, and digital processing. Government Regulation Number 28 of 2025 explicitly includes OSS services, policy evaluation and reform, and the resolution of problems and obstacles within the scope of Risk-Based Business Licensing [16]. The inclusion of problem resolution is legally significant. It acknowledges that a licensing regime is not complete merely because the system can receive an application; government must also have a way to deal with blockages that arise from the interaction of rules, institutions, and information systems.

Empirical literature on earlier phases of OSS implementation shows both the value and the difficulty of the model. Wiranti's juridical analysis describes OSS as an instrument intended to simplify licensing and reduce administrative burdens, while also examining implementation dynamics [5]. A study of licensing innovation in Surakarta reports benefits associated with integrated service but also local obstacles involving the centrally managed OSS-RBA system, socialization, and human resources [6]. Research on OSS-RBA in Makassar likewise focuses on service innovation and the institutional conditions needed to provide quality services [7]. These are case-specific studies, yet together they suggest that digital centralization does not remove the need for clear local roles, competent personnel, and effective inter-organizational communication.

The regulatory update in 2025 makes it even more important to align institutional practice with the current legal framework. Rules, standard operating procedures, digital forms, help-desk scripts, and technical guidance should move together. If a statutory or regulatory change takes effect but an electronic field still requests a legacy document, an applicant may encounter a requirement that no longer reflects the operative norm. The opposite can also occur: a digital interface may be updated rapidly while local instructions remain based on older procedures. Both situations create a gap between law on the books, law in the system, and law in action.

An integrated licensing model should therefore be evaluated as an end-to-end process. The relevant question is not only whether the OSS platform is online, but whether the complete chain—from registration and data verification to sectoral approval, supervision, and complaint resolution—operates without contradictory instructions. A service can be technologically advanced and still be institutionally fragmented. Conversely, a technically modest service can sometimes be predictable when responsibilities and rules are aligned. This distinction is important because digitalization is a means of administrative organization, not a substitute for coherent legal design.

C. Cross-Sector Fragmentation and the Legal Problem of Impossible Requirements

Cross-sector fragmentation can be described at four levels. The first is regulatory fragmentation: one sector requires a document, approval, or classification that another sector does not recognize or is not authorized to issue. The second is data fragmentation: government possesses information, but agencies cannot lawfully or technically exchange it because identifiers, standards, authority, or access rules differ. The third is process fragmentation: each institution optimizes its own stage without an owner responsible for the complete journey. The fourth is interpretive fragmentation: officers or units read the same requirement differently, producing inconsistent instructions even when the formal rule is identical.

The most serious form is an impossible requirement. Imagine that Agency A requires a certificate said to originate from Agency B. Agency B, however, has no legal instrument for issuing that certificate to an applicant. If the applicant is instructed simply to "obtain the document," the obligation cannot be satisfied through diligence, additional cost, or more complete paperwork. The state has created a closed administrative loop. In such a situation the applicant is not refusing to comply; the service design itself makes compliance unavailable. A legally responsible system must distinguish between applicant non-compliance and institutional impossibility.

This distinction affects the allocation of administrative burden. The applicant should remain responsible for information and documents that the law legitimately requires from the applicant. Government should remain responsible for resolving contradictions generated by its own institutional architecture. That division is not an exemption from regulation. It is a method of assigning responsibility to the actor that can actually solve the problem. An individual business cannot rewrite an inter-ministerial data-sharing rule, alter an agency's legal authority, or reconcile two government databases. Requiring the applicant to perform those functions informally merely hides the absence of coordination.

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Research on public-service malls has long noted that sectoral interests may obstruct integration [4]. A 2026 study of cross-boundary local-government collaboration similarly identifies policy fragmentation and sectoral ego as barriers in the management of shared resources [9]. Although that study concerns a different substantive field, the coordination logic is relevant: when a public problem crosses organizational boundaries, each unit's narrow compliance with its own mandate may still produce a poor collective outcome. Licensing has the same structural risk when a single business process depends on several institutions.

Fragmentation also generates unequal effects. Large companies may be able to hire consultants, maintain dedicated compliance teams, and absorb delays. Small and medium-sized enterprises may not have the same capacity. A contradictory requirement can therefore operate as a *de facto* barrier to entry even when the formal rule applies equally to all. This does not mean that smaller businesses should be exempted from substantive standards. It means that procedural incoherence should not become an unacknowledged form of unequal administrative burden.

D. Legal Certainty and the Hidden Cost of Regulatory Burden

Legal certainty in public service is often discussed in terms of whether a rule exists and whether the competent authority follows it. For business licensing, that definition is incomplete. Predictability also requires the regulated party to know what must be submitted, which institution is responsible, how long the process should take, what happens if institutions disagree, and which version of a requirement is authoritative. A rule that can be discovered only after repeated visits or informal conversations is less useful as a guide to conduct, even if the rule exists somewhere in the administrative system.

The economic cost of uncertainty is not limited to official fees. Businesses may incur professional-service expenses, staff time, repeated travel, document legalization, resubmission costs, opportunity costs, delayed operations, or changes to investment schedules. These are forms of regulatory burden. They are particularly difficult to measure because they may not appear in government fee schedules. Yet from the perspective of the user they are part of the cost of obtaining a lawful administrative result.

A recent study of OSS services at a public-service mall in Central Bengkulu, for example, evaluates effectiveness through service implementation and reports practical factors that shape user experience [10]. Such studies should not be generalized mechanically beyond their settings. They are useful, however, because they show why a normative analysis of legal certainty must pay attention to the actual sequence of service. A regulation may be clear at the abstract level while implementation still produces delay, duplication, or uncertainty.

