

Innovation Process in Public Service: Studying Innovation Process in Yogyakarta City Licensing Service Clinic Unit (KLIPPER)

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ABSTRACT

To date on Indonesia's government performance, innovation agenda has encouraged public's hope as bureaucracy reformation has been close to policy failure. Innovation becomes a trend to make public's ends meet, mainly innovation which is introduced by local governments. As the most innovative local governments, Yogyakarta City, has proceeded many thrive innovations from their local agencies such as Yogyakarta City Licensing Service Office. For long time, the office is recognized as good practice of public service provision in Indonesia. At that case, it is assured through Licensing Service Clinic Unit (KLIPPER) innovation which gains considerable advantages, both internal and external stakeholder. KLIPPER is a licensing consultation program for investors who will make complex building construction permits. Furthermore, KLIPPER improves both license output and law-abiding performances. This study explores process behind innovation. It is prominent objective because scholars have argued innovation process as a blackbox and a conundrum. We apply innovation process theory which separates to the threefold linear stages of the process (initiation, implementation and diffusion). This study used qualitative approach to interpret involved actor's experiences in innovation process. Finally, the study sums up that innovation is an evident work, it is not an accidental action because it can be traced back through to the dramatic steps, consequently it could be proposed as a framework to carry out innovative program for the other local governments agencies.

Keywords: innovation, innovation process, public service innovation, licensing innovation

ABSTRAK

Berkaitan dengan kinerja pemerintah Indonesia, agenda inovasi telah mengambil harapan publik ketika reformasi birokrasi lebih dekat pada kegagalan kebijakan. Inovasi menjadi tren untuk mencukupi kebutuhan publik, terutama inovasi yang dilakukan oleh pemerintah daerah. Seperti pemerintah daerah paling inovatif, Kota Yogyakarta, telah menelurkan banyak inovasi bermanfaat dari dinas-dinas mereka seperti Dinas Perizinan Kota Yogyakarta. Untuk waktu yang lama, itu diketahui sebagai dinas dengan good practice dalam provisi pelayanan publik di Indonesia. Pada kasus ini dapat dipas-tikan melalui inovasi Unit Klinik Pelayanan Perizinan (KLIPPER) yang menggapai man-

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faat baik untuk stakeholder internal dan eksternal. KLIPPER adalah program pelayanan konsultasi untuk para investor yang akan membuat izin konstruksi bangunan. Lebih jauh lagi, KLIPPER meningkatkan kinerja keluaran izin dan juga kepatuhan hukum. Studi ini mengeksplorasi proses yang terjadi di belakang inovasi. Itu penting karena para peneliti berpendapat bahwa bahwa proses inovasi sebagai kotak hitam dan teka-teki. Kami menerapkan teori proses inovasi yang memisahkannya dalam tiga tahapan linear (inisiasi, implementasi, dan difusi). Studi ini menggunakan pendekatan kualitatif untuk menafsirkan pengalaman para aktor terlibat dalam proses inovasi. Pada akhirnya, studi ini menyimpulkan bahwa inovasi adalah pekerjaan nyata, bukan sebuah tindakan kebetulan yang dapat dilacak melalui tahapan-tahapan dramatis, konsekuensinya itu dapat diajukan sebagai kerangka kerja untuk melakukan program inovatif bagi dinas-dinas pemerintah daerah lainnya.

Kata kunci: inovasi, proses inovasi, inovasi pelayanan publik, inovasiperizinan

INTRODUCTION

Bureaucracy in Indonesia have enticed many scholars to study due to their performance has not improved yet. Numerous improvement attempts implemented but the precedent results were not met ([Bappenas, 2013](#); [Brata, 2014](#); [Dwiyanto, 2008](#); [Widaningrum & Park, 2011](#)). Even though those attempts to call bureaucratic reform has not produced significant impacts on the performance of public service, the Government of Indonesia has been trying to find the proper strategies. One of them is to encourage the both central and local government to innovate. It means to create and implement new public programs.

