

# CHAPTER I

## INTRODUCTION

### 1.1 Background of The Problem

The development of this era, which is considered very fast, makes many adjustments needed in everyday life. The development of the current era requires great attention to its adjustment to adapt optimally. Science and technology are examples of things that continue to develop following the times and continue to progress in accordance with the changing times and the development of the human mindset. The changing times are one of the reasons for government digitalization. Globalization and digitalization are closely related to one another.

Globalization is a process of international integration that occurs due to exchanging worldviews, products, thoughts, and other aspects (Dwi Widiyanti, 2022). According to (Nur et al., 2022), the superiority and sophistication of technology make globalization more quickly connected and floods the world with easy and fast data flows because everything seems to be one in the global world: economy, politics, and culture as if free from world borders. Essentially, globalization spreads due to the accelerating development of technology and information (Ramdhani, 2021). Based on the above explanation, globalization is a form of change that shortens distance through technological and information developments.

The power of technology today is not something that can be avoided. Technology becomes a reference for development in a better direction. With the

existence of capable technology, many changes are made to adjust technological modernization to compete with the times. One of them is in government. Technology in government can be many things, one of which is in providing public services. With the help of technology and social media, the public at large can access public information and services anytime and anywhere without being limited to working hours or public service office operations (Mokobombang et al., 2023) Public services are implemented to fulfil service requirements in compliance. Service standards must be used as benchmarks to provide services and as a reference for assessing the quality of a service. Providing public services now can not only be done through manuals, but services are starting to be implemented through technological sophistication, namely through electronic-based services.

With the help of technology that is used properly, it can build pleasuring public services. Based on Law Number 25 of 2009 about Public Services, public service is defined as an activity that satisfies the legal requirements for all residents and is delivered by public service providers., goods and/or administrative services. The government fulfils its promises and obligations to the public by providing easy, fast, affordable, measurable and quality services, and then public services are implemented (Fathony et al., 2021). To improve public services in the community, the government does a variety of things, one of which is to employ technology to facilitate service delivery.

The quality of service of a program can be seen in various ways, one of which is user satisfaction. User satisfaction is one of the benchmarks of public services. With

a high level of satisfaction, the public services obtained by the community are commensurate with existing expectations. According to (Machmud, 2018), user feedback and response after using an information system is called user satisfaction. The subjective criterion is user attitude, which is used to assess how much users like the information system they use.

The development of information technology in the government environment is very helpful in the public service process, with the existence of a public service system that includes various kinds of services to support the service process to the community (Sutowo & Wijaya, 2023). The government continues to try to adapt to the digital world by issuing several services that can be accessed digitally. This effort is also expected to help the government realize an integrated Indonesian government in the future. The government has made many policies to realize e-government services. The e-government service is demonstrated by Presidential Regulation Number 95 of 2018 regarding Electronic-Based Government Systems, which stipulates that an electronic-based government system is required to achieve a transparent, accountable, clean, and efficient government as well as dependable and high-quality public services.

In Indonesia, optimizing the use of IT for public services can be reflected in the implications of e-government or what is often called digital government. In its implementation, the creation of a government website as a form of public service delivery is one of the strategies to implement the e-government concept systematically through realistic and measurable stages (Sudrajat et al., 2019). The primary goals of e-government implementation are to enhance citizen-government communication and

give citizens more options for obtaining high-quality public services. Moreover, in its implementation, local and central governments need to be transparent and honest (Mensah, 2020).

Indonesia currently has many forms of electronic-based services or e-government, including implementing the OSS (Online Single-Submission) service system. OSS is a website under the Ministry of Investment (BKPM) in an effort to maximize the company licensing system's electronic integration. Government Regulation Number 24 of 2018 defines OSS as a business permit granted by the OSS Institution on behalf of the governor, head of institution, minister, or regent/mayor following the completion of an integrated electronic system by the business owner.

OSS is a site created by the government to simplify and accelerate the flow of making business licenses. After the establishment of the service system through OSS in 2018, there was a system update by the government in August 2021 with the improvement of the OSS to OSS-RBA (Online Single Submission-Risk Based Approached) as stated in Government Regulation Number 5 of 2021, where the regulation is an implementing regulation of Law Number 11 of 2020 about Job Creation.

Referring to Article 6, Law Number 5 of 2021, this licensing service bureaucracy accommodates business licenses in various business sectors, namely Agriculture, Marine and Fisheries, Transportation, Energy and Mineral Resources, Industry, Telecommunications, Environment and Forestry, Trade, Nuclear, Health, Public Works and Public Housing, Education and Culture, Electronic Systems and

Transactions, Land, Tourism, Security, and Manpower. The management of this licensing service is focused on the Investment and One-Stop Integrated Service Office. The Investment and One-Stop Integrated Service Office is the chosen institution for integrated licensing services as outlined in the Regulation of the Minister of Home Affairs of the Republic of Indonesia Number 25 of 2021 about the Investment and One-Stop Integrated Service Office. The OSS-RBA service system serves business licenses for micro, small, and medium enterprises (MSMEs) and large and medium enterprises (LMEs).

<b>Types of Business</b>	<b>Number</b>
Micro Business	63.955.369
Small Business	193.959
Medium Business	44.728
Large Business	5.550

Table 1. 1 Number of Businesses in Indonesia in 2021

Source: databoks.id, Processed by researcher, 2024

It can be seen from the data above that as of 2021, there are 63.955.369 micro-enterprises, 193.959 small enterprises, 44.728 medium enterprises, and 5.550 large enterprises. This data shows that 99.62%, 0.3% are small businesses, 0.07% are large businesses, and only 0.1% are large businesses. Thus, more than 99% of the existing business list is a form of Micro, Medium, and Small Enterprises (MSMEs), totalling 64.99 million businesses, compared to Large Medium Enterprises (LMEs) with 0.1% or equivalent to 5.500.

<b>Year</b>	<b>Number of Business Identification Number Issued</b>	<b>Source</b>
2021	468.867	<a href="https://ekonomi.bisnis.com/">https://ekonomi.bisnis.com/</a>
2022	1.895.021	<a href="https://www.antaranews.com/">https://www.antaranews.com/</a>
2023	7.146.105	<a href="https://www.bkpm.go.id/">https://www.bkpm.go.id/</a>
2024	10.000.019	<a href="https://cnnindonesia.me/">https://cnnindonesia.me/</a>

Table 1. 2 Number of Business Identification Number Issued

Processed by Researcher, 2024

From the data collected above, it can be seen that from August 9, 2021, when the OSS System was first introduced to 2024, there has been a significantly increasing number of users. In 2021, as many as 468.867 NIBs were issued. The total NIBs issued consist of 62.458 NIBs for business entities and 406.409 NIBs for individuals. Then, related to the origin of investment, 1.508 were for foreign investment (PMA), and 467.359 were for domestic investment (PMDN). Whereas in 2022, based on data from the Ministry of Investment, of the total, 1.895.021 NIB were issued, 1.733.234 NIB (91.5%) were micro-businesses, and 161.787 NIB (8.5%) were small businesses. In 2023, BKPM issued 7.146.105 NIB through the OSS system. As of August 16, 2024, the number of NIBs granted had reached 10.000.019, with Micro and Small Enterprises (UMK) actors accounting for 9.909.900 NIBs, medium enterprises for 28.303 NIBs, and large businesses for 61.816 NIBs. These data show that there is an increasing number of NIBs issued from the OSS Indonesia system.

