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**Public Service Innovation Based Digital on The Creation Public Value in Hamparan Perak Village, Deli Serdang Regency**

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**Abstract**

The application of digital technology is expected to improve the quality of public services in government administration, such as administrative services to provide access and information to the public. Hamparan Perak Village in administering its government uses a web-based application which aims to minimize and prevent corruption, increase transparency and can also reduce costs in administering government. This research uses a survey method, and is processed through smart PLS software. The results of this research show that digital-based public service innovation on public value creation produces a t value of 138.059 with a p value of 0.000, and the results of this research show that digital-based public service innovation has a significant positive effect on public value creation, namely > 1.96. Thus, the implementation of an electronic system in Hamparan Perak Village can achieve public value creation by fulfilling the strategic triangle and also relating to the main components that can differentiate the services provided between public organizations and private organizations. Implementation of a web application in Hamparan Perak Village as a solution for optimizing digital-based public services so that public value is strengthened which originates from the level of community satisfaction through public trust and support for the implementation of electronic systems (e-Government) in Hamparan Perak Village.

**Keywords:** innovation public service, web village, digitalitation, public value

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**Introduction**

The development of the times in the era of the industrial revolution 4.0 is oriented to the use of information technology which is an alternative in improving public service. The tendency to improve public servuce to technological innovation is a global phenomenon in the bureaucratic system that aims to get a better quality of life than before. Public services are basically related to very broad aspects of life in the life of the state and society, must be able to keep up with changes in the development of science and technology, especially in the era of the industrial revolution 4.0.

The concept of the industrial revolution 4.0 is currently a very serious challenge being worked on by the government, changes in this era are related to the mechanism for the production of goods and services which are characterized by a number of characteristics, namely the use of the Internet of Things (LOT), big data, automation, robotics, cloud computing, to artificial intelligence. As explained by (Tini, 2019); (Benaddi et al., 2021), answering the challenges in the industrial revolution 4.0 era to realize excellent service, the government must be able to adjust its service delivery by implementing technology-based (digital) public services, because technology, transparency, speed, convenience are the key. on a service will be realized. Then, (Muharam, 2019); (Basyriah et al., 2020) that technology cannot be separated from innovation in government administration which greatly affects the performance of ASN in carrying out public services, so with the industrial revolution 4.0 era, it strongly supports bureaucratic performance so as to facilitate services in the effectiveness of government administration. Thus, public services in the era of the industrial revolution 4.0 are very closely related to the use of technology, both in the management of basic services and administrative services so that there are no space and time limits in the service process provided to the community. This is because the community's greatest demand is quality and high-quality services from public organizations. Thus, the central and regional governments carry out various innovations in electronic public services so that they can reach all remote areas in Indonesia.

The development of information and communication technology in the era of the industrial revolution 4.0 has brought great opportunities and challenges in increasing efficiency, effectiveness, transparency and accountability in government administration, including Hamparan Perak Village, Deli Serdang Regency. (Herizal et al., 2020) Public services tend to be oriented towards information technology innovation in governance and this is a big challenge and opportunity in increasing efficiency, effectiveness, transparency and accountability so as to create quality service quality. This is also in accordance with the Government Regulation of the Republic of Indonesia Number 38 of 2017 concerning Regional Innovation, specifically article 2 paragraph (2) that the target of regional innovation is directed at accelerating the realization of social welfare through: 1) improving public services; 2) community empowerment and participation; and 3) increasing regional competitiveness. Thus, (Ali & Saputra, 2020); (Hajar, 2021) public sector innovation is needed to provide public services that better reflect the availability of public choices that aim to create diversity in service methods. The development of information and communication technology in the era of the industrial revolution 4.0 has brought great opportunities and challenges in increasing efficiency, effectiveness, transparency and accountability in government administration including Hamparan Perak Village. So, the government also creates solutions to meet the demands of the times with the use of new technology that aims to serve the community in terms of facilitating access to information, comfortable services, improving the quality of services that provide opportunities to participate directly. One of the regional governments that has used technology in administering government is Deli Serdang Regency, especially the Hamparan Perak Village.