Innovation concept becomes “buzzwords” in Indonesian public sectors mainly in local governments. They put in credence that the main purpose of the innovation is to improve public services quality ([Ashworth, Boyne, & Entwistle, 2010](#)). Later, there were many good practices mapping research provided by national and international research institutions to analyze local government innovations ([JPIP, 2013](#); [UNfGI, 2013](#); [World Bank, 2006](#)). Those studies prove that the growing concept of innovation is not vain attempts. At least, promoting innovation is a matter which could not be excluded from government duty as well as it works up public service quality.

As the case, one of the local governments with many public

service innovations that work properly is Yogyakarta City. In 2016, Yogyakarta City had been appreciated with an innovation award from the National Institute of Public Administration (LAN-RI) for creating and implementing 120 innovations. Additionally, Yogyakarta City also received an opportunity to be a local innovation laboratory in order To be a learning-based model of innovation for others local governments in Indonesia.

Another one good practice story, Yogyakarta City has one local city office which has been a long experience of being good practice in public service provision. We could not agree more, that is Yogyakarta City Licensing Service Office. The office has a main function to be the one shop system in processing and legalizing regional licenses. Several studies prove good practice perspectives in that office ([BKPM & KPPOD, 2009](#); [Setiadi, 2009](#); [World Bank & IFC, 2012](#)). Indonesian local governments could recognize it if they want to study about a good local government office, they must take a benchmark of Yogyakarta Licensing Service City Office. Recently the office go-together appreciation because of its innovation in the licensing services. The licensing service clinic unit (KLIPPER) program had gotten Top 99 Public Service Innovation Award 2015 by the State Ministry for The Empowerment of State Apparatus and Bureaucratic Reformation.

This study explores the process of the innovation in the KLIPPER and what factors which could support and inhibit the process. There are several reasons why it is necessarily to explore the case; firstly, the innovation is implemented by one of the best local office institutions in Indonesia, therefore we must comprehend what matters they have done for implementing innovation. Secondly, there is a fact that not many innovations are successful. Recent studies demonstrate that transformin-gan idea into an actual innovation is characterized by an extremely high failurerate of nearly 90% ([Chung & Choi, 2016](#)). Thirdly, according to JawaPos Institute of Pro Otonomi ([JPIP, 2013](#)), we held an evidence that the innovation can only be sur-

vived in two or three years and then it dies. The licensing service clinic program was initiated in 2010 and until today it can sustain to be a fully part of the organizational service system. Fourthly, there are not many licensing service program innovations in Indonesia which get attention to be studied. University Network for Governance Innovation ([UNfGI, 2013](#)) found only 13 innovations in licensing services but only 12 of them are organizational innovations and only 1 has a more specific scope innovation as a program. Therefore, the licensing service program in innovation is underexplored and understudied.

THEORITICAL REVIEW

On this study we defines innovation more freely based on the scope of the innovation in the public sector that it does not always introduce newness ([Osborne & Brown, 2005](#)) but re-packaging of existing concepts ([Keys, 2008](#)) or reconceptualizing existing resources ([Kim, 2010](#)). Introducing newness, repackaging and reconceptualization of public service is the keyword of this study. Therefore we could not propose sophisticated grand-definition but it is the meaningful one. We could call it as all seasons definitions.

The process approach is the main approach of this study, based on classic work of [Wolfe \(1994\)](#). This approach considers how and why innovations emerge, develop, grow, and (perhaps) terminate, are examined. In numerous innovation studies still ignore innovation process itself and also the scope of the study must be more specific ([Osborne & Brown, 2005](#)). Another fact, many innovation studies focus on the quantitative measurement of the impact of the innovation on the public service performance especially which has been conducted by Cardiff Business School ([Ashworth et al., 2010](#)). This study will provide a greater detail of the KLIPPER innovation process. The other reason is that the innovation process is also suggested as a black box ([Jappinen, 2015](#)). Therefore we need further studies on the innovation process.