The OSS-RBA system is a reference for business licensing activities based on the existing legal umbrella and regulations. To apply, the applicant can access the URL

page. The OSS-RBA system is expected to facilitate applicants and licensors to make investments and sustainable development, which is an innovation in public services so that applicants can apply for licenses anywhere, anytime, by using an electronic page in which there is already a connection between the central and local governments throughout Indonesia.



Figure 1. 1 Main View of OSS Page

Source: : <https://oss.go.id/>

In addition to using the website in its implementation, business owners or prospective applicants can download the “OSS Indonesia” application through the App Store and Play Store to facilitate access to OSS licensing services. The system of using the OSS Indonesia application for applying for licenses is the same as that provided by

the OSS Indonesia website in Figure 1.1. However, the OSS Indonesia application allows applicants to access the available services more easily. With easy access to services and providing applications and websites, it is hoped that it can cover all groups of entrepreneurs as license applicants and simplify the licensing application system submitted by the applicant (business owner) to the licensor (government).

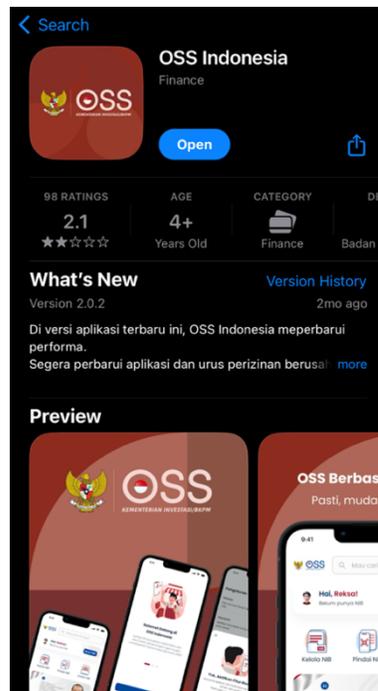


Figure 1. 2 Indonesia OSS Application

Source: App Store, 2024

In providing licensing services through an online system, there is a gap between the community or business owner as the applicant and the government as the licensor in providing clear information about the integrated service system. To reduce

misunderstandings, provide more accurate, precise information, and assist in the smooth delivery of licensing services, BKPM established an OSS Helpdesk, which is presented in the form of an application and can be downloaded via the Play Store and App Store.

BKPM established the OSS Helpdesk with the application name “*Kamus OSS*,” which helps solve problems with the OSS-RBA system. Via this application, business actors can easily access the OSS dictionary to obtain the widest possible information related to the existing OSS system.

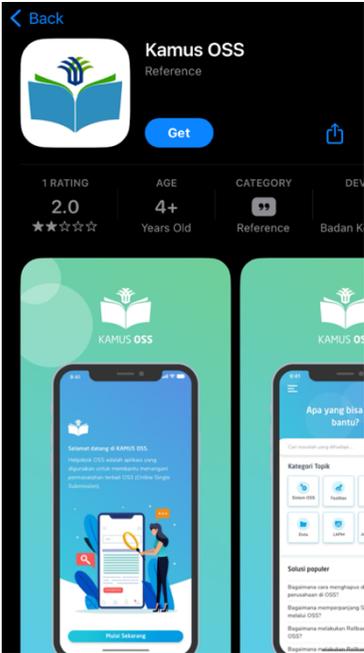


Figure 1. 3 “*Kamus OSS*” Application

Source: App Store, 2024

Factors that hinder the implementation of OSS-RBA in Indonesia include low community resources for the OSS-RBA program, such as business owners who are still not aware of the OSS-RBA program and the use of the OSS-RBA system, which is still in the stage of changing from the old version to a newer version (Lestari & Zulkarnaini, 2023). In addition, the social conditions of the community, especially business owners who are not fully capable of operating an OSS-RBA-based licensing system, demand an update from the government on the licensing service process (Sanjaya, 2023).

Apart from existing research, obstacles to the OSS service system can be seen through the reviews contained in the OSS Indonesia application. In Figure 1.4, based on the star reviews in the App Store, the OSS Indonesia application gets a 2.1-star rating from a maximum of 5 stars. The bad rating can be a reference to the fact that the OSS-RBA integration service system implementation is still not fully optimized. Some reviews that can be used as a reference in this research, among others:

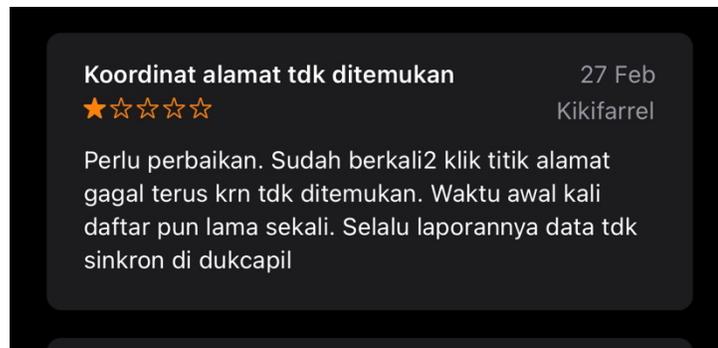


Figure 1. 4 Review of the implementation of OSS Indonesia

Source: App Store, 2024

In the example of a one-star review above, it can be seen that Kikifarrel users are dissatisfied with the services provided by the OSS Indonesia application as a form of public service and consider that the OSS Indonesia application needs improvement because the address search does not fail. After all, the address is not found, the use of the initial register time is very long, and the reports given are always about unsynchronized data from The Department of Population and Civil Registry.

It can be concluded that Kikifarrel users are dissatisfied with the Indonesian OSS service system due to the address not being found, ineffective use of time, and repeated reports of unsynchronized data. The result from the review is contrary to the performance expectation, which is fast and precise.

