The Lean Government Concept and Design over Copy of Administrative Document on Building Tax

Hadriyanto[1*], Tantri Yanuar Rahmat Syah[2]

[1,2]*Department of Economics and Business, Esa Unggul University, Jakarta, 11510, Indonesia*

Many countries have successfully to applied the Lean Government concept in administration sector especially over Indonesian government sector. The developing of government public sector is a right choices to improve service quality to the public. Thus, in this study aims to design Lean Government with DMAIC method and Lean Consumption Map tools (LCM), respectively. This method was used to increase positive impact over performance administrative copy document on building tax especially in the *Badan Pendapatan Daerah* (Bapenda) South Tangerang City. The result showed, a comparison between administrative document over Bapenda, South Tangerang City is different during quantitative observation from external and internal correspondence. To improve the service process over administrative copy document, we use DMAIC and Lean Consumption Map application. The significantly improvement has been obtained by the time over administrative copy document process in the Bapenda, South Tangerang City.

Keywords: Lean Government, Lean Six-Sigma, and Lean Service.

1. INTRODUCTION

Public service is an activity to meet government organizer or legislation to manage every citizen and permanent resident. Here, the administrative services in are developed by public service providers in accordance with Law regulation No. 25 in 2009 in Indonesia. The Administration States system is a pillar of public service to fixed fundamental problem which is have legacy from colonial government. The legal basis and colonial interests are existing due to structure of bureaucracy, norms, values, and regulations oriented by civil rights. Thus, many complaints from current legal basis is about service users stating to organization's performance and public resource. Here, the image of public organizations in developing countries (including serving and service process in Indonesia) is very bad when compared to private organizations. Therefore, the surprising private organizations are often to use as an alternative policy choice to solve various problems in public services.

The Lean government concept can be applied in the public service especially over industry to improve product quality and increasing the company profits. Based on lean government capability, the many countries in the Europe and America has implemented this system. Thus, the lean government concept can be improved public service sector especially over governance in Indonesia. The benefits this method is not only based on economically but can be improve social-community impact [1]. The major effect after applying Lean Government, makes the public service evolved to provide services (based on management oriented) on customer satisfaction. The application of lean government is usually applied in the manufacturing sector over public sector which is a non-manufacturing sector. Thus, this method is challenging for many researchers to applied in the public service process especially in the Bapenda, South Tangerang, Indonesia over *Pemberitahuan Pajak Terhutang Pajak Bumi dan Bangunan* (SPPT-PBB). Based previous study, SPPT-PBB have many complaints in the service copy.

Email Address: handryry@gmail.com

This problem caused by unprofessionalism of staff to copy SPPT-PBB. Thus, many researchers proposed qualitative study to get observation data [2]. This study is a preliminary observation by interview over correspondence in Bapenda, South Tangerang. However, the observation result doesn't accurate due to missing a validation process. Thus, the LCM and DMAIC methods over Lean Government was used to assess the process also validated the service process over Bapenda South Tangerang [3]. Here, the document assessment called service A aims to determine the service application. Here, the service performance is analyzed to improve the speed of service process the copies of document SPPT-PBB over Bapenda South Tangerang. Based on DMAIC description in previous study, this method is used to support Lean Government to get the result (service assessment). The capability DMAIC over research desk Lean Six Sigma is necessary shows current conditions on the Lean Government. Here, the similar conditions are already existing in the service company concept with used Lean Service. To assess service process, we use Define, Measure, Analyze, Improve, and Control over Bapenda, South Tangerang to get the observation data.

2. METHODOLOGY

2.1 Data and Location

In order to achieve the result, we use *Define* as a tool to obtain Time Series Plot and Supplier, Input, Process, Output, and Customer (SIPOC). Both of the method are suitable for help to Define *Lean Government* concept. According to the problem background over Bapenda, South Tangerang we take the data observation in January to September 2017. Here, we obtain the observation data in daily observation (80% or equal 307 data) from not resolved files. Based on Standard Operating Procedure, the target completion of *Pemberitahuan Pajak Terhutang Pajak Bumi dan Bangunan* (SPPT-PBB) document copy must be clear in 1 working day over Bapenda South Tangerang. Thus, we use SIPOC diagram to determine the boundaries and parties involved service improvement program. Furthermore, the Time Series Plot and SIPOC is very good to understanding the boundaries and parties of the projects. Thus, the analysis of delivering document SPPT-PBB Copy Service process can be monitored by similar opinions from all staff Bapenda. Here, all staff understand the current conditions and targets to be addressed with one working day to process SPPT-PBB document. Thus, this method is very good used as references in the *Lean Government* project [4].