The public-service framework supports a broader concept of certainty. Standards, information, complaint mechanisms, time limits, and accountability are all parts of service legality [13]. The Government Administration Law likewise frames good administration as a means of producing justice and legal certainty in governmental decisions and actions [14]. On that basis, this article treats consistency between norm, system, written procedure, and officer practice as one dimension of legal certainty. The point is not to demand a perfectly error-free bureaucracy. It is to require a visible mechanism for identifying and correcting inconsistency without making the applicant absorb the entire cost of institutional failure.

Table I. Conventional Service Paradigm and Strategic-Partnership Paradigm

Aspect	Conventional Paradigm	Strategic-Partnership Paradigm
Position of business actor	Applicant or object of requirements	Service user and development stakeholder, while remaining subject to law
Data coordination	Applicant carries data between agencies	Government verifies or exchanges data lawfully where feasible
Conflicting requirements	Applicant is expected to resolve the inconsistency	Government activates an internal, time-bound escalation mechanism
Digitalization	Focus on forms, portals, and uploads	Focus on end-to-end process integration and interoperability
Policy change	Regulation, SOP, system, and field practice may update separately	Change management synchronizes all service layers
Evaluation	Number of permits issued or transactions completed	Predictability, elapsed time, duplication, consistency, resolution of obstacles, and user experience
Participation	Ad hoc consultation	Transparent and documented consultation with safeguards against capture

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E. Digitalization Is Not the Same as Substantive Integration

Digital transformation can reduce queues, standardize forms, create audit trails, and make services available without physical presence. Those benefits are substantial. The legal problem emerges when technology is treated as proof of integration even though the underlying rules and institutional responsibilities remain fragmented. Moving a paper form into an application changes the channel; it does not necessarily change the logic of the process. If each agency simply digitizes its own requirements, a platform may reproduce the same contradictions more efficiently.

Presidential Regulation Number 95 of 2018 provides the basic framework for SPBE [17]. Presidential Regulation Number 132 of 2022 then defines the National SPBE Architecture with a broader structure covering policy, reference architecture, domains, and strategic initiatives [19]. The architecture perspective matters because it shifts attention from individual applications toward the relationships among business processes, data and information, applications, infrastructure, and security. In business licensing, that approach can be translated into a simple principle: the quality of the service depends on how well the layers fit together, not on the sophistication of any single application.

Presidential Regulation Number 82 of 2023 strengthens this direction by emphasizing integrated national digital services and priority SPBE applications with integration and interoperability as central considerations [20]. The logic should influence service design beyond the applications formally categorized as priorities. When a licensing process depends on data from population administration, taxation, spatial planning, environment, professional certification, or local government, the user should experience those components as a coordinated government process to the extent permitted by law. The burden of technical integration should not be disguised as a requirement for the user to repeatedly upload the same state-issued information.

Recent Indonesian literature reinforces the distinction between digitalization and institutional integration. Said, Rijal, and Sarinah's systematic review of studies from 2020-2025 identifies system fragmentation, sectoral ego, infrastructure gaps, digital literacy, data security, and inclusiveness among continuing challenges [8]. Their review indicates that increasing the number of applications is not an adequate measure of transformation. A 2025 study on One Data Indonesia also discusses overlapping governance and difficulties in achieving interoperability, illustrating how a policy designed around data integration can itself encounter institutional complexity [12]. These findings support a cautious conclusion: technical connectivity must be accompanied by clear governance, authority, standards, and accountability.

Change management is therefore a legal-administrative necessity. When a ministry changes a substantive rule, that change should trigger a mapped sequence: amendment of internal guidance, revision of the digital field or validation rule, adjustment of service standards, notification to affected agencies, training or briefing for officers, and updated public information. Without that sequence, government effectively operates several versions of the law at once. The applicant then learns which version applies only through trial and error.

F. One Data Indonesia, Single Source of Truth, and Data Protection

One Data Indonesia is relevant because repeated requests for the same information are often symptoms of fragmented data governance. Presidential Regulation Number 39 of 2019 establishes the policy framework for accurate, current, integrated, accountable, accessible, and shareable government data [18]. For public-service design, the policy supports an important operational idea: when an authentic data element already exists within government and may lawfully be accessed for a defined purpose, the user should not routinely be asked to prove the same fact again through a new copy of the same document.

This article refers to that idea as a single-source-of-truth principle, but the phrase must be used carefully. It does not mean that every agency should have unrestricted access to every dataset. Nor does it mean that a central database should automatically override sector-specific legal requirements. The principle is narrower: a data element should have an authoritative source, clear ownership, defined quality rules, and a lawful verification mechanism so that different government services do not create competing versions of the same fact. Where direct exchange is not legally permitted, the system should explain why and identify an alternative verification method.

Law Number 27 of 2022 on Personal Data Protection creates essential safeguards for this model by regulating personal-data processing, the rights of data subjects, and the obligations of controllers and processors [21]. Interoperability must therefore be purpose-bound, authorized, secure, and accountable. Convenience cannot justify indiscriminate sharing. A licensing service that retrieves identity or financial information from another government system must still have a lawful basis, apply access controls, record the purpose of processing, and limit use to what is necessary for the relevant administrative function.

The interaction between One Data and data protection is sometimes portrayed as a tension between access and privacy. In practice, good governance can make the two mutually reinforcing. A controlled government-to-government verification mechanism may reduce the number of copies circulating through email, paper files, private messaging applications, or repeated

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uploads. Fewer unnecessary copies can reduce exposure risk. The design challenge is to ensure that interoperability is not simply broader access, but more disciplined access.