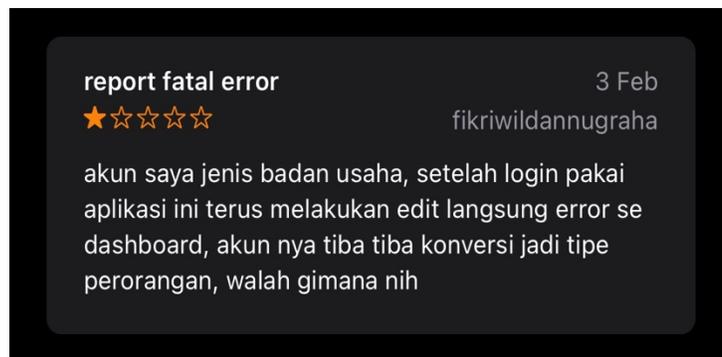


Figure 1. 5 Review of the implementation of OSS Indonesia

Source: App Store, 2024

Furthermore, it can be seen from the picture above that the user, on behalf of fikriwildannugraha, gave a one-star review to the OSS Indonesia application through the App Store because the application could not be accessed after making changes, as

well as a sudden account change to a personal account, which was originally a business entity. The rating shows contrary to facilitating conditions, where the OSS Indonesia application fails to provide services that can facilitate business owners as applicants to obtain licenses from the government as licensors.

The two problems that occurred is seen as the problem, which is performance expectations and supportive conditions, are both included in the Unitifies Theory of Acceptance and Use of Technology (UTAUT2), which needs further assessment to determine the influence of the theory on user satisfaction on integrated licensing service OSS-RBA.

From the description above, the title that is suited for this research is:

“ANALYSIS OF USER SATISFACTION ON INTEGRATED LICENSING SERVICES ONLINE SINGLE SUBMISSION-RISK BASED APPROACH (OSS-RBA) IN INDONESIA. ”

## **1.2 Problem Formulation**

Based on the background described above, the problem formulation that is the focus of this research is “What variables have the most influence on the User Satisfaction of the OSS-RBA integrated service system?”.

### **1.3 Research Objectives**

According to the problem formulation that has been put forth, the goal of the research is to ascertain what variables have the most influence on the User Satisfaction of the OSS-RBA integrated service system.

### **1.4 Uses of Research**

The uses of this research are as follows:

- a. Practically, this research is expected to be an illustration or reference for Analysis of User Satisfaction On Integrated Licensing Services OSS-RBA in Indonesia.
- b. Theoretically, this research is hoped to be able to support existing information on the application of OSS-RBA service, as a reference for user satisfaction with available services, and can be a source of information and reference material for future findings.
- c. Academically, this research is intended to be a contribution to the development of social science, especially in the context of e-government and user satisfaction.

### **1.5 Theoretical Framework**

#### **1.5.1 Previous Research**

To support completeness in research with the title Analysis of User Satisfaction on Integrated Licensing Services OSS-RBA in Indonesia, there are several previous studies that can be used as references, among others:

## PREVIOUS STUDIES

No.	Writer	Title	Variable	Methods	Purpose	Result
1.	(Putu Lestara Permana et al., 2022)	<i>“Analisis Penggunaan Paylater dalam Transaksi Digital dengan Konstruksi UTAUT 2”</i>	User Analysis	Quantitative research	Analyzing the use of the Paylater payment system in the city of Denpasar with the help of SPSS and using the UTAUT 2 method	Research findings show that specific constructs from the UTAUT 2, namely performance expectations, hedonic motivation, and trust play a significant role in explaining the intention to reuse paylater technology in digital transactions.
2.	(Alalwan et al., 2017a)	“Factors influencing adoption of mobile banking by	Customer Services	Quantitative	The purpose of this study is to investigate the factors influencing	The results mainly showed that behavioral intention was

No.	Writer	Title	Variable	Methods	Purpose	Result
		Jordanian bank customers: Extending UTAUT2 with trust.”			behavioral intention and adoption of Mobile banking by customers of Jordanian banks.	significantly and positively influenced by hedonic motivation, effort expectancy, performance expectancy, price value and trust. The purpose of this study is also to provide applicable guidelines for banks in Jordan in implementing and designing Mobile Banking effectively.
3.	(Ramírez-Correa et al., 2019)	“Analysing the acceptance of online games in mobile devices:	Service Effectiveness	Quatitative	To find out how effective the use of online games in mobile devices	The results of the analysis show that UTAUT 2 explains 71% of online game usage

No.	Writer	Title	Variable	Methods	Purpose	Result
		An application of UTAUT2.”			using the UTAUT2	on mobile devices. Based on this study, the main thing highlighted is the importance of habits in using online games.
4.	(Zahra et al., 2019)	“User Behaviour Intention Using UTAUT2 Model: A Systematic Literature Review”	User Behaviour	Quantitative	The goal of this research is to analyze consumer behaviour and intentions using UTAUT2 theories to better understand prior research findings.	Using UTAUT2 theories, the researcher develop a framework that can be used to understand the customer’s behavior intention.
5.	(Farzin et al., 2021)	“Extending UTAUT2 in M-banking adoption and actual use behaviour: Does WOM communication matter?”	Service Quality	Quantitative	This research is conducted with the aim of investigating the important factors that help explain customers' desire to adopt M-	Findings suggest that performance expectancy, facilitating conditions, effort expectancy, hedonic motivation, social

No.	Writer	Title	Variable	Methods	Purpose	Result
					banking. Based on this, UTAUT 2 was applied and to more accurately predict customer behavioral intentions, it was attempted to expand it.	influence, habit, perceived value and trialability are endorsed as proponents of M-banking adoption intention. However, the adoption of M-banking also has a positive and significant impact on actual and word-of-mouth (WOM) usage behavior.
6.	(Korkmaz et al., 2021)	“User acceptance of autonomous public transport systems: Extended UTAUT2 model.”	User Acceptance	Quantitative	This study aims to explore the variables affecting prospective customers' adoption and utilization of autonomous	Decision-makers in the PT sector can benefit from the study's conclusions by better understanding the variables

No.	Writer	Title	Variable	Methods	Purpose	Result
					public transportation systems (APTS).	influencing the adoption and use of autonomous public transportation systems.
7.	(Chresentia & Suharto, 2020)	“Assessing Consumer Adoption Model on E-Wallet: An Extended UTAUT2 Approach”	Consumer Adoption	Quantitative	Finding the elements that motivate customers to use OVO as a payment method on Tokopedia is the aim of this study, especially among people of productive age in Bandung.	The factor that has the biggest impact on behavioral intentions is price value.
8.	(Giao, 2020)	“Customer Satisfaction at Tiki.vn E-Commerce Platform”	Customer Satisfaction	Quantitative	Analyzing scale reliability through Cronbach's alpha coefficient, linear regression analysis, and	The factors that most influence customer satisfaction are Reliability and Customer Service.

