An Evaluation Framework for the Impact of Digitalization on the Quality of Governance:
Evidence From Indonesia

Darusalam Darusalam, Accounting Research Institute, Universiti Teknologi MARA, Malaysia*

 https://orcid.org/0000-0003-2568-0164

Marijn Janssen, University Technology Delft, The Netherlands

 https://orcid.org/0000-0001-6211-8790

Jamaliah Said, Accounting Research Institute, Universiti Teknologi MARA, Malaysia

Zuraidah Mohd Sanusi, Accounting Research Institute, Universiti Teknologi MARA, Malaysia

Normah Omar, Accounting Research Institute, Universiti Teknologi MARA, Malaysia

ABSTRACT

The goal is to develop an evaluation framework for the quality of governance (QoG) and to evaluate the impact of government digitalization on the QoG for Indonesia. The study develops an evaluation framework to determine the impact of digitalization on the QoG. Data were collected to test the framework in practice by interviewing 10 state apparati and organizing small-group discussions. The manual process of the state government officers' selection in Indonesia is considered very poor and vulnerable to corruption, collusion, and nepotism. The interviewees agreed that digitalization resulted in improved transparency and QoG. Overall, information digitalization has a dual impact as it led to improving service quality, transparency, and government accountability, but it did not result in less corruption, collusion, and nepotism. The findings suggest that digitalizing needs to be complemented by introducing checks and controls to reduce these problems. An evaluation framework offers important insights for digitalization and helps to identify opportunities to improve the QoG further.

KEYWORDS

Control of Corruption, Indonesia, Information Digitalization, Quality of Governance, Transparency

1. INTRODUCTION

Information digitalization is expected to help the government to combat corruption and improve its governance. Technology can control corruption and deliver public goods like education, health care, social security, and transportation more efficiently and effectively (Saxena et al., 2022). Several countries, such as India (Nyathikala et al., 2023) and Indonesia (Darusalam et al., 2021a), actively use technology to improve the *Quality of Governance* (QoG). The term "Quality of Governance"

*Corresponding Author

or "QoG" was introduced and propagated by the Quality of Government Institute at the University of Gothenburg, Sweden. In essence, QoG refers to a list of individual and aggregated datasets that measure how well a country manages specific governance datasets such as "accountability," "political stability," "rule of law," "government effectiveness", and other related variables. Prior research argues that Information digitalization can enhance the country's QoG (Singh and Sahu, 2008). Information digitalization can improve government effectiveness, efficiency, transparency, and accountability (Theworldbank, 2006). Yet, there does not exist a comprehensive evaluation framework for evaluating the QoG in public administration.

Evaluation of information systems (IS) needs to take the content, context, and process of an IS Into account (Symons, 1991). Digitalization is challenging to evaluate both from a conceptual and measurement point of view. The work of Smithson and Hirschheim (1998) confirmed the study by Symons (1991). Smithson and Hirschheim (1998) argued that Information systems evaluation is a complex problem. The environment that keeps getting more complicated makes it harder for stakeholders (managers) to evaluate new IS before and after they are put in place (McNaughton et al., 2010, Loukis et al., 2010, Chu and Tseng, 2018, Lee-Geiller and Lee, 2019, Aikins, 2019). Evaluation frameworks are needed to evaluate the effect of Digitalization. Yet, such a framework does not exist for information digitalization effect on QoG.

There exist no frameworks for evaluating the impact of information digitalization. The purpose of this explorative study is to develop an evaluation framework. The framework is derived from the ture. To test the evaluation framework on the quality of governance (QoG) a case study was conducted. This paper is structured as follows. First, this paper explores the literature on information technology as a mechanism to enhance the quality of governance. After that, the research method is presented. Then the case study background and an overview of stakeholders are presented, followed by an evaluation of information technology for quality of governance. The findings and discussion are discussed in part four. Finally, this paper concludes and discusses future work.

2. LITERATURE BACKGROUND

The literature review discusses government digitalization and the main challenges of using Digitalization as a means to tackle corruption. All too often a simplistic view on digitalisation is taken, For example, everything completely digitized creates more transparency and is easily accessible to the public (Antara.com, 2021). Yet, in reality no transparency needs to be created. This section explicitly examines the literature related to these two factors: information technology on the quality of governance.

2.1 Quality of Governance Concepts and Theory

The term "Quality of Governance" or QoG" was introduced and propagated by an international research centre, Quality of Government Institute, University of Gothenburg, Sweden (Howell, 2013). Computed as an index, the QoG measures the quality of a country's governance. A high QoG score indicates good governance, and a low QoG score implicates poor governance. Due to its more comprehensive coverage, QoG has been endorsed and widely accepted by reputable global organizations such as the World Bank, Organization for Economic Cooperation and Development (OECD) and the International Country Risk Guide Group (ICRG). In essence, QoG, which is computed as an index, refers to a list of the individual and aggregated datasets that measure how well a country manages certain governance datasets such as "accountability," "political stability," "rule of law," "government effectiveness" and other related variables. In addition, The World Bank then defines and assesses the quality of governance in three categories using the following criteria (Kaufmann et al., 2011, p. 223, Linhartova, 2022). Methods for choosing, managing, and switching governments: – Voice and Accountability is crucial when it comes to how citizens participate in the choice of government, as well as for freedom of expression, freedom of association, and the state

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