For business actors, the benefit of a lawful single-source model is practical. The applicant provides information that only the applicant can provide, gives consent or authorization where the law requires it, and corrects inaccurate data through the proper channel. Government then verifies authoritative data through established interfaces where possible. If a discrepancy exists, the service identifies which source must be corrected and by whom. This is more transparent than asking the applicant to carry several official documents whose contents may diverge because the issuing systems are not synchronized.

G. Reconstructing the Paradigm: From Administrative Subordination to Lawful Strategic Partnership

The proposed reconstruction begins by changing the administrative question. In a conventional model, the central question is often: “Has the applicant supplied every item requested by each unit?” In the reconstructed model, the question becomes: “Has the applicant fulfilled the substantive obligations imposed by law, and has government organized its own process so those obligations can be verified without avoidable contradiction?” The difference is subtle but consequential. It separates legitimate regulatory burden from avoidable coordination burden.

The term strategic partnership is used here in a public-law sense. Business actors are strategic because investment, production, employment, innovation, and tax-generating activity are relevant to economic development. They are partners because feedback from service users can help government detect implementation failures. They are not partners in the sense of sharing sovereign authority or receiving a privileged path around legal requirements. The relationship remains bounded by public interest, equal treatment, transparency, anti-corruption safeguards, and administrative review.

This approach also avoids a false choice between “pro-business” and “pro-regulation.” A coherent service can be strict about substantive compliance and still be predictable, fast, and internally coordinated. In fact, better integration may strengthen enforcement because government receives cleaner data, creates traceable workflows, and can focus supervision on risk rather than on repeated document handling. Risk-based licensing is conceptually compatible with this idea because regulatory attention is intended to reflect the risk profile of activities rather than apply the same administrative intensity to every business [16].

The reconstructed paradigm is built on seven operational principles: integration of regulatory design and business processes; one authoritative source for reusable government data; no shifting of internal coordination failures to applicants; time-bound cross-sector escalation; synchronized change management; transparent and inclusive business participation; and outcome-based service evaluation. Each principle is discussed separately below because the model depends on their combination. A single improvement—such as a new application or a new help desk—will not be enough if the remaining layers continue to operate independently.

H. Principle One: Integrate Regulatory Design with the End-to-End Business Process

Every new business-service requirement that depends on another institution should be tested for implementability before it takes effect. The rule-maker should be able to answer basic operational questions: What is the authoritative source of the information? Is the source institution legally permitted to issue or transmit it? Does the data use a common identifier? Which agency owns the verification step? What happens if the source system is unavailable? What evidence is accepted during a transition period? These questions belong inside regulatory design, not after complaints begin to accumulate.

A regulatory map can make those dependencies visible. For each requirement, the map would identify the legal basis, responsible institution, source data, validation method, expected processing time, downstream dependency, and escalation owner. Such a map would be especially valuable for services that combine central and local authority. It would also improve amendment practice: when one rule changes, the map would show which other procedures, systems, and service standards must be updated.

The model should include a “feasibility gate” for cross-agency requirements. A requirement should not become enforceable against applicants until the issuing or verifying institution confirms that the required document or data can actually be produced in the specified form. Where direct verification is planned, the interface and legal authority should be tested before the requirement is activated. A temporary manual pathway may be necessary during transition, but it should be official, time-limited, and publicly explained.

I. Principle Two: Do Not Shift Internal Coordination Failure to the Applicant

The second principle is the normative core of this article: an applicant should not bear the consequences of a coordination failure that only government has the authority to resolve. This principle is not currently expressed as a single named statutory principle. It is constructed from existing public-service values—legal certainty, professionalism, accountability, timeliness, speed,

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convenience—and from the administrative-law expectation of proper governmental action [13], [14]. Its function is to guide responsibility when several public bodies participate in one service.

The principle must be applied with discipline. It does not protect an applicant who fails to provide information that the applicant controls, submits inaccurate data, misses a lawful deadline, or refuses a substantive legal obligation. It applies where the obstacle is internal to government: incompatible interpretations, unavailable inter-agency data, a document that the designated source cannot issue, or a mismatch between the official system and an agency's operational practice. In those cases, the applicant may be asked for clarification, but should not become the messenger responsible for reconciling government institutions.

This allocation of responsibility has an accountability advantage. If an application is delayed because of a cross-agency problem, the delay should be coded as an institutional obstacle and assigned to an owner. That creates data for management. Repeated cases can reveal which regulation, interface, or procedure requires reform. When the burden remains with the applicant, the government may never see the pattern because each applicant solves the problem privately or abandons the process.

J. Principle Three: Create a Time-Bound Cross-Sector Escalation Mechanism

Integrated service requires a place where unresolved cross-sector conflicts can go. A conventional help desk often answers questions within the boundaries of one institution. It may not have authority to decide which of two agencies must change its interpretation. The proposed model therefore uses an escalation desk or coordination forum with a defined mandate to resolve obstacles that cross organizational boundaries. Government Regulation Number 28 of 2025 already includes the resolution of problems and obstacles within the scope of Risk-Based Business Licensing, providing a regulatory foundation for stronger operational mechanisms [16].

The mechanism should have at least five features. It needs a clear trigger, such as contradictory written requirements or an unavailable cross-agency document. It needs a responsible case owner so the applicant does not have to restart the explanation at every institution. It needs a time limit proportionate to the complexity of the issue. It needs a documented resolution that identifies which requirement or interpretation applies. Finally, it needs a feedback loop so that the same conflict is corrected in the underlying rule, system, or guidance rather than resolved repeatedly on a case-by-case basis.