No.	Writer	Title	Variable	Methods	Purpose	Result
					exploratory factor analysis. The findings identify four factors that positively influence customer satisfaction regarding online service quality on the Tiki.vn E-commerce platform in descending order of strength: (1) Web design, (2) Customer service, (3) Security and (4) Trust.	In order to improve the quality of online shopping services at Tiki.vn, several managerial implications are then proposed.
9.	(Prantiastio et al., 2023)	“Acceptance and Success of Oss Rba (Online Single Submission	User Satisfaction	Quantitative	This study employs the DeLone & McLean Model and the UTAUT II	The results of this study demonstrate that net benefit is significantly impacted by user

No.	Writer	Title	Variable	Methods	Purpose	Result
		Risk Based Approach) Information System Using the UTAUT II and Delone & Mclean Models”			to evaluate the adoption and effectiveness of OSS RBA implementation.	happiness. A transparent licensing process boosts public trust and makes it easier for satisfied business actors to secure business permits.
10.	(El-Masri & Tarhini, 2017)	“Factors affecting the adoption of e-learning systems in Qatar and USA: Extending the Unified Theory of Acceptance and Use of Technology 2 (UTAUT2)”	e-learning system	Quantitative	Increasing accountability for measuring E-Government user satisfaction in local governments in Indonesia, with a focus on six aspects of knowledge and their impact on E-Government services in West Java	The model used is quiet effective.

Table 1. 3 Previous Research Findings

From the results of the analysis of Table 1.2 above, ten previous findings are collected, which are considered relevant and can help the continuous of this research to create a new research flow. It may be inferred from the processed journals that this study has differences in focus and locus from previous studies. In the previous studies, Performance expectancy (X1) and hedonic motivation (X6) can explain the level of use towards paylater technology (Y) (Putu Lestara Permana et al., 2022). According to another research, the customer's behavioural intention (Y) is influenced by performance expectancy (X1), effort expectancy (X2), hedonic incentive (X6), and pricing value (X5) (Alalwan et al., 2017a). (Ramírez-Correa et al., 2019) found that Social Influence (X3) have significant effect on the continuous of use and intention to use online games (Y). Another finding indicates that customer (Y) considers performance expectancy (X1), effort expectancy (X2), social influence (X3), and facilitating conditions (X4) as determinants of M-banking adoption intention of use (Farzin et al., 2021). In (Chresentia & Suharto, 2020), hedonic motivation (X6) and habit (X7) have significant effect on consumers (Y) on using OVO and Tokopedia application. A result obtained by (El-Masri & Tarhini, 2017) shows that UTAUT2 (X8) have resulted in effects towards the students (Y) e-learning system in Qatar and USA. Other study shows that habit (X7) in the use of OSS-RBA in South Sumatra province have great effects on customer usage (Y) towards the service.

Based on the results of the previous research above, a research gap arises that researchers can take, namely, to examine user satisfaction with the Extended UTAUT OSS-RBA services in Indonesia.

### **1.5.2 Public Administration**

The public's general view of the word “Administration” is still often limited to doing office work activities such as carrying out administrative tasks. Wimpy Bangsa, quoted in (Astuti et al., 2020) explains that Cooperation is carried out with the following considerations: (1) the cooperation carried out will provide advantages and benefits, and (2) certain guidelines and protocols have been mutually agreed upon to be followed in tandem, and the cooperation is quantifiable, or there is certainty of rights and obligations in the cooperation process.

Public Administration is an art and science that leads to the relationship between an organization and its stakeholders and carries out activities that have been determined to achieve goals (Agus et al., 2023). Meanwhile, according to the view of (Putra Ode Amane et al., 2023), Public Administration is one of the branches of administrative science, especially those related to government administration and public sector management. He added that public administration involves policy formulation, policy implementation, and the provision of public services to the community. He also assumes that public administration focuses on aspects such as effectiveness, accountability, efficiency, and transparency in the management of public resources. Public administration activities are closely tied to government administration, which involves policy processes, including policy formulation, policy implementation, policy evaluation, and public services provided to the community. It

cannot be denied that public administration is an important aspect of government in order to provide satisfactory public services.

Thus, public administration is the relationship between an organization and its stakeholders related to governance and public sector management. It focuses on aspects such as effectiveness, accountability, efficiency, and transparency in the management of public resources.

### **1.5.3 Public Management**

Public management, in general, is the government's effort to meet the needs of society by using available resources. Today, management is an important part of the operations of companies, both private and public, such as government. Etymologically, the term public management can actually be mapped into two words, namely the terms “management” and “public.” Public Management is a science and art that contains applied methodology for designing public administration programs, organizational restructuring, managerial policies and planning, resource allocation, budgeting systems, financial management, human resource management, audit issues, and program evaluation (Yudhiantara, 2021). Public Management does not disregard the externals of public sector organizations, which are constantly impacted by public policy and political interests. Instead, it concentrates on the internals of public sector organizations, specifically how to manage them to function best to achieve goals (Suhartoyo, 2019).

According to (Satibi, 2012), in the context of New Public Management, to assess essential performance not only on the treatment of subordinates, the processes carried out, and how accountability works in the organization but also related to the quality of service, the suitability of what is done with the aspirations and needs of the community, and the relationship with the vision, mission or values that the organization fights.

Public management is a methodology for designing public administration programs focusing on internal public sector organizations to achieve common goals.

#### **1.5.4 Public Service**

Public services are activities carried out by actors in public or government institutions that are tasked with providing goods and services to the community. According to Majid, 2023, Public Service is an action that government officials must carry out according to the state's goals, vision, and mission in meeting the community's needs as a form of accountability of public organizations to leaders, stakeholders, and God. Public services are closely related to society. Serving the needs of the community that is interested in the organization while adhering to established protocols and regulations is known as public service (Sawir, 2020). In the Decree of the Minister of State Apparatus Empowerment Number 25 of 2004, public services are activities performed by public service providers to meet the community who require services, which is done to implement statutory provisions.

(Denhardt & Denhardt, 2000), Their article entitled “The New Public Service: Serving Rather than Steering” explains that Old Public Administration (OPA) has been replaced by New Public Management (NPM). Then, in 2003, they argued that NPM needed to be replaced by New Public Service (NPS). They view NPM as closely related to the public choice perspective in public administration. In its most basic form, public choice sees government from the standpoint of the consumer and the market. Whereas the NPS, where Denhardt & Denhardt propose that the government “Think strategically, act democratically,” “Serve, rather than steer,” “The public interest is the aim, not the by-product,” “Accountability isn't simple,” “Serve citizens, not customers,” and “Value citizenship and public service above entrepreneurship,” where in this new paradigm Denhardt & Denhardt firmly focus services should be to the people and for the people.