The creation of digital-based administration of Hamparan Perak village government via the web is one solution in improving the quality of services to the community, but its implementation is still not optimal so the quality of administrative services still needs to be transformed, especially the ability of village officials in managing the village website. So, the program implemented to support this policy is village digital program in Hamparan Perak. Utilization of information and communication technology in the Hamparan Perak Village is still in the early stages of e-government development through the web Hamparan Perak Village, namely:

1. Preparation stage

At this stage, it still focuses on providing a website, to display government information through website services and is one-way, namely only providing information to stakeholders and has not achieved an interactive relationship between the government as a servant and the community as the party being served. At this stage, it is necessary to collect and process various data, information, knowledge and policies for the dissemination of e-Kelurahan applications to all communities in need.

1. Implementation stage

At this stage, it focuses on determining the appropriate technology to be applied to support the digitalitation web village. This is the use of digital technology that can transform government activities aimed at increasing effectiveness, efficiency and service delivery to the public.

1. Maturation stage

At this stage, it still cannot be done optimally, because it requires support from all sources to optimize the e-Kelurahan application, and this is related to the indicators that affect the implementation of village web in Hamparan Perak.

1. Consolidation stage

At this stage, the implementation of village web really requires the readiness of human resources and internal and external support in accordance with the goals that are expected to be achieved through IT-based public services so that it can become a public value creation.

These stages were also carried out in the Sleman Regency Government, based on the results of research conducted by (Nugraha, 2018) namely

1. Mutual agreement to implement e-government, namely believing that with e-government, public services will become more effective and efficient
2. The allocation of various resources (human, financial, manpower, time, information) to develop digital-based services, although not maximized due to limited human resources.
3. Construction of various infrastructures and superstructures to support the creation of a conducive environment for developing e-government.
4. Disseminate the concept of e-government evenly, consistently and thoroughly and become a responsive service and improve government performance.

In an effort to optimize public services in the Hamparan Perak Village, the government designed and created applications that support public services, namely we village. The web village application aims to provide intensive services to the community, business people and the government environment through the kelurahan website so that it can minimize corruption, increase transparency, increase convenience, increase revenue and reduce costs in administering government. Program village digital based web is one of the solutions in improving the quality of service to the community in Hamparan Perak Village, because administrative services are not optimal, resulting in low quality of service in Hamparan Perak Village. (Saputra, 2021); (Benaddi et al., 2021) This digital village program based web is an innovation created to improve public services in the administration of government so that it can realize good governance, so that it can provide and facilitate access for the community in utilizing the digital village program based web and become a success factor in service effectiveness. Thus, innovation in public services through the digital village program based web in Hamparan Perak is a creation that can be implemented so that it has public value as a framework for valuable public services and in accordance with the needs of the community.

Public values are closely related to public policies and performance indicators (public officials/public organizations). (Moore, 2007) argues that public value can be achieved when the decision-making process is based on a relationship that is closely related to the institutional, political and corporate dimensions so that there is an equal and harmonious commitment between the parties involved in achieving common goals. Moore also said that public value refers to the value created by government through service regulations, laws and other actions. Then, (Kassen, 2022); (Muhaimina, 2017) said that public value was not only related to customer satisfaction but also related to enforcing regulations as a policy performance of public organizations, namely the government. Furthermore, (Ribeiro & Shapira, 2020) public value is an important indicator in governance that can produce policy innovations based on the development of science and technology. Thus, public value in public services is in dire need of resources that can provide valuable and useful results and can provide novelties and improvements that are effective and efficient, such as the quality of service to the community.

public value is an important indicator in governance that can produce policy innovations based on the development of science and technology. (Moore, 1995), that the strategic triangle for public sector organizations includes 1) legitimacy and support (legitimacy and support); 2) operational capabilities (operational capabilities); 3) substantively valuable (substantive value). These three strategies must run simultaneously so that they can produce innovative services in accordance with the objectives to be achieved. Strengthening public values in the digital village based web program as an effort to realize technology and information-oriented public services must be able to fulfill aspects of the strategic triangle as the main symbol of public values. So, in the implementation of the program digital village based web in the era of the industrial revolution 4.0, it is expected to improve the quality of public services to the community based on technology and information through the strategic triangle. The strategic triangle has an important role in the formation of public value in the implementation of innovative public services, including the Hamparan Perak web digital village program. Thus the public becomes a benchmark in assessing policy performance in structuring and strengthening government administration in the era of the industrial revolution 4.0, and this is an important reason to analyze digital village based web for public services in Hamparan Perak Village, so that they can find out the implementation of the web digital village program that can facilitate administration of village government in meeting the needs of the community based on public values. Based on the problems expressed, the authors are interested in discussing digital village based web public services for the creation of public value analysis of web digital village as public service inovation in Hamparan Perak Village.