Innovation process theory was firstly developed by [Rogers \(1983\)](#) who classified it in initiation and implementation phases. After that many studies had classified innovation process in three phases; initiation, implementation and diffusion ([Damanpour, 2014](#); [Hartley, 2015](#); [Hartley, Sorensen, & Torfing, 2013](#); [Osborne & Brown, 2005](#); [Rasmussen & Hall, 2016](#); [Wolfe, 1994](#)). Initiation is about an invention to create new knowledge ([Osborne & Brown, 2005](#)), finding and creating an idea that works, promoting and legitimizing ideas ([Jong & Hartog, 2010](#)). Some factors can support or inhibit initiation such as internal and external factors ([Damanpour & Schneider, 2006](#); [Osborne, 1998](#); [Osborne & Brown, 2005](#)). Implementation is about to change an idea to a reality ([Wanna, Hsu-Ann, & Yates, 2015](#)). Some factors can support or inhibit implementation such as internal and external factors ([Klein & Knight, 2005](#); [Osborne & Brown, 2005](#)). Diffusion is about to spread out the innovation outside the organization ([Osborne & Brown, 2005](#)). Some factors can support or inhibit initiation such as internal and external factors ([Dewett, Whittier, & Williams, 2007](#); [Hartley, 2005](#)). Finally, this research uses the initiation, implementation and diffusion phase as the conceptual framework for the study as draws in Figure 1.



FIGURE 1. INNOVATION PROCES FRAMEWORK

Source: [Damanpour, 2014](#); [Hartley, 2015](#); [Hartley, Sorensen, & Torfing, 2013](#); [Osborne & Brown, 2005](#); [Rasmussen & Hall, 2016](#); [Wolfe, 1994](#)

RESEARCH METHOD

This study was conducted by using an inductive approach which the main goal is to interpret the experiences of involved actor. Data collection was gathered from March to July 2016.

The techniques of data collection was based on the types and sources of data needed in-depth interviews, and analysis of document. The informants were selected by using a purposive technique ([Patton, 2009](#)).

Researchers interviewed 12 persons from the actors involving in the process of the innovation program. They were officials comprising of local office managers and staff and external stakeholders. We also interviewed several members of innovation assessor team from the State Ministry for The Empowerment of State Apparatus and Bureaucratic Reformation.

In this study the data were analyzed by using three steps; data reduction, data display, and conclusion ([Miles & Huberman, 1992](#)). The validity of qualitative data is guaranteed with a technique of triangulation of data sources ([Patton, 2009](#)).

Finally the research produced four types of data categories based on interview coding. To use a code, initially we transcribed the interviews and we had approximately 300 page sheets of transcribed document. After had done that we constructed summary sentence from the reliable, valid, and important quote and cited that to construct concept. After we had found the most precise concept we used that as analysed concept in every single stages, phases or episodes. For further look we can see on table 1 as data analysis example.

In location phase and episode (we also find that on table 2) we have two example quotes (Q1 and Q2). After find the quote we interpret that as summary sentence in Q1 we call it as determining problem and become more general concept as agenda setting. Finally we define more general concept after that as initiation in analysed concept. in Q2 we call the chosen quote as forcing innovation awareness and become more general concept as the same agenda setting. Finally we define more general concept after that as initiation in analysed concept. We did repeat the same process in the analysis depend on what condition the quote matches. This process will make data analysis more open and transparent. For methodology reason we could replicate

this method for other study and also criticize this study for further developing study.