Escalation should not become a parallel bureaucracy. Routine questions belong in ordinary service channels. The escalation mechanism is for structural conflicts, not for every incomplete application. A useful design would classify cases by severity: simple data mismatch, inter-agency interpretation conflict, legal impossibility, system defect, or policy gap. Classification allows government to route the case to the appropriate technical or legal authority and to measure which type of obstacle occurs most frequently.

K. Principle Four: Synchronize Regulatory, Digital, Procedural, and Human Updates

One recurring source of inconsistency is asynchronous change. A regulation is amended on Monday, a digital form is updated two weeks later, a local circular remains unchanged for a month, and officers receive new guidance only after users begin to complain. From the perspective of each institution, the delay may look like a normal implementation sequence. From the perspective of the applicant, four versions of the same requirement exist at the same time.

A formal change-management protocol should therefore accompany legal reform in high-volume public services. The protocol should identify affected digital fields, validation rules, SOPs, public FAQs, service standards, training materials, complaint scripts, and inter-agency agreements. A rule should have an implementation owner who confirms that each layer has been updated. If full synchronization cannot occur by the legal effective date, a transitional rule should state which pathway controls and for how long.

This is where SPBE architecture becomes operational rather than abstract. The architecture can serve as a map of dependencies among process, data, applications, infrastructure, and security [19]. For a business service, a change in one regulatory node should generate a controlled update across the related nodes. The objective is not bureaucratic perfection. It is to reduce the period during which users are forced to discover inconsistency themselves.

L. Principle Five: Institutionalize Business Participation without Regulatory Capture

Partnership requires participation, but participation must be designed so it does not become privileged influence. Business associations, professional groups, micro and small enterprises, regional businesses, start-ups, and firms in highly regulated sectors experience public services differently. Consultation that hears only from large companies may improve one part of the system while overlooking the administrative capacity of smaller actors. Inclusive participation is therefore a legal-quality issue as much as a stakeholder-management issue.

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Consultation should focus on implementation evidence. Participants can be asked to identify duplicated documents, conflicting instructions, unclear definitions, inaccessible systems, or long unresolved handoffs. Government can publish the issues raised and explain which suggestions were accepted, modified, or rejected. This preserves governmental responsibility for policy choices while making the feedback process transparent. Mursitama's emphasis on cooperation among government, society, and business remains relevant here, provided that cooperation operates within accountable rules [3].

Safeguards are essential. Consultation records should be documented; conflicts of interest should be disclosed where appropriate; access should not depend on informal relationships; and regulatory decisions should remain reviewable through ordinary legal and administrative channels. Participation is strongest when it improves the general service standard rather than creating bespoke solutions for individual firms.

M. Principle Six: Measure Outcomes, Not Merely Administrative Output

A licensing agency can process a large number of applications and still generate avoidable burdens if users repeatedly resubmit documents or wait for inter-agency clarification. Output measures are therefore necessary but insufficient. A reconstructed paradigm should include indicators that capture whether the service is predictable and internally coherent. These indicators need not replace existing performance measures; they can complement them.

Useful measures include the proportion of applications requiring repeated submission of data already held by government, the number of conflicting-requirement cases, the average resolution time for cross-sector obstacles, the percentage of data verified directly from authoritative government sources, the number of system corrections triggered by regulatory change, and the share of complaints caused by inconsistent instructions. User-experience surveys can add another layer by asking whether applicants understood the requirements before applying and whether the final instructions matched the information published at the start.

Outcome measurement also supports reform prioritization. If one document causes thousands of repeated clarification cases, changing that requirement may produce greater benefit than launching a new front-end feature. If a particular inter-agency interface fails frequently, technical investment can be directed toward the bottleneck. In this sense, user friction becomes governance data. It helps government distinguish between visible digital innovation and changes that materially reduce administrative uncertainty.

Table II. Proposed Legal-Operational Principles for Integrated Business-Related Public Services

Principle	Administrative Question	Primary Government Action	Safeguard
Integrated regulatory design	Can every cross-agency requirement be lawfully and practically fulfilled?	Map dependencies before the rule is activated	Maintain statutory authority and substantive standards
Single source of truth	Is the requested fact already available from an authoritative public source?	Verify or exchange data through lawful mechanisms	Purpose limitation, access control, data protection
No burden shifting	Is the obstacle caused by applicant conduct or government coordination?	Resolve internal conflicts internally	Applicant remains responsible for own lawful obligations
Time-bound escalation	Who owns a cross-sector obstacle and by when must it be resolved?	Assign case owner, deadline, and documented decision	Use only for structural conflicts; avoid parallel bureaucracy
Synchronized change	Have law, SOP, system, guidance, and officer practice changed together?	Apply change-management protocol	Publish transitional arrangements
Transparent participation	Are diverse users able to identify implementation problems?	Consult, record, respond, and publish follow-up	Prevent capture and unequal access
Outcome evaluation	Did the user complete the service predictably and without avoidable repetition?	Measure friction, consistency, time, and resolution	Do not weaken compliance or supervision metrics

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N. Institutional Design: Service Owner, Data Steward, and Escalation Owner

The principles above require named institutional roles. The first is the service owner: the institution responsible for the end-to-end quality of a defined service, even when several agencies perform components of it. The service owner does not absorb another institution's legal authority. Its role is to coordinate the complete user journey, maintain the process map, monitor cross-agency performance, and ensure that unresolved dependencies have an escalation path.

The second role is the data steward for each critical dataset. The steward is responsible for definitions, quality rules, metadata, update procedures, and conditions for lawful use. One Data Indonesia already encourages standardized and accountable data governance [18]. Translating that governance into public-service operations would allow an applicant and a service officer to know which source is authoritative when different documents display inconsistent information.