### **1.5.5 Public Service Quality**

Service quality is usually based on Standard Operating Procedures (SOP) to achieve public service goals for the community. Service Quality refers to an organization’s capacity to meet or exceed customer expectations (Liestyanti & Prawiraatmadja, 2021). The government improves services by focusing on efforts to simplify services, transparency, speed up services, shorten bureaucracy, and provide certainty in services so that by improving services, it is hoped that public complaints regarding the services provided can be minimized (Erlianti et al., 2019). Service

quality, in general, must meet people's or the public expectations and satisfy their needs (Rianti et al., 2019). If the service meets expectations, the public will see the service quality as good and satisfactory. If the service obtained exceeds the customer's expectations, the service quality is considered perfect; conversely, if the service received falls short of expectations, the service quality will be seen as inadequate by the public (Nurdin, 2019).

The quality of public services is an effort to fulfil consumer needs in the form of goods or services, where the services provided to the public are expected to be by service standards as guidelines for providing services.

### **1.5.6 User Satisfaction**

Satisfaction is the feeling that the desire has been achieved. User satisfaction is the state in which an individual's expectations and the outcome are attained due to using a system in which they are involved in creating an information system alignment (Dewi et al., 2021). User satisfaction will not increase if the information system cannot meet needs, so users will avoid further use (Ritonga & Fitri Yanto, 2013). It can be said that the balance between an individual's expectations and the outcomes brought by the existence of a system in which they are involved in its creation is referred to as user satisfaction (Putra et al., 2020).

Businesses and organizations can enhance the quality of their goods and services, enhance the user experience and customer support, or provide more user-

friendly features to boost user satisfaction (Gusni et al., 2023). The statement can be reinforced by the views of (Fatrianto Suyatno & Hanim Rochana, 2020), who say that the level of satisfaction of a customer can be determined by the opinion of the customer on the level of performance of a service or fabricated product where both of these are made to meet customer satisfaction. With that, user satisfaction is essential for the sustainability of a service. With user satisfaction, the government can develop a better service system, as accurate as what is expected by the community.

### **1.5.7 UTAUT 2**

The development of theories about technology is very rapid. The initial theory of UTAUT2 began with the Technology Acceptance Model (TAM), which was then updated to the UTAUT, and then the Extended Theory of Acceptance and Use of Technology, often referred to as UTAUT 2. UTAUT (Venkatesh et al., 2003) uses four determining indicators, namely facilitating conditions, social influence, performance expectancy, and effort expectancy, with four main moderators, namely gender, experience, the voluntariness of use, and age. In their journal, Venkatesh et al. (2003) wrote that they define UTAUT in the context of consumer acceptance and use of technology that affects the intention to use technology. In this theory, performance expectancy means that in job performance, people think they can benefit from the system. On the other hand, effort expectancy refers to how simple a system is to use.

The degree to which an individual believes that other significant individuals ought to utilize the new system is known as social influence.

Along with developing research on UTAUT, (Venkatesh et al., 2012) added several indicators to UTAUT, which gave birth to UTAUT 2. UTAUT 2 theory is seen by Venkatesh et al. to be a significant theory that directly determines the acceptance of the use and behavior of a technology information system. Additional indicators include price value, Habit, and hedonic motivation. These indicators are felt to be the fundamental mechanism that drives behavior. Therefore, Venkatesh et al. decided to add the three indicators above as support in the UTAUT 2 theory. Venkatesh et al. added the price value indicator to this latest theory because they felt that cost and price could significantly impact the use of technology systems. Hedonic motivation is the pleasure obtained by users of a technology system (Brown & Venkatesh, 2005). The last additional indicator, Habit, was included because habits can affect the use of a technology system.

It can be concluded that UTAUT 2 is a developmental theory of UTAUT with seven determining indicators, namely Performance Expectancy (PE), Price Value (PV), Effort Expectancy (EE), Social Influence (SI), Facilitating Conditions (FC), Hedonic Motivation (HM), and Habit (HT).

## **1.6 Hypothesis**

The hypothesis can be interpreted as temporary or momentary answers in research. Hypotheses can be considered initial opinions because they are based on

appropriate theories but have not been supported by empirical data from data collection techniques. The hypotheses of this study include the following:

<b>H1: Performance Expectancy are thought to affect User Satisfaction</b>	
Ha1 = There is a significant influence between Performance Expectancy (PE) to User Satisfaction (US).	H01 = There is an insignificant influence between Performance Expectancy (PE) to User Satisfaction (US).
<b>H2: Effort Expectancy are thought to affect User Satisfaction</b>	
Ha2 = There is a significant influence between Effort Expectancy (EE) to User Satisfaction (US).	H02 = There is an insignificant influence between Effort Expectancy (EE) to User Satisfaction (US).
<b>H3: Social Influence are thought to affect User Satisfaction</b>	
Ha3 = There is a significant influence between Social Influence (SI) to User Satisfaction (US).	H03 = There is an insignificant influence between Social Influence (SI) to User Satisfaction (US).
<b>H4: Facilitating Condition are thought to affect User Satisfaction</b>	
Ha4 = There is a significant influence between Facilitating Condition (FC) to User Satisfaction (US).	H04 = There is an insignificant influence between Facilitating Condition (FC) to User Satisfaction (US).

<b>H5: Price Value are thought to affect User Satisfaction</b>	
Ha5 = There is a significant influence between Price Value (PV) to User Satisfaction (US).	H05 = There is an insignificant influence between Price Value (PV) to User Satisfaction (US).
<b>H6: Hedonic Motivation are thought to affect User Satisfaction</b>	
Ha6 = There is a significant influence between Hedonic Motivation (HM) to User Satisfaction (US).	H06 = There is an insignificant influence between Hedonic Motivation (HM) to User Satisfaction (US).
<b>H7: Habit are thought to affect User Satisfaction</b>	
Ha7 = There is a significant influence between Habit (HT) to User Satisfaction (US).	H07 = There is an insignificant influence between Habit (HT) to User Satisfaction (US).