**Research Methods**

This research uses a survey method and data analysis method using Smart PLS software which is run with computer media. (Al et al., 2019) that PLS (Partial Least Square) is a variant-based structural equation analysis (SEM) that can simultaneously test the measurement model as well as test the structural model. The measurement model is used to test the validity and reliability, while the structural model is used to test causality (testing hypotheses with predictive models).

SEM has been widely recognized in business research under various names: causal modeling, causal analysis, or confirmatory factor analysis. Furthermore, (Arbolino et al., 2021) explains that PLS is an analytical method that is soft modeling because it does not assume the data must be with a certain scale measurement, which means the number of samples can be small (under 100 samples). (Li et al., 2019) There are several reasons why PLS is used in a study. In this study, the reasons are: first, PLS (Partial Least Square) is a data analysis method based on the assumption that the sample does not have to be large, that is, the number of samples less than 100 can be analyzed, and the residual distribution. Second, PLS (Partial Least Square) can be used to analyze theories that are still said to be weak, because PLS (Partial Least Square) can be used for predictions. Third, PLS (Partial Least Square) allows logarithms using series ordinary least square (OLS) analysis so that the efficiency of logarithmic calculations is obtained. Fourth, in the PLS approach, it is assumed that all measures of variance can be used to explain public value creation. Thus, this quantitative data analysis is used to determine and measure the effect of digital village based web on the creation of public value in Hamparan Perak Village. This study uses data sourced from primary data and secondary data. (Strauss, 2016) define primary data as data obtained directly from respondents' answers or sources. In this case the data used are questionnaires and interviews. The research instrument is used to measure the variables studied. The research instrument used in this study was a list of questions designed according to the indicators of the variables in the conceptual model and preparation of this instrument using Likert scale, as described in the table below:

Table 1: Answer Options Used in the Questionnaire

|  |  |
| --- | --- |
| **Answer Choice Value** | **Explanation** |
| 1 | Very Dissatisfied |
| 2 | Not Satisfied |
| 3 | Neutral |
| 4 | Satisfied |
| 5 | Very Satisfied |

**Results and Discussion**

The main focus of this research is digital village based web towards strengthening public values, especially the digital village based web program in Hamparan Perak Village. Not only in Indonesia, public service is also a theme in a country that needs to find a solution in the implementation of public service policies, because implementing optimal services is not an easy thing. The implementation of public services is related to the regulation of an area. Basically, the problem of public service can be seen from the non-optimization of excellent service through the flow of the process of providing public services. That to get the excellent service that the community needs, it must go through a long mechanism, namely through the state in which there are two institutions of politicians (politicians) and policy makers (policy makers). The government uses information technology with the aim of improving services to the community, including providing easy access and improving interactions between work units and streamlining government administration, using e-Government which aims to: 1) make it easier for the public to access information and services provided by the government; 2) improve the quality of services by increasing speed, completeness of information and a more efficient process, and 3) providing a forum and opportunity for the public to participate as a form of the democratic process.

Talking about public services cannot be separated from the meaning of helping and providing convenience to the community, either directly or indirectly. Public services carried out in this era of globalization must be able to answer the demands and needs in the life of the state and society and must be able to keep up with changes in the development of science and technology, especially in the era of the industrial revolution 4.0. Government policies regarding service delivery must be adjusted to the interests, desires, expectations and demands of the community in accordance with applicable laws and regulations. (Doramia Lumbanraja, 2020); (Hamirul, 2018) argues that the paradigm shift of public service delivery towards a more transparent, accountable and participatory service pattern turns out to be at the implementation level encountering many obstacles, where these obstacles do not only come from government officials but also from the side of the community who do not fully believe in improvement efforts. what the government is doing. Then (Cordella & Paletti, 2019); (Twizeyimana & Andersson, 2019) that in the provision of public services must be able to answer the challenges for public institutions so that they can support the creation of innovations in government administration that have an impact on government performance in accordance with effective public values.