2.2 Lean Government Metrics in public services

Lean Government metrics for public services are used in industry. The metric is divided into two type namely process metrics and organizational metrics to assess public service [5]. This organizer have five process metrics and two organizational metrics such as Time, Cost, Quality, Output, and Complexities (process metric)

while organizational metrics is Lean Government Deployment (Application of Lean Government) and Motivation or Moral. Here, Lean Government method is used to increase efficiency of time over service process. The Copies of SPPT-PBB document was increased during use lean government method over consumer side. The people who will take a copy of SPPT-PBB from the service provider, can be processed in one working day in Bapenda, South Tangerang. Thus, the LCM and DMAIC was used to analyze service process over Lean Government specially to manage copy of SPPT-PBB document in Bapenda, South Tangerang [6].

3. RESULT AND DISCUSSION

In this study, we use qualitative data from secondary data to analyze service process of SPPT-PBB copy document in Bapenda, South Tangerang. Here, we interviewed Bapenda staff as a correspondence to obtain the result. The Qualitative research is inductive due to started from empirical data. Here, we obtain service process data or reports from Bapenda staff with local officials and people who need a document SPPT-PBB copy. Based on calculation process, we obtain the waste value ratio before lean goverment (see table I).

Table I. Waste Value Ratio before Lean Government January to September 2017

		Customer	Provider
Total Time	(a)	941	1149
Value Added	(b)	170	128
Non value Added	(c)	771	1021
% VA	= (b) / (a) * 100%	18,1%	11,1%
% NVA	= (c) / (a) * 100%	81,9%	88,9%
Value to Waste Ratio	= (b) / (c) * 100%	22%	13%

As can be seen in Table I, we obtain the reduced value from 22% to 13% over costumer and provider, respectively. In order to achieve assessment service process, we Analyze the determining inputs e.g. primary data or secondary data. Here, we obtain the problem, prioritizing service and urgent status (conducted by review the analysis). Thus, the Failure Mode Effect and Analysis (FMEA) was proposed to analyze the failure rate during service process. In this study, the several correspondences provide accurate improvement proposals to process existing problem. By understanding the process, we found 7 points process to discussed using FMEA which is 6 process on the Customer side and 11 processes on the Provider side. Here, we give proposed improvements which are summarized into 10 proposed improvements because there are have similar proposals in the several process on Customer side or Provider side. Furthermore, the FMEA are suggested to brainstorming

potential failures at each stage of process activities with giving a Severity rating (level of serious impact in the failure process). The determining of potential failure rating is determining the detection method in ongoing process. Here, we discussed by recommendations for further actions to improve Risk Priority Number (RPN) before and after the recommendations.

Based on the RPN result, we found the expected improvement with positive impact in the all parties namely consumer service of process SPPT-PBB document copy over Bapenda, South Tangerang. Thus, based on the results we analyze and discuss the stages of implement Lean Government in government organizations by continuing and Control stages. After that, the successful service process based Lean Government is important to maintain improvement and organization. Based on the result we obtain four models to implementing Lean Government in organizations with specific steps to maintain and disseminate Lean Government activities. This model also discusses the main strategies to get service value from Lean Government and continuous the discipline culture over government agencies (see Figure 1).
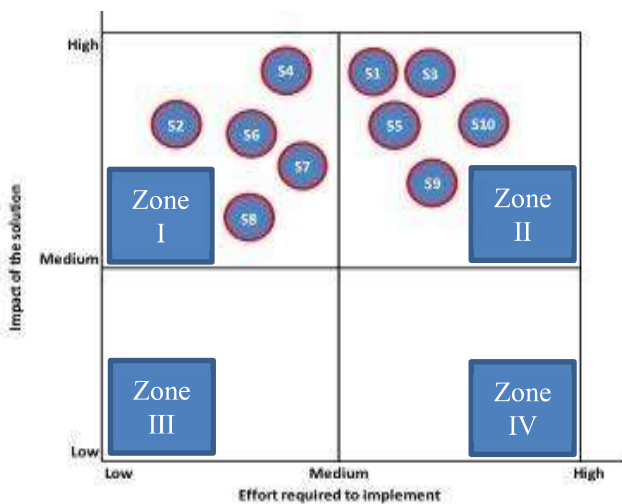