Table 1. 4 Hypotheses

The table shows that there are seven (7) hypotheses each divided by Ha and H0. The flowchart of the hypothesis can be seen below:

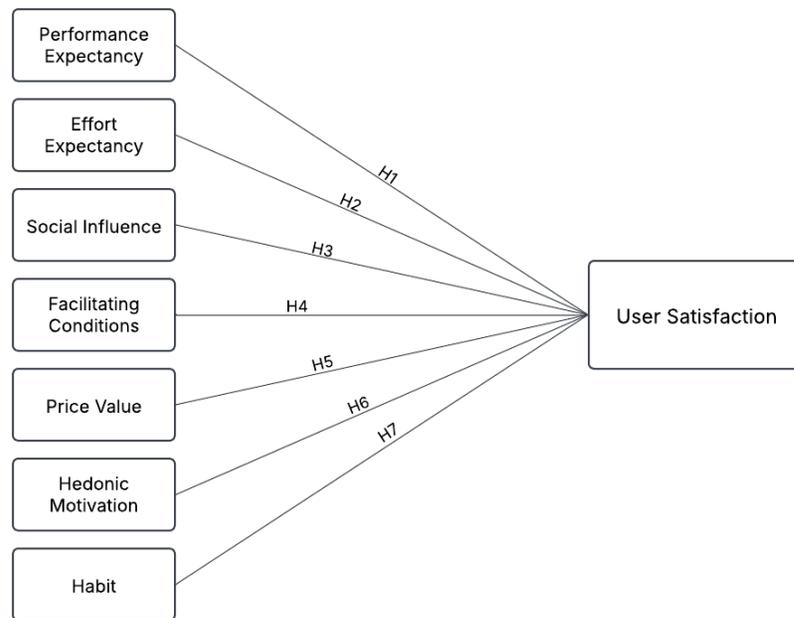


Figure 1. 6 Hypothesis Flowchart

Source: Processed by researcher, 2024

Explanation:

Performance Expectancy (X1): Independent Variable

Effort Expectancy (X2) : Independent Variable

Social Influence (X3) : Independent Variable

Facilitating Conditions (X4) : Independent Variable

Price value (X5) : Independent Variable

Hedonic Motivation (X6) : Independent Variable

Habit (X7) : Independent Variable

User Satisfaction (Y) : Dependent Variable

From the seven indicators of the UTAUT 2 theory, this study dropped the price value variable since there is no pricing or money involved in the OSS-RBA system. Thus, the variable is not considered to be required to be tested. With that, there are seven (7) hypotheses, including Performance Expectancy, thought to affect User Satisfaction; effort Expectancy is thought to affect User Satisfaction; Social Influence is thought to affect User Satisfaction; Facilitating Conditions are thought to affect User Satisfaction, Price Value is thought to affect User satisfaction, Hedonic Motivation is thought to affect User Satisfaction, and Habit are thought to affect User Satisfaction.

## **1.7 Conceptual Definition**

Conceptual definition is critical in a study, so there is no unclear definition of existing variables. Concepts must be explained precisely and in a limited manner so that readers understand the study's limitations (Part et al., 2020). The conceptual definitions in this study includes:

### **1.7.1 Public Service**

According to (Majid, 2023), Public Service is an action that government officials must carry out according to the state's vision, mission, and objectives in meeting the community's needs as a form of accountability of public organizations to leaders, stakeholders, and God.

### **1.7.2 Public Service Quality**

Service quality, in general, must meet people's or the public expectations and satisfy their needs (Rianti et al., 2019). If the service meets expectations, the public will see the service quality as good and satisfactory. If the service gained exceeds the customer's expectations, the service quality is considered excellent; conversely, if the service received falls short of expectations, the service quality will be seen as inadequate by the public(Nurdin, 2019).

### **1.7.3 User Satisfaction**

User satisfaction is the state in which an individual's expectations and the outcome attained as a result of using a system in which they are involved in the creation of an information system align (Dewi et al., 2021).

### **1.7.4 UTAUT 2**

UTAUT 2 theory is considered by Venkatesh et al. (2012) to be a significant theory that directly determines the acceptance of the use and usage behavior of a technology information system. According to Venkatesh et al. (2003) and Venkatesh et. Al (2012), The indicators include:

- a. Performance Expectancy,
- b. Effort Expectancy,
- c. Social influence,

- d. Facilitating Conditions,
- e. Price Value,
- f. Hedonic Motivation,
- g. Habit.

### **1.8 Operational Definition**

Operational definitions are developed to assist and preserve data collection consistency, eliminate interpretation ambiguity, and limit the scope of variables (Ulfa, 2021). In this research, seven indicators in UTAUT2 theory are used to determine the questionnaire statements. Venkatesh et al. (2012) then defined UTAUT 2, or the Extended UTAUT, to have seven indicators, including:

- a. Performance Expectancy (X1)

Performance expectancy is the extent to which an individual believes that using technology will help achieve performance benefits in a particular activity.

- b. Effort Expectancy (X2)

Effort expectancy is the degree of ease that the user feels associated with using the system. Effort Expectancy focuses on the effort required by users to interact or use a system or technology.

c. Social Influence (X3)

Social influence is the degree to which an individual feels that people who are important to them (such as family, coworkers, social groups) believe that they should use certain system or technology.

d. Facilitating Conditions (X4)

Facilitating conditions is a person who believes that there is adequate technical infrastructure, technical resources, and institutional support that enables the use of certain technology or system.

e. Price Value (X5)

Venkatesh et al. (2012) believe that the cost and pricing structure may have a significant impact on consumers' technology use. They defined price value as the cognitive trade-off made by users between the programs' alleged benefits and their associated expenses.

f. Hedonic Motivation (X6)

The pleasure that comes from using technology, or hedonic motivation, has been shown to have a major impact on whether or not technology is accepted and used. (Brown and Venkatesh, 2005).

g. Habit (X7)

In this theory, habit is a person's tendency to do something automatically because they are used to it from experience in using a technology (Venkatesh et. al :2012).

### QUESTIONNAIRE STATEMENT

Variable	Code	Definitions	Statement	Indicator	References
Performance Expectancy	PE1	There is a functional relationship between performance expectations and the user satisfaction of OSS-RBA users	I find the OSS-RBA service system useful in providing licensing permits.	Perceived Usefulness.	Venkatesh et al., 2012
Performance Expectancy	PE2	There is a functional relationship between performance expectations and the user satisfaction of OSS-RBA users	Utilizing the OSS-RBA service system helps on getting business licensing permits.	Goal Achievement.	Venkatesh et al., 2012
Performance Expectancy	PE3	There is a functional relationship between performance expectations and the user satisfaction of OSS-RBA users	The OSS-RBA service system streamlines my tasks in submitting documents for business licensing permits.	Efficiency.	Venkatesh et al., 2012

<b>Variable</b>	<b>Code</b>	<b>Definitions</b>	<b>Statement</b>	<b>Indicator</b>	<b>References</b>
Performance Expectancy	PE4	There is a relation between the expected time from users and OSS-RBA user satisfaction	The OSS-RBA service system allows me to complete business licensing administration more efficiently.	Productivity Improvement.	Venkatesh et al., 2012
Performance Expectancy	PE5	There is a relation between the expected time from users and OSS-RBA user satisfaction	With the OSS-RBA service system, I can get my business license faster.	Task Acceleration.	(Siaw Kissi et al., 2018)
Effort Expectancy	EE1	There is a relationship between expected ease of use and OSS-RBA user satisfaction.	Learning how to use the OSS-RBA service system was easy for me.	Ease of Learning.	Venkatesh et al., 2012
Effort Expectancy	EE2	There is a relationship between expected ease of use and OSS-RBA user satisfaction.	My experience in using the OSS-RBA service system to get business licenses was easy to understand.	Clarity of Interaction.	Venkatesh et al., 2012