The presence of new innovations in public services is a result that has value and provides benefits for improving the quality of services to the community effectively and efficiently. The implementation of public services through the electronic system in the Hamparan Perak Village has been carried out in the preparatory stage through the realization of the digital village based web program in 2023. Thus, innovation in the public sector is very much needed in the development of public services with the principle of novelty so that it can provide public value creation that can provide development electronic system in good governance. As explained by (Moore, 2007) that public value can be achieved when the decision-making process is based on a relationship that is closely related to the institutional, political and corporate dimensions so that there is the same and aligned commitment so that it can provide valuable and useful results. Thus, public value becomes a benchmark in the success of the performance of government administration, especially in relation to public services, and in accordance with its objectives, namely to ensure the provision of public services in accordance with the general principles of good governance and corporations and to provide protection and legal certainty.

One of the legal certainty related to the use of digital village based web as technology and information for public services to support the effectiveness and efficiency of government administration, there are 3 (three) dimensions in viewing the implementation of digital village based web, namely the economic dimension, the social dimension and the social dimension. government. As explained by (Dewi et al., 2022), namely

1. Economic dimension, in this dimension that the benefits of e-Government include reducing transaction costs for better capacity with service targets, increasing coverage and quality of service delivery, increasing response capacity in overcoming poverty issues and increasing income.
2. The social dimension, where this dimension has the benefits of e-government which are quite diverse, ranging from job creation in the third sector, improvement of the education and health system, better targeting of government services, capacity building in the provision of safety and security.
3. The dimension of government, which is in this dimension that the benefits of e-government can increase the achievement of good governance in terms of increasing openness, transparency, accountability or democracy compared to conventional government. E-government can also increase public participation so that it can strengthen the existing democratic system.

In addition to the benefits from the economic, social and government dimensions, (Indrajit, 2006) also suggests several benefits from other government dimensions from the implementation of e-government, as follows:

1. Improving the quality of government services to its stakeholders (community, business and industry) especially in terms of effectiveness and efficiency in various fields of state life.
2. Improving transparency, control and accountability of government administration in the context of implementing the concept of good corporate governance.
3. Significantly reduce the total administrative, relation and interaction costs incurred by the government and its stakeholders for the purposes of daily activities.
4. Provide opportunities for the government to obtain new sources of income through its interaction with interested parties.
5. Creating a new community environment that can quickly and accurately respond to various problems faced in line with various global changes and existing trends.
6. Empowering the community and other parties as government partners in the decision-making process of various public policies in an equitable and democratic manner.
7. Creating a community-based information community that is more qualified.

In general, there are three parties involved in the implementation of e-government, namely the government (formal politics), services related to administration (administration) and society (civil society). However, (Cordella & Paletti, 2019); (Sahabudin, 2020) explains that there are two perspectives that explain the implementation of e-government, namely the existence of information technology on digital village based web, namely 1) The rapid development of information technology is one that needs to be considered in implementing e-government, which requires the right strategy to integrate information technology. by creating a process related to effective government performance and services and considering the impact of the application of information technology on the public sector; 2) Changes in the organization with the implementation of e-government, automatically relations and closeness of the government with various parties will be easier. Then, (Velasco, 2020); (Zakariya, 2020) explained that in meeting the needs of the community, the government needs to pay attention to automated systems related to how to configure, adjust/improve administrative processes so as to maximize the quality of services provided to the community. Furthermore, (Heriawati, 2018); (Liang et al., 2019) said that public value is not only related to consumer satisfaction but is also related to enforcing regulations as a policy performance of public organizations, namely the government.