The third role is the escalation owner. Some conflicts will exceed the authority of the service owner—for example, a contradiction between two sectoral regulations or a dispute over legal access to a dataset. The escalation owner should have sufficient coordination authority to convene the relevant units, obtain a written legal or policy determination, and ensure that the resolution is reflected in the service system. Without such ownership, a problem may circulate between institutions with no point at which the government as a whole becomes responsible for deciding it.

Clear roles also make accountability fairer to individual officers. Front-line staff are often blamed for inconsistencies they did not create and cannot repair. If the system provides authoritative guidance and a formal escalation route, officers can apply the current rule and refer structural problems without inventing informal workarounds. This reduces the risk that different counters, regions, or shifts develop their own unofficial solutions.

O. Central-Local Coordination and the Risk of Pseudo-Integration

Business licensing frequently combines central standards with local implementation. This makes central-local coordination particularly important. A national platform can standardize data and provide a common entry point, but local governments may still handle location-specific requirements, inspections, supporting services, and communication with applicants. If central and local responsibilities are not mapped clearly, the user may experience “one portal” at the front end but several disconnected processes behind it.

The literature on public-service malls illustrates a similar risk. Bringing agencies together in one physical or digital venue can improve access, yet the presence of multiple services under one roof does not automatically integrate their back-office processes [4]. The same caution applies to OSS. A unified interface should not be confused with unified responsibility. The design objective should be a service chain in which handoffs are invisible or at least intelligible to the applicant, and in which responsibility does not disappear when a case moves from one level of government to another.

Central government has a role in defining common data standards, national system architecture, cross-sector legal interpretations, and minimum service requirements. Local government has a role in adapting operational delivery to local conditions while remaining consistent with national law. The partnership paradigm requires both levels to treat unresolved handoffs as a joint service problem. It is not sufficient for each level to say that its own component has been completed if the applicant remains unable to complete the overall legal process.

P. Data Interoperability, Cybersecurity, and the Limits of Administrative Convenience

Calls for interoperability can create an unintended impression that every obstacle should be solved by connecting databases. That would be overly simplistic. Some data should not be exchanged because the receiving agency lacks a lawful basis, because the information exceeds what is necessary for the service, or because security and identity controls are inadequate. Interoperability is therefore a governance capability, not an unconditional command to share.

The data-protection framework requires attention to purpose, authority, security, and accountability [21]. SPBE regulations likewise place security within the architecture of electronic government [17], [19]. A mature public service should decide deliberately whether a data element is verified through real-time exchange, periodic synchronization, a trusted digital document, a user-provided declaration, or another method. The method should reflect legal authority, sensitivity, operational need, and risk.

This limitation strengthens rather than weakens the partnership model. If government cannot lawfully retrieve a document, the reason should be transparent and the applicant should be told exactly what evidence is required. If government can retrieve it, repeated manual submission should gradually become exceptional. Clear boundaries reduce uncertainty because the applicant understands which obligations genuinely belong to the applicant and which are handled within government.

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Q. Equality, Small-Business Inclusion, and the Prevention of Preferential Service

A strategic-partnership paradigm can be misunderstood if “partnership” is associated with special access for well-connected businesses. That would conflict with the public-service principles of equality and accountability. The model proposed here is explicitly procedural and general. Improvements should apply to the service architecture rather than to selected firms. A cross-sector conflict resolved for one applicant should, where relevant, generate a system correction that prevents the same conflict for the next applicant.

Small-business inclusion deserves specific attention because administrative capacity is uneven. A microenterprise may lack dedicated compliance staff, high-speed internet, professional advisers, or familiarity with technical regulatory language. The solution is not to lower substantive safety or environmental standards. It is to make requirements intelligible, reduce duplication, provide accessible assistance, and design digital pathways that work across reasonable levels of user capability. Participation mechanisms should include smaller and regional businesses so that service redesign does not reflect only the experience of large firms.

Equal service also means equal access to escalation. An applicant should not need personal contacts to resolve a cross-agency contradiction. The trigger, channel, expected time, and status of an escalation should be visible. Transparent case management helps convert what may otherwise be informal discretion into accountable administration.

R. A Practical Implementation Roadmap

The reconstructed paradigm can be introduced incrementally. A government does not need to redesign every business service at once. A practical first stage is to select a small number of high-volume or high-friction services and map the complete user journey. The mapping should include every legal requirement, data source, institution, system, handoff, expected time, and complaint route. Cases in which applicants repeatedly submit the same information or receive conflicting instructions should be prioritized.

The second stage is legal and data reconciliation. Each cross-agency requirement is tested for legal basis and operational feasibility. Duplicated data are assigned to authoritative sources. Data-sharing arrangements are reviewed against the Personal Data Protection Law and sector-specific confidentiality rules [21]. System fields that no longer reflect current regulation are identified. Where two rules conflict, a formal legal interpretation or regulatory amendment is prepared rather than leaving front-line officers to improvise.

The third stage is operational integration. A service owner is appointed, escalation rules are published, digital and SOP changes are synchronized, and officers receive the same guidance. A pilot period can be used to collect data on unresolved cases. The aim of the pilot is not only to test the application interface but to test the institutional handoffs. A service that looks smooth on a demonstration screen may still fail when a real case requires another agency to verify data or issue an approval.

The fourth stage is evaluation and scaling. Government measures whether the redesigned service reduced duplicate submissions, contradiction cases, unexplained delays, and repeated complaints. Successful patterns can be reused in other services. Unsuccessful changes should be documented rather than concealed, because the point of the model is continuous institutional learning. Digital-government reform becomes more credible when it can show not merely that a new feature was launched, but that a specific source of uncertainty was removed.