Figure 1. Impact and Effort Matrix of SPPT-PBB document copy over January to September 2017

As can be seen in Figure 1, we proposed ten improvements which is the ten proposed improvements were tested with Impact and Effort Matrix method to determine good or no impact during fulfilled in terms of the business that must be issued. Here, we suppose to create the theoretical foundation with Zone I to IV. The first priority is Zone I or short term, then Zone II as medium term and followed by Zone III as long term. So that, based this muthod we viewed Impact and Effort Matrix diagram over Bapenda, South Tangerang have increasing in Value Added from the Customer side and from the Provider side.

After the Value Added obtained, the next step is estimating all the proposed improvements e.g. Value-Added Assessment with Lean Consumption Map After Lean Government. All data displayed are estimated or based on observations and interviewed with correspondence. However, in this step we provide overview to improve activities over Bapenda, South Tangerang. The estimation result shows, there was an improvement in the total time of 662 minutes, equivalent to 71 % from customer side. Then the proportion of initial Value-Added Time increasing 18% to 49 % while the Non-Value-Added Time is decreased (82% to 51%), respectively. Furthermore, we captured the improvement value from Provider side which is reached 844 men or equal to 80%. Here, the initial Value-Added Time increased (11% to 34%) while the initial Non-Value Added Time is decreased (89% to 66%).

Based on estimation result, we obtain positive result for all proposed improvements. The large impact in the estimation improvement was given to Customer and Provider side, respectively. Thus, the Value-Added Assessment after Lean Government (estimation result) are obtained from proposed corrective actions which are implemented by significant Value-Added Time. We also describe the results is exceed the 30% of minimum value inside organization. Thus, the Lean organization is very important to implement for all proposed corrective actions to ensure the Lean Government in Bapenda, South Tangerang (see Figure 2).
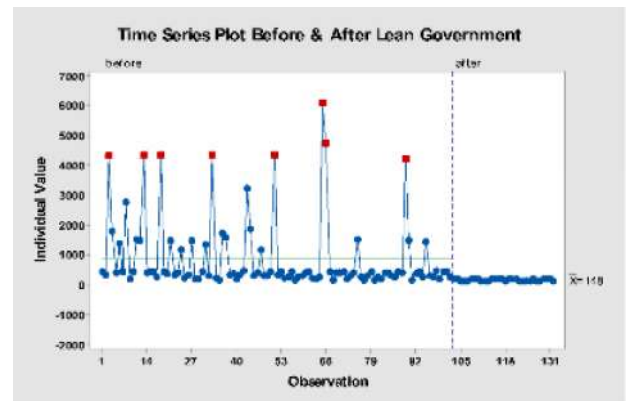

Figure 2. Time series plot before and After Lean Government over Bapenda, South Tangerang in January to September 2017

As can be seen in Figure 2, the Time Series Plot showed the average value of 873 minutes to 148 minutes are obtained to improve service process with nominal value time is decreased to 725 minutes. The comparison result shows the improvement target is better than the previous calculations. Thus, based on the result we very confident to proposed this method to improve service process a copy SPPT-PBB document in the Bapenda, South Tangerang (see Table II).