The statement above is an answer to the demand for government organizations to be competent to be the best, because now the information technology used in e-government does not only connect between local governments and the community, but also with other public sectors both nationally and internationally. So, with the concept of public value which refers to a value created by the government through the provision of services based on applicable laws and regulations so as to be able to help an effective and efficient democratic government system by involving community participation. In creating public value, community satisfaction is considered very important, so there are three main keywords that become the key building blocks of a public value, namely results (outcomes), service (service) and trust (trust). Only the community is able to determine whether a value is really the value intended by the community or not. (Twizeyimana & Andersson, 2019); (Arbolino et al., 2021), suggest that there are six public values in electronic-based government, namely:

1. Improving public services

2. Improved administrative efficiency

3. Open government capability

4. Increased ethical behavior and professionalism

5. Increase trust and confidence in the government

6. Increase social value and welfare

The creation of public value in public services is in dire need of resources that can provide valuable and useful results and can provide novelties and improvements that are effective and efficient, such as the quality of service to the community. In accordance with the research results obtained, that the implementation of e-Kelurahan in Hamparan Perak is carried out using a strategic triangle approach, to support the indicators of success factors for digital village based web for public services. Then, (Moore, 2007) explains that public value creation is described as follows:

Figure 1: Strategic Triangle dari public value

Of the three main points, there is an important role for a manager to balance these three aspects. One of the public's goals is to support the mobilization and development of operational capacity by continuously monitoring the performance of the organization. The assessment of a value itself refers to the difference/difference between the benefits felt by the community and the input given by the community to the government. Usually the measurement of a public value can be seen from the identification of the causal factors for example, a service can be measured by satisfaction and perception of fairness. Meanwhile, trust, legitimacy and the level of self-confidence can be measured from the performance of all levels of government. The concept of public value itself becomes a benchmark for performance and policies carried out by public/government institutions in making decisions regarding resource allocation and determining the appropriate system in the delivery of a service. This strategic triangle approach was developed by Moore, including:

1. Legitimacy and Support

The policy of creating public service innovations in utilizing technology and information in the era of the industrial revolution 4.0 is a demand for government organizations to be competent to be the best, because the digital village based web program used in Hamparan Perak Village does not only connect the local government and community but also as a liaison with other sectors. So, in implementing the digital village based web, it requires support from all sectors, especially from the government and the community. The e-kelurahan program is legitimately supported.

2. Operational Capabilities

The process of strengthening public values through digital village based web program for public services is closely related to performance measurement that can result in better governance. Development of operational capacity in the administration of electronic systems in government, it is important to supervise the performance of the organization. This is related to the development of the paradigm of public administration in the local government system, especially in public services. (Arsid et al., 2019); (Benington & Moore, 2011) that in the new paradigm of public administration related to the New Public Service (NPS) that the main role of public administration is to facilitate citizens to articulate and fulfill their interests rather than trying to control or direct them. This opinion was also expressed by (Denhard & Denhardt, 2013) who argued that there were 7 (seven) characters of the New Public Service (NPS) principle, namely:

* 1. The main role of public servants (state civil apparatus/ASN) is to help people fulfill their interests and needs, not to control or direct society in new directions.
  2. Public administrators agree on the idea that the public interest is paramount.
  3. Government policies and programs must be able to meet the needs of the community with collective efforts and collaborative processes to be more effective and responsive.
  4. The public interest is the result of a dialectic of shared values rather than private/individual interests.
  5. Public servants (ASN) must uphold morals, applicable laws and regulations, constitutional law, social values, political norms, professional standards and the interests of the community.
  6. Government organizations and stakeholders work together in processes of collaboration and shared leadership
  7. The public interest should be served by public servants (ASN) and the community together rather than being carried out by private parties who act as if public money is their own money.

Based on these 7 (seven) principles, it can support the implementation of digital village based web program for public service transformation (e-Government) including by Hamparan Perak Village as a follow-up to the implementation of the electronic system. In this case, it is very important to have the readiness of the government and the community or other parties in the implementation of digital village based web program in Hamparan Perak Village, because the task of providing public services is expected to result in strengthening public values in the programs that are run. As stated by (Arsid et al., 2019); (Kusnadi & Baihaqi, 2020) that strengthening public value can be created if the services produced by public sector organizations meet the needs of the population, so that the higher the community satisfaction, the greater the public value created. While (Moore, 1995) states that public organizations can create public value if the benefits received by the community are greater than the costs incurred, including the use of legal aspects that force service users to comply with statutory provisions. Thus, public service organizations must be able to work seriously and strive to provide good and correct services so that the demands and needs of the community can be responded to and followed up properly by paying attention to things that can have a negative impact in creating strengthening public value in society, digital village based web program for public service delivery, including in Hamparan Perak Village.