Table III. Example Performance Indicators For A Strategic-Partnership Service Model

Indicator	What It Reveals	Illustrative Direction of Improvement
Repeat-document rate	Extent to which users resubmit information already held by government	Downward
Cross-agency conflict cases	Frequency of contradictory or impossible requirements	Downward after root-cause correction
Average escalation resolution time	Institutional responsiveness to structural obstacles	Downward, subject to legal complexity
Authoritative-source verification rate	Use of lawful government-to-government verification	Upward where legally appropriate
Post-regulation synchronization time	Speed at which system, SOP, guidance, and public information are aligned	Downward

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Indicator	What It Reveals	Illustrative Direction of Improvement
Consistency complaints	User reports of different instructions for the same service	Downward
Requirement comprehension score	Whether users understand obligations before applying	Upward
Correction recurrence rate	Whether previously resolved structural problems reappear	Downward

S. Legal and Policy Implications

The proposed reconstruction has implications at three levels. At the level of administrative law, consistency across institutions should be treated as part of the quality of governmental action when multiple authorities contribute to a single public service. Sectoral competence remains important, but it should not justify a service design in which no institution is accountable for the final user journey. The service owner concept offers a way to preserve specialized authority while still assigning responsibility for coordination.

At the regulatory level, cross-sector dependency analysis should become a routine part of rule-making for business services. Regulatory impact analysis often considers costs and benefits at a policy level; the approach proposed here adds an implementation lens focused on document availability, data authority, system dependencies, and change-management obligations. The result would be a more operational form of legal certainty: requirements are not only lawful on paper but also executable through a defined administrative pathway.

At the institutional level, digital-government governance should give greater weight to process ownership and data stewardship. The legal framework already supports SPBE architecture, One Data Indonesia, integrated digital services, risk-based licensing, and personal-data protection [16]-[21]. The challenge is not to invent a completely new system but to connect these instruments around concrete services. A business-licensing reform should therefore be judged by whether these regimes work together in practice, not by whether each agency can demonstrate compliance with its own separate program.

There is also an anti-corruption and integrity dimension. Unclear or contradictory requirements create spaces in which informal intermediaries may appear valuable because they know which office to approach or which unwritten practice to follow. A predictable service with published escalation routes reduces the value of opaque navigation. This does not eliminate corruption risk, but it narrows the informational asymmetry that can make informal access attractive.

T. Limits of the Proposed Reconstruction

The partnership model has limits that should be stated openly. First, not every delay is evidence of poor service. Some decisions require technical assessment, environmental review, public consultation, or inter-agency verification because the underlying risks are significant. Speed is not an absolute value. The relevant question is whether the time and procedure are legally justified, transparent, and proportionate to the decision being made.

Second, not every piece of data should be reused automatically. Data may be outdated, collected for another purpose, protected by confidentiality, or unsuitable for a particular legal determination. A single-source principle must therefore include quality assurance, lawful access, and a correction mechanism. Where data are contested, the subject should be able to use the legally available process to correct or challenge them.

Third, business participation can create capture risk if consultation is dominated by powerful actors or if regulatory agencies become overly focused on reducing private compliance costs at the expense of public values. The strategic-partnership concept must remain anchored in equality, transparency, and public interest. A service can be friendly to users while still refusing an application that fails substantive law.

Finally, this article is normative. It has not measured how often impossible requirements, duplicated data requests, or system-practice inconsistencies occur across Indonesia. The cited empirical studies illustrate types of implementation difficulty in particular settings, but they do not provide a nationwide prevalence estimate. Future research should therefore test the proposed framework through interviews, case tracking, service-journey observation, complaint analysis, and quantitative measurement across sectors and regions.

U. Complaint Handling, Administrative Redress, and Institutional Learning

An integrated service model needs a complaint mechanism that can distinguish ordinary dissatisfaction from a structural administrative defect. A complaint that an officer was impolite, a complaint that a statutory deadline was missed, and a complaint

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that two agencies require mutually incompatible documents are different problems. They should not enter one undifferentiated queue. Classification matters because the remedy differs: service coaching may address the first problem, case management the second, and cross-sector legal or technical coordination the third. The Public Service Law already treats complaint management as part of the public-service framework [13]. The reconstruction proposed here adds a diagnostic function so that complaints become evidence about the architecture of the service, not merely isolated messages to be closed one by one.

For business-related services, a useful complaint taxonomy could include information inconsistency, repeated-data requests, contradictory written instructions, system error, unavailable source document, excessive processing delay, unclear authority, and disagreement over substantive compliance. Each category should have a defined receiving unit and an escalation rule. A complaint classified as an unavailable source document, for example, should not be returned automatically to the applicant with a generic instruction to complete the file. It should trigger verification of whether the designated issuing institution can legally produce the document. If not, the service owner should initiate a correction to the requirement or determine an authorized substitute.

Redress also requires a clear separation between internal service correction and formal legal remedies. The proposed escalation mechanism is intended to resolve operational conflict efficiently, but it cannot eliminate rights of objection, administrative appeal, judicial review, or other remedies available under applicable law. A business actor who disagrees with a substantive administrative decision should still be able to challenge that decision through the legally prescribed route. The service system should explain the difference between asking government to correct a process inconsistency and contesting the legal merits of a decision. Confusing the two can lead users to believe that a help desk has authority that in fact belongs to another administrative or judicial body.

Complaint data should be analyzed periodically rather than archived after closure. Repeated complaints about the same field in OSS, the same local requirement, or the same inter-agency handoff indicate a root cause that should be corrected at system level. Management reports can rank the most frequent structural obstacles, identify the average age of unresolved cross-sector cases, and record whether a previous correction prevented recurrence. This converts complaint management into a source of organizational learning. It also reduces dependence on individual memory, because the institution retains a traceable record of what problem occurred, why it occurred, and how the official resolution changed the service.