TABLE 1. DATA ANALYSIS SAMPLE

Location	Quote	Summary Sentence	Concept	Analyzed Concept
Phase and Episode (Table 2)	<i>"That was all the problems, one of them is permit simplification. There were huge complain from the client, many building designs were mistaken when the client submit their IMB (building permits), and also others technical problems. We decided to simplify and speed up permit in 2009"</i> Q1 Manager Interview (27/04/2016)	Determining Problem	Agenda Setting	Initiation
	<i>"I decided at that time we should go for innovative change as a symbol for us. We committed to change, nevertheless there are huge obstacle in budgeting and human resources but we still do committed alteration"</i> Q2 Head of Office Interview (11/05/2016) etc	Forcing Innovation Awareness	Agenda Setting	Initiation
Strategy (Table 3)	<i>"I have to involve all members, so they can agree with me. The results is a cooperation with all members but when they disagree with my, we are going to debate face to face."</i> Q3 Head of Office Interview (11/05/2016)	Involving Organization Members In Initiation	Strategy	Initiation Strategy
	<i>"It looks like a inhuman creature (laughing) because it is impossible for checking the organization condition with myself so i decide to get assistance from the outsider. I ask my friend to submit their permits and report to me what happens after that, what is the real problem? How my members serve him? Pretty well or not? There is a fraud potential? Or corruption maybe? It was useful because i could know the reality, so i can provide the precise solution"</i> Q4 Head of Office Interview (11/05/2016) etc	Using External Souces Through Ghost Shopping	Strategy	Initiation Strategy
Informal Strategy (Table 4)	<i>"I allowed clients mainly who have problem with IMB (building permit) directly complaining to me at my room. I just ensure the standard both time and cost, if we fail to reach the standard I will know soon because they will complain to me directly."</i> Q5 Head of Office Interview (25/04/2016)	Innovator Observes Daily Services By Allowing The Service User To Complain Directly To Him To Know The Real Problems	Strategy	Informal Strategy
	<i>"I discussed many times with one of tenure manager and also he becomes my trusted one. He becomes my henchman because he helps me to influence to the all organization members. I believe him to help me because I think he can do that. He has a loyalty and a competency. Our duet becomes a power house to this organization"</i> Q6 Head of Office Interview (27/06/2016) etc	Innovator Creates A Good Relationship With Some Tenure Managers For Helping Idea Promotion	Strategy	Informal Strategy

Location	Quote	Summary Sentence	Concept	Analyzed Concept
Driving Force and Inhibitor (Table 5)	<i>"As an examples, all these problems always come from our internal data. The problems always presented on evaluation and coordination meeting. That data helps us to make sure the real problem, IKM (satisfaction index) data proves our quality is low and need to be improved as well."</i> Q7 Manager Interview (06/06/2016)	Poor Finding On Performance	Data Availability	Driving Force
	<i>"We have no intervention from the outsider like the Major or the other political institution because we have our authority. We manage our office as one shop system it means that many licenses and permits become our duty solely without any single interest from someone who want to hijack our change."</i> Q8 Head of Office Interview (11/05/2016)	Organizational Decision-Making Without Outsider Intervention	Organizational Authority	Driving Force
	<i>"So I admitted the resistance that come from my organizational members. They forms a protest and sometimes bad communication to me, they always complain that the innovation become organization burden and become useless change but I have to provoke them to do what I want. I am pleased with resistance because I can manage that."</i> Q9 Head of Office Interview (27/06/2016)	Negative Communication From The Staff	Staff Resistance	Inhibitor
	<i>"We have no formulation to measure our successful result. The measurement before and after innovation is so different things, we cannot control because KLIPPER is depended to our client. We can only know that new system always be praised by client and we know all permits that came from the client so it can reject fraud potential but to compare result become and after the new system is difficult and different things."</i> Q10 Manager Interview (18/04/2016)	Discrepancy Between The Default System And Innovation Results	Evaluation Difficulties	Inhibitor
etc				

Source: Primary Data, 2016

FINDINGS

At this section we detailed data analysis on fourth data structure. At the first structure we analysed and discovered phase and episode of innovation process. The initiation process begins with formulating problem such as poor performance in legalizing the complex building license and staff problems which have an indication in license fraud. After knowing the problem the head of office who was appointed as a new leader and also he is as an innovator in late 2008 determines the agenda with his power and he also forces awareness of change with the in-novation agenda because of the greater presuress like the needs of change, huge public complain and budget deficiency, we call

those actions as agenda setting episode. Then innovator explores for the new solution based on the default service system in the organization and formulate modest conclusion which the consultation system must be changed by creating a consultation team includes the managers and staff. The consultation team is assessed to accommodate better consultation for two reasons; first, making the consultation more comprehensive because decision making involve all prevalent organization officials in one table, second, pressing fraud potency from the staff because officials would watch and could prohibit it, and it brings more transparent system. Innovator names it “Klinik Pelayanan Perizinan (KLIPPER)” or licensing service clinic unit to mimic service in the health service providers. The new idea is a rational mode to implement without numerous inhibitors, we call those actions as idea conception episode. Innovator also creates coalition with some tenure managers and persuade them to implement the new idea, we call those actions as idea promotion episode.