3. Substantively valuable

The paradigm shift in government management from centralized to decentralized is the beginning of the process of the birth of public services that are in accordance with principles, principles and standards so that they can realize quality services and the realization of good governance. Public services provided by the state civil apparatus (ASN) as state servants aimed at the welfare of the community, the government as a public organization is increasingly required to create quality services that encourage and increase economic activity. Where this goal is one of the measures in improving public performance and accountability in carrying out public services, as stated by (Cahyadi & Khairil, 2024); (Lindsay et al., 2014), suggests that public accountability in public services has a close relationship, because the issue of accountability is a problem that must be the main concern for create public services. Then, (Hajar, 2017); (Kamaluddin, 2019) that in public accountability shows how much the policies and activities of public organizations are subject to political officials elected by the people, where the assumption is that these political officials are chosen by the people, because accountability is one of the indicators for measuring quality public services.

The provision of services provided by the government as a state administrator is one of the efforts to meet the needs of the community, as well as to face challenges in the era of the industrial revolution 4.0 as an era of sophisticated technology. The implementation of public services in the 4.0 era has become a strategic issue, because it is related to the interaction between the government and its people. Based on Law no. 25 of 2009 concerning Public Services, explains that public service is an activity or a series of activities in the context of fulfilling service needs in accordance with laws and regulations for every citizen and resident of goods, services or administrative services provided by public service providers.

The development of technology and information in the era of the industrial revolution 4.0 is increasingly rapid and fast, which has had an impact and has an impact on government administration, especially in the public service system through the internet network called e-government. The concept of e-government is defined as the use of information and telecommunications technology for the administration of efficient and effective government administration so as to provide convenience and transparent services for the community. This digital village based web for public service that uses the concept of e-government is also carried out in the Hamparan Perak Village as an effort to provide convenience for the community to administer the administration or documents needed by the people of Hamparan Perak in accordance with the Mayor's Government policy instructions concerning the Implementation of the Electronic System.

The implementation of digital village based web for public services in Hamparan Perak Village has not been carried out optimally, because some people have used e-Kelurahan and received benefits from this program, namely the ease of administration and documents needed. The implementation of digital village based web is strongly supported by various parties, apart from the government as well as from the community and other parties so the realization of the preparation and manufacture of digital village based web is also supported by funding sources from the government, namely Village funds.

The digital village based web program in Hamparan Perak is a solution to minimize public service problems, and becomes a transformation for the government to interact with communities related to the management process that realizes good and correct governance. In accordance with the results of the study, (Hajar et al., 2018) in realizing good governance must be supported by the resources owned by the region, including the components involved in governance so as to produce good and quality performance. Then, (Supriyanto, 2016) stated that there are 2 (two) management processes in government, namely 1) Internal regarding the application of information technology for automation, cooperation, integration between government agencies as a tool to assist in the decision-making process; 2) External as a service that provides information through internet media. Thus, the creation of digital village based web in Hamparan Perak Village is one of the service innovation products that support governance through an electronic system oriented to the use of technology and information.

The development of technology and information is the main foundation in the implementation of electronic systems that aim to provide excellent service to the community. Thus, the support and availability of resources play an important role in optimizing online public services, especially in the Hamparan Perak Village. Governance in the era of the industrial revolution 4.0 is a challenge for good and correct governance, so careful planning regarding the implementation of electronic systems in government is needed which includes government support, community support, support from other parties, availability of human resources and optimal financing. Efforts to answer the challenges of digital village based web for public services are adjusted to the use of information technology which is an alternative in public services as a change or revitalization of the local government order. Thus, it can be concluded that in using the digital village based web, not only support is needed but also careful planning related to planning for the provision or recruiting of reliable human resources and facilities that can optimally support the maximum utilization of online services. The creation of digital village based web in Hamparan Perak Village is a solution that can provide excellent service to the community and can also provide solutions for improving service quality in Hamparan Perak Village.