Transparency can strengthen this learning process. Government does not need to publish confidential case files, but it can publish recurring categories of problems, general resolutions, updated guidance, and service changes that resulted from complaints. Such publication helps future applicants avoid the same confusion and demonstrates that complaints can produce institutional improvement. It also discourages the growth of unofficial knowledge markets in which only experienced intermediaries know how to navigate inconsistencies.

V. A Normative Scenario for Resolving an Inter-Agency Licensing Conflict

The operation of the proposed model can be illustrated through a hypothetical scenario. Assume that a company applies for a business license through an integrated electronic system. The system requires proof of a technical status said to be issued by Agency B. The applicant contacts Agency B and receives a written explanation that its regulations do not provide for issuing such a document to private applicants. Under a conventional fragmented model, the licensing unit may simply maintain that the electronic checklist must be completed. The applicant is then trapped between a mandatory field and an issuing institution that cannot satisfy it.

Under the reconstructed model, the first step is classification. The problem is not recorded as an incomplete application caused by the applicant; it is classified as a cross-agency feasibility conflict. The service owner verifies the legal basis for the requirement and asks Agency B to confirm the nature of the underlying data or status that the licensing authority actually needs. The focus shifts from the name of a document to the substantive fact that must be verified. This is important because legacy requirements often preserve the label of a paper document even after the underlying information can be verified in another way.

The second step is interim case protection. The applicant should receive written confirmation that the conflict has been escalated and that the missing item will not be treated as a refusal to comply while the institutions resolve their inconsistency, provided the applicant has supplied all other required information. This protection does not guarantee approval of the license. It merely prevents an institutional impossibility from being counted against the applicant. If a statutory time limit is affected, the service should explain the legal consequence and record the reason for any suspension or extension permitted by law.

The third step is institutional resolution. If Agency B can lawfully verify the status through data exchange, the licensing system can be modified to request that verification directly. If Agency B can issue another legally recognized instrument containing the required information, the licensing rule can identify it as an accepted equivalent. If neither option is possible, the authority responsible for the licensing requirement should amend the rule or remove the requirement. The solution must be documented so that officers in different locations apply the same answer.

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The final step is prevention of recurrence. The electronic field, public guidance, officer instructions, and regulatory map are updated together. The resolved case becomes a test case for future quality assurance. A subsequent applicant with the same fact pattern should not need to initiate a new escalation. In this way the value of the model lies not only in helping one applicant, but in converting individual friction into a permanent improvement in administrative design.

Table IV. Classification of Common Cross-Sector Service Obstacles and Proposed Responses

Obstacle Type	Typical Symptom	Primary Response	System-Level Follow-Up
Data mismatch	Different government sources show different values	Identify authoritative source and correction path	Improve metadata, synchronization, and user guidance
Impossible document	Required document cannot legally or technically be issued	Escalate to service owner and requirement owner	Amend requirement or create lawful verification route
Interpretation conflict	Two agencies read one rule differently	Obtain documented legal/technical determination	Publish common guidance and train officers
System-rule mismatch	Digital field does not reflect current regulation	Apply official transitional procedure	Update validation rule and change-management controls
Repeated-data request	User resubmits information already held by government	Check lawful authoritative-source verification	Build controlled interoperability where justified
Unowned handoff	Each institution says the next step belongs to another unit	Assign a case owner and escalation deadline	Define end-to-end service ownership
Access or privacy constraint	Useful data exist but cannot be freely shared	Determine legal basis and least-intrusive verification method	Document purpose, access control, and data-protection safeguards

W. Public Service Malls, Assisted Digital Channels, and the Human Side of Integration

Integrated digital services should not be understood as a mandate to eliminate human assistance. Business users vary in digital literacy, connectivity, language comfort, and the complexity of the regulatory issue they face. A service may be legally clear and technically functional but still difficult for a first-time entrepreneur to navigate. Public Service Malls and one-stop service offices can therefore remain important as assisted channels, particularly when they help users understand a unified process rather than merely provide separate counters in the same building.

The distinction between physical co-location and substantive integration is crucial. Earlier research on Public Service Malls records coordination challenges and sectoral ego even where multiple services are brought together [4]. A well-designed mall should therefore operate as an access layer to shared process standards, common escalation routes, and synchronized information. If every counter continues to use a different checklist and sends the user to another desk for unresolved conflicts, the building is integrated but the service is not. Physical convenience cannot substitute for back-office coordination.

Assisted digital service can also improve the quality of data entering electronic systems. Trained officers can help users select the correct business classification, understand which document corresponds to a particular legal requirement, and identify whether a failed submission is caused by user error or by a system defect. That assistance should be based on current official guidance and should leave an audit trail where material advice affects the application. Consistent scripts and knowledge bases are important so that assisted channels do not create a second, informal version of the law.

The human side of integration also concerns front-line working conditions. Officers faced with contradictory rules, unstable systems, and dissatisfied applicants may develop local shortcuts simply to keep services moving. Some shortcuts may be helpful in the moment but create inconsistency across locations. A stronger institutional design reduces that pressure by giving officers authoritative guidance, escalation support, and a defined mechanism for reporting defects in the process. Better service to business actors can therefore coincide with clearer protection for public servants who apply the rules in good faith.

X. Future Empirical Research and a Testable Research Agenda

The normative model proposed in this article can be tested empirically. A first line of research would measure the prevalence of cross-agency friction in selected licensing sectors. Researchers could sample completed and incomplete applications, identify

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where each case stopped, and classify the cause of delay. The unit of analysis should be the complete service journey rather than the performance of one office. Such a design would allow researchers to distinguish applicant-caused incompleteness, substantive technical review, system failure, inter-agency conflict, and policy ambiguity.