Moving from the initiation process, after the new idea is done with reasonable support, implementation start to ensure the idea would work and also transform the new idea to the real things, the office needs to test it as prototype in 2010, and the result of test is validated to be implemented, we call those actions as prototype episode. The new idea as KLIPPER becomes the new service system as a routine in 2011. In the same year, the office creates standard operating procedure (SOP) and provides more decent resources like budget and consultation room, we call those actions as institutionalization episode. In 2015 there is a small changes in KLIPPER and there is a plan to develop KLIPPER in a greater service scope not only in complex building permits but also for all license services, we call those actions as development episode.

After all, the office is also open to diffuse the innovation with group visit from the other organization and also provides resources as documented knowledge like brochure and leaflet, we call those actions as passive diffusion episode. In 2015, the

office send the KLIPPER proposal to participate in the national innovation competition at the event of the State Ministry for The Empowerment of State Apparatus and Bureaucratic Ref-ormation, we call that actions as active diffusion episode. All phases and episodes are summarized in Table 2.

TABLE 2. PHASE AND EPISODE IN KLIPPER INNOVATION PROCESS

	Episode	Action
Initiation	Agenda Setting	Formulating problem, determining agenda, & forcing innovation awareness
	Idea Conception	Exploring, formulating, & assesing new idea
	Idea Promotion	Coalition & persuasion
Implementation	Prototype	Validating new service model
	Institutionalization	Routinization, making regulation & providing resources
	Development	Modification& planning for development
Diffusion	Passive Diffusion	Providing resources for replication
	Active Diffusion	Competition participation

Source: Data Analysis, 2016

At the second data structure, we analysed and discovered strategies in each phases. Those findings provides several strategies which can be seen in table 3. In initiation phase, we find several strategies, such as innovator using regular meeting as primary media for communication initiation, involving all level of organization members in initiation, involving senior members as *tatakrama* strategy which means senior members have to be respected by involved them on change process rather than rejecting them like an organization burden, observation including direct complain to the head of office from the users, leading change with *tuladha* strategy which means leader as innovators being a real role model in change, using external sources through ghost shopping for exploring real problem, direct observation to the day to day existing service, comparing other organization service for exploring new idea, and investing trust to senior member for helping initiation. On the next phase, implementation phase consists of three main strategies like using team as main executor, enforcing reward and punishment, and involving organization members in implementation. The last phases is diffusion

that comprises two main strategies like involving organization members in diffusion, and providing informal communication ways in diffusion.

TABLE 3. STRATEGY IN KLIPPER INNOVATION PROCESS

Source: Data Analysis, 2016

Phase	Strategy
Initiation	Using meeting as primary media for communication initiation
	Involving organization members in initiation
	Involving senior members as tata krama strategy
	Observation including direct complain from the users
	Leading change with tuladha strategy
	Using external sources through ghost shopping for exploring real problem
	Direct observation to the day to day existing service
	Comparing other organization service for exploring new idea
	Investing trust to senior member for helping initiation
Implementation	Using team as main executor
	Enforcing reward and punishment
	Involving organization members in implementation
Diffusion	Involving organization members in diffusion
	Providing informal communication in diffusion

Third, on the parts of initiation strategy, we separated more depth strategy and discovered several informal strategy. At the initiation phase, innovator has to use the creativity, not based on either budget nor regulation for innovating their resources, innovator is still able to run the innovation without them. Firstly, in the initiation the innovator deal with the problem. Therefore innovator needs to understand the real problem. At this case innovator opens the room to allow users to complain directly to innovator to explore user's experience in arranging the license. Secondly, the innovator uses external sources with persons who is trusted to carry out ghost shopping for double uncovering the daily real-world problem in license service. It works well and it did prove the problem. Thirdly, the innovator opens the mind about the problem-solving idea using the nearest solution that is the resources in the organization. Seeing the weakness of the default service system is the sources of this case. Fourthly, the

innovator has to learn from the other organization to get numerous perspectives, more perspectives, more ideas like in this case the innovator learns from the health services providers. Fifthly, promoting the idea is the most dramatic episode in the innovation as all members are able to reject the very good idea because innovator never build coalition from the other members. At this case we learn that innovator builds coalition with the tenure manager to deal with information dissemination and help for pressing the staff. All informal strategies in initiation phase are summarized in Table 4.