<b>Variable</b>	<b>Code</b>	<b>Definitions</b>	<b>Statement</b>	<b>Indicator</b>	<b>References</b>
Effort Expectancy	EE3	There is a relationship between expected ease of use and OSS-RBA user satisfaction.	I found the OSS-RBA service system easy to use.	User Interface.	Venkatesh et al., 2012
Social Influence	SI1	There is a relationship between motivation to use and user satisfaction with OSS-RBA services	People who are important to me think that I should use the OSS-RBA service system.	Influence of the people around.	Venkatesh et al., 2012
Social Influence	SI2	There is a relationship between motivation to use and user satisfaction with OSS-RBA services	The people who influence my behaviour think that I should use the OSS-RBA service system.	Motivation of Use.	Venkatesh et al., 2012
Social Influence	SI3	There is a relationship between motivation to use and user satisfaction with OSS-RBA services	People whose opinions I value prefer that I use the OSS-RBA service system.	Valued Opinions.	Venkatesh et al., 2012

<b>Variable</b>	<b>Code</b>	<b>Definitions</b>	<b>Statement</b>	<b>Indicator</b>	<b>References</b>
Social Influence	SI4	There is a relationship between motivation to use and user satisfaction with OSS-RBA services.	Other people's belief influence my degree of usage towards OSS-RBA.	External Belief Impact.	Kissi, P. S., Nat, M., & Armah, R. B. (2018)
Facilitating Conditions	FC1	There is a relationship between the expected convenience of technological resources and OSS-RBA user satisfaction	I have the necessary resources to deploy the OSS-RBA service system.	Resource Availability.	Venkatesh et al., 2012
Facilitating Conditions	FC2	There is a relationship between the expected convenience of technological resources and OSS-RBA user satisfaction	I have the necessary knowledge to use the OSS-RBA service system.	Knowledge and Skills.	Venkatesh et al., 2012

<b>Variable</b>	<b>Code</b>	<b>Definitions</b>	<b>Statement</b>	<b>Indicator</b>	<b>References</b>
Facilitating Conditions	FC3	There is a relationship between the expected technological compatibility and OSS-RBA user satisfaction	The OSS-RBA service system is compatible with other technologies I use.	Technological Compatibility.	Venkatesh et al., 2012
Facilitating Conditions	FC4	There is a relationship between the expected technological compatibility and OSS-RBA user satisfaction	I can get help from other people when I have difficulty using the OSS-RBA service system.	Social Support.	Venkatesh et al., 2012
Facilitating Conditions	FC5	There is a relationship between expected ease of use and OSS-RBA user satisfaction.	It is easy for me to get assistance if I needed help using OSS-RBA facilities	Accessibility of Assistance.	Venkatesh et al., 2012
Price Value	PV1	There is a relationship	The OSS-RBA service system is affordable.	Service Cost.	Venkatesh et al., 2012

Variable	Code	Definitions	Statement	Indicator	References
		between the affordability of the OSS-RBA service system and user satisfaction			
Price Value	PV2	There is a relationship between the affordability of the OSS-RBA service system and user satisfaction	The OSS-RBA service system offers benefits and features that justify its cost, making it worthwhile.	Perceived Value.	Venkatesh et al., 2012
Price Value	PV3	There is a relationship between the affordability of the OSS-RBA service system and user satisfaction	At current prices, the OSS-RBA service system can be used.	Price Feasibility.	Venkatesh et al., 2012
Hedonic Motivation	HM1	There is a relationship between the expected technological	Using the OSS-RBA service system is an engaging experience.	System's Engagement to user.	Venkatesh et al., 2012

Variable	Code	Definitions	Statement	Indicator	References
		compatibility and the OSS-RBA user satisfaction.			
Hedonic Motivation	HM2	There is a relationship between the expected technological compatibility and OSS-RBA user satisfaction.	Using the OSS-RBA service system is very entertaining.	Entertainment Value.	Venkatesh et al., 2012
Hedonic Motivation	HM3	There is a relationship between the expected technological compatibility and OSS-RBA user satisfaction	Using the OSS-RBA service system is very enjoyable.	Emotional Satisfaction.	Venkatesh et al., 2012
Habit	HT1	There is a relationship between habitual use of the OSS-RBA	Using the OSS-RBA service system has become a habit for me.	Habit Formation.	Venkatesh et al., 2012

Variable	Code	Definitions	Statement	Indicator	References
		service system and user satisfaction			
Habit	HT2	There is a functional relationship between performance expectations and the user satisfaction of OSS-RBA users	I have to use the OSS-RBA service system.	Perceived Obligation.	Venkatesh et al., 2012
Habit	HT3	There is a relationship between motivation to use the OSS-RBA service system and user satisfaction	I intend to continue using the OSS-RBA service system in the future.	Commitment.	Venkatesh et al., 2012
Habit	HT4	There is a relationship between motivation to use the OSS-RBA service system and user satisfaction	I plan to continue using the OSS-RBA service system frequently.	Usage planning.	Venkatesh et al., 2012
User Satisfaction	US1	There is a relationship between expected	It is easy for me to use the OSS-RBA service system.	User-Friendly.	(Venkatesh et al., 2016)

Variable	Code	Definitions	Statement	Indicator	References
		ease of use and OSS-RBA user satisfaction.			
User Satisfaction	US2	There is a functional relationship between performance expectations and the user satisfaction of OSS-RBA users	I think the OSS-RBA service system is very helpful.	Value Perception.	(Venkatesh et al., 2016)
User Satisfaction	US3	Expected effort satisfaction from the OSS-RBA system towards the user	The OSS-RBA service system meets my expectations.	Expectation Alignment.	(Venkatesh et al., 2016)
User Satisfaction	US4	Expected ease of use towards the OSS-RBA user satisfaction.	I am satisfied with the overall service system at OSS-RBA.	Overall Satisfaction.	(Venkatesh et al., 2016)
User Satisfaction	US5	performance satisfaction from users towards the OSS-RBA users	I am satisfied with the performance of the OSS-RBA service system.	Functional Excellence.	(Venkatesh et al., 2016)

Table 1. 5 Questionnaire Statement

Processed by researcher, 2024

## **1.9 Research Methods**

### **1.9.1 Research Type**

In general, this research is quantitative research. This kind of study is called descriptive research, and its goal is to report specific data or facts found in the field. Quantitative descriptive research has many characteristics, such as describing the variables, showing cause-and-effect relationships, collecting data within a certain period of time, presenting research results based on existing data, and having the scope of using numerical data. The descriptive type in this study aims to determine whether the existing independent variables (X) affect the dependent variable (Y) or, in this case, the user satisfaction with the OSS-RBA integrated service system.