Table II. Value Added Assessment after Lean Government January to September 2017

		Customer (Consumption Time)	Provider (Provision Time)
Total Time	(a)	279	305
Value Added	(b)	137	105
Non value Added	(c)	142	200
% VA	= (b) / (a) * 100%	49,1%	34,4%
% NVA	= (c) / (a) * 100%	50,9%	65,6%
Value to Waste Ratio	= (b) / (c) * 100%	96%	53%

Furthermore, In order to obtain control phase of Standard Operating Procedure (SOP), the Management must be Changed and Control the Action Plan. In this step the SOP needs to updated to accordance with a new proposed improvement. The initials and signature of new proposed improvement is originally written on paper and published over online systems. Thus, the proposed services have two documents namely the SOP SPPT-PBB Service Requirements and Decree of SOP of this Services which is renewed based on proposed improvements. According the information from correspondence, it was found that the SOP will be stopped until Mayor level. This condition is not required an approval to higher level due to the elements of document still on new process only a media is different to use it. After updating the SOP and Decree of the Service SOP, a Copy of SPPT-PBB has prepare to Change Management over improvement proposals from analysis using Lean Government concept. Here, all level of document copy has been changed (level of employees at all levels) to support another division in Bapenda organization. Furthermore, we use OCAP method to implemented the maintain consistency of improvement achievement. Here, we analyze failures rate to carried out a new process. The various possibilities for new failure rate it should be discussed with entire team to see precautions for each problem. The failure rate control is intended to improve phase in maintained performance. The new SOP is prepared with the team project involved employees in the service process. The involvement of a new owner need input in preparing the new SOP. Here, the new SOP has been changed by management on making of handover team project. Thus, the team project must be processing the SOP in the owner team so that can be run smoothly. Here, the OCAP method is used to ensure the SOP process based on owner team with reduced failure rate process.

4. CONCLUSION

The application of Lean Government with DMAIC and LCM methods to managed and improve performance service process at copy of SPPT-PBB document has been successful. The same characteristics and organizational models based Lean Government can be applied inside agencies, institutions, or government especially over Bapenda, South Tangerang. Here, the DMAIC method is very helpful in developing identification problem, measuring problematic points, analyzing problems, and selecting the proposed improvements. In this study, the Lean Consumption Map used to describe entire Value-Added Time and Non-Value-Added Time (waste) from Customer side and Provider side, respectively. Furthermore, the display information on value flows for administrative processes or public services has been assessed by LCM over documentation process of SPPT-PBB copy in Bapenda, South Tangerang. The new suggestions of improvement in ideal solution for overall analysis has been carried out with FMEA. Here, the early implementers of service process is should be tailored to the organization ability, innovation, and businesses. The demonstration and willingness over organization is improved over Bapenda, South Tangerang in near future. The training result in Lean Government is very important to requires a continuous effort and improve the ability of employees. Here, the Lean Government have respective workplaces to Change the Management and improved proposals from analysis result over Lean Government concept. Thus, the staff of employees must be improved all skill levels to support the new culture inside the organization especially over Bapenda, South Tangerang.

References

1. Gaspersz, V., & Fontana, A. (**2012**). Lean six sigma for manufacturing and service industries: wate elimination and continuous cost reduction . Bogor: Vinchristo Publication.
2. Liker, JK, & Morgan, JM (**2006**). The Toyota Way in Services: The Case of Lean Product Development. Academy of Management Perspectives , 20 (2), 5–20.
3. Syukron, Amin. (**2013**), Six Sigma - Quality for Business Improvement , First Edition, Yogyakarta: PT. Graha Ilmu
4. Wibowo, EW, Syah, TYR, Darmansyah, D., & Pusaka, S. (**2018**). Implementation of Lean Concept in Start-up Engineering Service Provider. Scientific Journal of PPI-UKM Social Sciences and Economics , 5 (1), 7–11
5. Goriwondo, W. M., Mhlanga, S., & Marecha, A. (**2011**). Use of the Value Stream Mapping Tool for Waste Reduction in Manufacturing. Case Study for Bread Manufacturing in Zimbabwe. International Conference on Industrial Engineering and Operations Management Kuala Lumpur, Malaysia.
6. Howell, G. A. (**1999**). What is Lean Construction. Proceedings Seventh Annual Conference of the International Group for Lean Construction.