TABLE 4. INFORMAL STRATEGY IN INITIATION PHASE

Phase	Informal Strategy
Initiation	Innovator observes daily services by allowing the service user to complain directly to him to know the real problems
	Innovator uses external sources to carry out ghost shopping to uncover real world problems
	Innovator only thinks creatively to explore the weakness of default service in an organization to create new ideas
	Innovator uses perspectives from the other organization services to create new ideas
	Innovator creates a good relationship with some tenure managers for helping idea promotion

Source: Data Analysis, 2016

The fourth data structure, we analyzed and discovered the data to find driving forces and inhibitors in innovation process. In initiation phase organization must have good information and data about the organization routine which indicates the problem. At this case, information and data come from multiple sources such as internal performance data which shown by user satisfaction index (IKM) and complaining report document, innovators and managers have to be open with their plan to change existing service. Other organization members have to know that in initial phase. The greater organization authority can help to trigger the innovation because the organization like license office is so-called with one shop system has integrated many licenses from the other offices. Therefore, the license office is able to develop its own service. The organization with good design in human resources back up the innovator to change because it becomes the innovator's human capital with

human competency like mentality and creativity. All change efforts have to get senior members support for decreasing rejection in all level of organization, at this case senior members help innovators to communicate innovation agenda in daily work hour activities at office and chit chat conversation in the outside of office, or in the spare time. Public organization at this case has a excellence with service because of support from executive leaders. The former city mayor take high commitment to build good public service bureaucracy. The former city mayor provides decent budget, infrastructure, and human resources. The innovator's experience to being different is prevalent because alongside with the experience innovatoris tend to repeat it which is learned in the past. The innovator needs the division which helps to initiate the innovation, based on this case the license office has one division which provides function like research and development (R&D) in the business sector. That division can support the innovation with its function. In the initiation only staff resistance becomes the real inhibitors but in this case staff resistance only shows up negative communication like rejection statement on meeting.

In the implementation phase several driving forces emerge like R & D division support which helps in prototyping, evaluating and developing the innovation. Managerial support is also important by providing budget after creating the regulation. The innovation will be durable if it has twofold in the benefit for helping the daily work in the organization and also benefiting the user. There are several inhibitors in the implementation, like user's problem in using license service pander which brings the cost higher and also gives back the revised license requirement documents late. In the innovation implementation, it is always difficult to measure the outcome because it is in outside of the system. The innovation still needs more time to develop the measurement system and budget inflexibility always becomes major inhibitors for the innovation in a public sector mainly for developing innovation. Finally, the implementation

is hampered for the lack of staff quantity and quality because it is difficult to make a bigger scope of innovation for developing if the organization lacks of minimal requirement of changes.

Diffusion in this case also puts support from the R & D division. They provide resources to diffuse the innovation. However, in the outside of organization support still lacks real support from existing executive leaders who show their lack of commitment, executive leaders showing up non support behaviour during the national innovation competition like rejection to meet the assessor team from the State Ministry for The Empowerment of State Apparatus and Bureaucratic Reformation. All factors are summarized in table 5 below.