### **1.9.2 Population and Sample**

#### **1.9.2.1 Population**

Population is defined as all members of a group (persons, animals, events, or things) who dwell together in a planned manner in order to draw conclusions from the final result of a study (Fadilah Amin et al., 2023). (Susanti, 2019) says that the population limit is not the place and time of research but the characteristics of the elements or individuals of the population. The exact number of OSS-RBA service system users in this study as of 2023 is 5.172.038 users that have their licenses issued, so the population of this study is targeted at OSS service system users throughout Indonesia.

### **1.9.2.2 Sample**

In this study, the sample is the portion of the population that can describe the overall features of the population. The sample in this study is calculated using the G\*Power application. For a variety of statistical tests that are often employed in the social, behavioral, and biological sciences, G\*Power is a stand-alone power analysis tool (Faul et al., 2007). The regression of the number is calculated using the effect size of 0.15, the alpha error probability of 0.05, the statistical power of 0.80, and the number of predictors (Faul et al., 2007). The predictors of this research are seven (7) according to the research indicators that have been made. G\*Power is highly aligned with this research because it can determine the minimum sample size required and ensure that the research results are reliable and accurate.

That way, the total number of samples needed in this study is one hundred and three (103) samples. Which is obtained through calculations from the G\*Power application with a graph like:

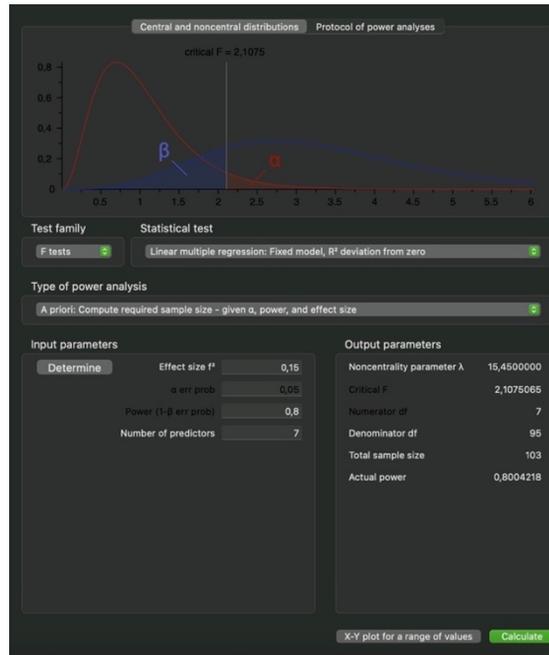


Figure 1. 7 G\*Power Sample Determination

Source: Processed by researcher, 2024

### 1.9.3 Sampling Technique

The sampling technique was carried out with a non-probability sample. Samples taken from a large population without random selection are called non-probability sampling (Tansey, 2007). The sampling technique will use purposive sampling techniques, where individuals are selected according to the characteristics of the respondents needed for this research, and based on equal opportunities to be selected. In this case, respondents are selected by those who have used the OSS-RBA service system in a span of the past one (1) year. In this study, the sample was taken by distributing questionnaires through social media platforms such as WhatsApp groups,

direct messages towards the followers of OSS Indonesia's official account in 'X' application and Instagram, and the respondents is spread throughout Indonesia.

#### **1.9.4 Data Types and Sources**

##### **1.9.4.1 Type of Data**

This research uses quantitative research. This type of quantitative research is a systematic investigation of a phenomenon through data collection, where the data can be measured using mathematical, statistical, or computational techniques (Priadana & Sunarsi, 2021). Quantitative research emphasizes the measurement and analysis of cause-and-effect between variable threats, not the process (Kusumastuti & Khoiron, 2019). Consequently, it may be said that this research is quantitative research, which is a systematic investigation by collecting data that focuses on analyzing the cause-and-effect of threats between variables.

##### **1.9.4.2 Data Sources**

The data sources in this study include primary and secondary data, namely:

###### **a. Primary Data**

Primary data is the main data that is utilized in the research and is typically specialized since it is suited to the researcher's needs (Yani Balaka & Abyan, 2022). Primary data obtained from respondents was used in this study. This research will use

a questionnaire on social media to ask respondents if they meet the criteria mentioned in this study.

b. Secondary Data

Secondary data is information that is collected through existing sources. The secondary data from this study were obtained through previous research conducted, related journals, books, and sources from the internet that support this research.

### **1.9.5 Measurement Scale**

In this study, the measurement scale used is ordinal scale measurement. Ordinal measurement occurs when an empirical process allows us to discern whether some things are greater or lesser than others in terms of some attribute (Williams, 2019). Ordinal scale measurements are essentially ordered categories, but the ordering allows for implicit comparisons. Ordinal measurement scales sometimes include hierarchies of ordered categories, such as very chilly, cold, cool, tepid, warm, hot, and extremely hot, or strongly agree, agree, neither agree nor disagree, disagree, and strongly disagree (Tastle & Wierman, 2006).

The measurement scale affects the instrument of questions and or statements that produce a total score from the sample, with each score value as described below:

Scale	Definition
1	Strongly Disagree
2	Disagree
3	Neutral
4	Agree
5	Strongly Agree

Table 1. 6 Measurement Scale

### 1.9.6 Data Collection Technique

Data collection is taken in the form of a questionnaire that provides respondents with a list of statements in order to gather information. which is then processed to find out the results. Obtaining and collecting data in this research using techniques and tools in the form of a questionnaire. The questionnaire in this study is carried out with a purposive sampling, where the author would create a questionnaire through Google Forms and distribute it through social media so that the respondents could fill it in if they fit the criterion of using the OSS-RBA service system in the past one (1) year.

### 1.9.7 Analysis Technique

This research will use the SEM (Structural Equation Modeling) analysis technique. SEM is a statistical technique that allows the analysis of the relationship between one or more dependent variables and one or more independent variables. (Owolabi et al., 2020). When using SEM, it also estimates the relationship measurement error in the observable variables.

The analysis conducted in this study will use PLS-SEM with Smart PLS (Smart Partial Least Test). A more regression-based technique called PLS-SEM lowers the endogenous components' residual variance (Martin, 2011). Smart PLS software maintains an active online discussion forum that offers a good platform for knowledge exchange among its users (Kwong & Wong, 2015).

With this, the research saw PLS-SEM as an optimal way to process the data accumulated from the questionnaires and respondents to produce the data needed regarding user satisfaction from the OSS-RBA integrated system services using the Extended UTAUT 2 theory.