A second line of research could compare businesses of different sizes. The same administrative requirement may have very different effects on a microenterprise, a medium-sized local company, and a large corporation with specialist compliance staff. Surveys and interviews could measure time spent, number of contacts with government, reliance on consultants, number of repeated submissions, and understanding of official requirements. The results would help determine whether procedural fragmentation has a disproportionate effect on businesses with lower administrative capacity.

A third line of research should evaluate escalation mechanisms where they exist. Useful questions include whether a formal case owner reduces total resolution time, whether written cross-agency determinations produce consistent decisions in later cases, and whether system corrections actually reduce recurrence. A quasi-experimental design could compare similar services before and after a change-management intervention. Complaint records and system logs could provide objective measures that complement user perceptions.

Finally, data-governance research should examine the practical interaction among One Data Indonesia, SPBE, business licensing, and personal-data protection. The core question is not whether more datasets can technically be connected, but whether the connection produces a lawful, accurate, secure, and intelligible service. Empirical findings on authorization, data quality, access controls, correction procedures, and user understanding would make it possible to refine the single-source principle proposed in this article. In that sense, the reconstruction is deliberately open to testing: its legitimacy should depend on whether it improves legal certainty and public-service quality without weakening substantive regulation or data rights.

Y. Governance Safeguards and Accountability for the Partnership Model

A partnership-oriented service model needs safeguards precisely because closer interaction between government and business can create concerns about unequal influence. The safest design is to institutionalize contact rather than personalize it. Consultation schedules, issue logs, written responses, escalation criteria, and service standards should be publicly documented. When communication occurs through defined channels, the substance of business feedback can be used without creating the impression that access to decision makers depends on personal relationships. This is particularly important in licensing, where predictability and equal treatment are central to the legitimacy of administrative decisions.

Accountability should also operate in both directions. Government must explain the legal basis and service pathway for its requirements, while business actors remain responsible for truthful submissions, compliance with substantive conditions, and timely correction of information within their control. A partnership paradigm is not a transfer of responsibility from the private sector to the state. It is a clearer distribution of responsibility: applicants answer for their conduct and legally required evidence; government answers for the coherence, accessibility, and internal coordination of the public process through which that evidence is assessed.

Audit mechanisms can reinforce this allocation. Internal audits, inspectorate reviews, or service-quality evaluations can sample cases in which the applicant was asked to resubmit documents, visit multiple institutions, or wait for cross-agency clarification. The purpose should not be to blame individual officers automatically, but to determine whether the root cause lies in regulation, system design, data quality, training, or case management. A recurring defect that remains unresolved after it has been documented should be treated as a governance issue rather than as a series of unrelated user complaints.

Public reporting can be proportionate and practical. Agencies could disclose aggregate information on the number of structural obstacle cases, average resolution time, major categories of inconsistency, and corrective actions taken. Sensitive business information and personal data must remain protected. The value of disclosure lies in demonstrating whether the system is learning. A service that reports fewer repeated-document requests and fewer unresolved cross-agency conflicts over time provides a more meaningful picture of reform than a count of newly launched applications alone.

Finally, periodic legal review is necessary because integrated services operate within a changing regulatory environment. Amendments to sectoral legislation, new data-protection requirements, judicial decisions, and technological changes can alter the assumptions on which an integrated process was built. The service owner should therefore review key dependencies on a defined cycle and after major legal changes. Partnership, in this sense, is not a one-time redesign. It is a governance discipline that continuously checks whether the public-service system remains lawful, coherent, and usable.

IV. CONCLUSION AND RECOMMENDATIONS

The legal position of business actors in public service should be understood more broadly than the status of applicants seeking permission. Businesses remain regulated subjects and must comply with substantive legal standards, yet they are also users of public services and stakeholders whose operational experience can reveal weaknesses in regulatory implementation. Law Number 25 of 2009 and Law Number 30 of 2014 provide a basis for expecting services that are lawful, accountable, understandable, and consistent [13], [14]. The more recent framework for risk-based licensing and digital government strengthens the expectation that services should function as integrated processes rather than as disconnected institutional steps [16]-[20].

Cross-sector fragmentation undermines legal certainty when it produces contradictory requirements, duplicate data requests, inconsistent instructions, or demands for documents that another government body cannot issue. The economic effect appears as hidden regulatory burden: time, repeated submissions, professional costs, delayed activity, and uncertainty. Digitalization can reduce those burdens, but only when it is accompanied by process integration, data governance, and synchronized institutional change. A portal is not the same as an integrated service.

This article therefore proposes a strategic-partnership paradigm built around seven principles: integrated regulatory and process design; a lawful single-source-of-data approach; a prohibition on shifting internal coordination failures to applicants; time-bound cross-sector escalation; synchronized updates to regulation, systems, procedures, and officer guidance; transparent and inclusive participation; and outcome-based evaluation. The model preserves the state's regulatory and supervisory role. Its purpose is not to make compliance optional, but to ensure that government assumes responsibility for the parts of compliance administration that only government can coordinate.

Implementation should begin with high-friction services and proceed through process mapping, legal and data reconciliation, assignment of service and escalation owners, synchronized system changes, and measurable evaluation. Future empirical research should examine how often cross-agency contradictions occur, which sectors generate the greatest administrative burden, how small businesses experience digital licensing, and whether formal escalation mechanisms reduce delay and repeated submission. Those findings would allow the normative framework developed here to be refined against actual service performance.

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