TABLE 5. DRIVING FORCES AND INHIBITORS IN KLIPPER INNOVATION PROCESS

Phase	Driving Forces	Inhibitors
Initiation	Information & Data availability, Communication openness, Organizational authority, Staff competency, Senior members support, Executive leader commitment, Paternalistic leadership, innovator experience, & Division support	Staff resistance
Implementation	Division support, managers commitment, internal & external benefit perception	User's problems, Evaluation difficulty, Lack of staff quantity & quality, & Budget inflexibility
Diffusion	Division support	Lack of executive leader support

Source: Data Analysis, 2016

DISCUSSION

We already opened innovation process in KLIPPER innovation. It provides greater detail on innovation process particularly which applied in specific organization and program. Greater detail in initiation, implementation and diffusion (Hartley, 2015) is about episodes in each phase that are classified in eight episodes with several actions. Model in KLIPPER innovation process follows linear model (Osborne & Brown, 2005). It means that innovation process in KLIPPER remains unchanged from the earliest version to the latest for renewing to the next greater level of innovation. It implicates that linear process is easy to be observed and replicated in other place and

situation. The framework of innovation process (initiation, implementation and diffusion) based on this study could propose to complement the design thinking in policy making process because it looks like the alike process from the problem to the test prototype ([Mintrom & Luetjens, 2016](#)). In the future we will have new profession from policy designer to public service innovation designer.

We also found strategies that work on innovation process. That strategy composition could serve suggestions to the innovators and managers how to use strategy properly so it could be more successful. Strategies which carried out in innovation process show that innovation is driven and sourced by managers. Such strategies spurs innovation process because they provide facilitation strategy ([Chung & Choi, 2016](#)) and involvement strategy ([Daft, 1978](#)). Both encourage motivation and decrease resistance potency of the members. Theoretically, innovation which focused on organization internal source, calls as in-house innovation ([Hartley et al., 2013](#)). It also means that innovation is developed by organizational internal members like manager but does not come from the street-level or operational members. That type also is known as top-down initiation where innovation happens exclusively from the top level of organization ([Borins, 2002](#)). For another perspectives this kind of innovation still show up a flaw because does not fully collaborate with the other institution or real public. Innovation must go beyond with collaborative innovation ([Hartley et al., 2013](#)) and moving from first-order innovation (government) to the second order innovation (governance) ([Torfing & Triantafillou, 2016](#)). Informal strategy is also prevalent in service innovation because all strategies in organization should comprise formal strategies (regular meeting, budget, insider) and informal strategies (impromptu meeting, non-budget, outsider). Both strategies are exploited for tacit knowledge ([Storey & Khan, 2016](#)).

The results also confirm that there are three type factors which make impact to the innovation process, they are: envi-

ronmental factors, organizational factors and group factors ([Crossan & Apaydin, 2010](#)). The three factors could drive and inhibit innovation process. That factors are consistent with the findings in KLIPPER innovation with a supplement that is in-ternal factor which formed by cultural drive like paternalistic leadership culture ([Irawanto, Ramsey, & Tweed, 2013](#)). It could drive change organization easier if change initiation is based by a leader or top management which is suitable to the value of bureaucracy in Indonesia.

CONCLUSION

This study provides an innovation process framework in public sector based on successful innovation case. This study proves that innovation is a time-based process which is not occurred by an accident, it helps fight against of innovation black-box and conudrum argument. Innovation process is complex and detailed process, but we are still able to study about it in better way.

The result deals to stamp a reasonable guidance to decrease innovation risk and threat for organization, manager and innovator in public sector as well. Other conclusion adds that organization, manager and innovator must stand higher attention to critical phases in innovation process which can be seen in initiation and implementation phase. Initiation phase must be a focus at the first stance because it is an initial moment where problem is set, idea is generated and organization member is convinced by innovator to carry out the innovation. If innovator fail to do so, innovation never takes place.

In another phase, based on empirical finding at this study found that implementation phase get more inhibiting factor than other phase so that implementation phase must be managed properly in order to avoid innovation failure.

Practical recommendation in this study gives a suggestion to managers and innovators in public sector in order to make innovation can work properly with paying higher attention

each phases in innovation process. The phase becomes critical moment matching with the conclusion. Another recommendation for next study: first, the next study should explore successful innovation case in higher scope such as organizational innovation or innovation management with more cases so that innovation process framework could becomes more comprehensive. Second, the next study should expand study in different type of organization such as health service organization and educational service organization. Third, the next study with higher scope should find key factor which can distinguish innovation process success in business and public sector.

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