Tabel 2. Measurement Model

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Construct** | **Item** | **Loadings** | **AVE** | **CR** |
| Digital Village based Web | X1 | 0,986 | 0.821 | 0.982 |
| X2 | 0,875 |
|  | X3 | 0,894 |
|  | X4 | 0,857 |
|  | X5 | 0,889 |
|  | X6 | 0,893 |
|  | X7 | 0,877 |
|  | X8 | 0,947 |
|  | X9 | 0,930 |
|  | X10 | 0,931 |
|  | X11 | 0,941 |
|  | X12 | 0,867 |
|  | X13 | 0,883 |
| Towards Public Value | Y1 | 0,847 | 0.695 | 0.960 |
|  | Y2 | 0,814 |
|  | Y3 | 0,843 |
|  | Y4 | 0,859 |
|  | Y5 | 0,838 |
|  | Y6 | 0,842 |
|  | Y7 | 0,864 |
|  | Y8 | 0,826 |
|  | Y9 | 0,830 |
|  | Y10 | 0,794 |
|  | Y11 | 0,758 |
|  | Y12 | 0,883 |

Source: Processed Data, 2024

The loadings, AVE, and CR indicators shown in the table above explain that all loadings indicators used in this study have exceeded the recommended value of 0.708 (Hair, 2017). In addition, the five constructs have met the minimum values for CR and AVE, where all CR values are greater than 0.7 and all AVE values are greater than 0.5. It was concluded that the construct of this study had met the requirements of convergent reliability and validity. Next is to test the discriminant validity value of the construct. The value of the indicator itself must be greater than that of other constructs in the model, and the average variance shared between each construction and its size must be greater than the variance shared between other constructs (Fornell & Larcker in Ramayah, 2018). The table below shows the results of the discriminant validity of the research results.

Tabel 3: Discriminant Validity menggunakan Fornell and Lacker Criterion

|  |  |  |
| --- | --- | --- |
|  | Public Value | Digital Village based web |
| Public Value | 0,834 |  |
| Digital Village based web | 0,960 | 0,906 |

Source: Processed data, 2024

Tabel 4: Cross-Loadings

|  |  |  |
| --- | --- | --- |
|  | **Public Value** | **Digital Village based web** |
| ﻿X1 | 0,938 | **0,986** |
| X2 | 0,831 | **0,875** |
| X3 | 0,873 | **0,894** |
| X4 | 0,843 | **0,857** |
| X5 | 0,836 | **0,889** |
| X6 | 0,869 | **0,893** |
| X7 | 0,892 | **0,877** |
| X8 | 0,900 | **0,947** |
| X9 | 0,873 | **0,930** |
| X10 | 0,880 | **0,931** |
| X11 | 0,887 | **0,941** |
| X12 | 0,819 | **0,867** |
| X13 | 0,852 | **0,883** |
| Y1 | **0,847** | 0,805 |
| Y2 | **0,814** | 0,813 |
| Y3 | **0,843** | 0,804 |
| Y4 | **0,859** | 0,816 |
| Y5 | **0,838** | 0,814 |
| Y6 | **0,842** | 0,798 |
| Y7 | **0,864** | 0,826 |
| Y8 | **0,826** | 0,828 |
| Y9 | **0,830** | 0,788 |
| Y10 | **0,794** | 0,780 |
| Y11 | **0,758** | 0,681 |
| Y12 | **0,883** | 0,835 |

Source: Processed data, 2024

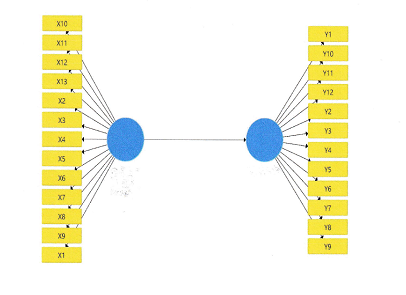
As shown in the table above, all cross-loadings indicators are larger than other constructs. This indicates that discriminant validity has been achieved because the constructs that have been prepared are different from each other. The third method to assess discriminant validity is to use the HTMT technique developed by Henseler, Ringle, and Sarstedt (Ramayah, 2018). As shown in the following table, all values have met the HTMT criteria. In addition, the results of HTMT interference show that the confidence interval does not show a number more than 1 in any of the constructs (Hanseler in Ramayah, 2018). It can be concluded that this research instrument has met the discriminant validity requirements.

Tabel 5: HTMT Criterion

|  |  |
| --- | --- |
|  | Public Value Creation |
| Digital Village based Web | 0,987 |

Source: Processed data, 2024

The following is the model obtained from the analysis using SmartPLS 3.2.9.



Digital Village Based Web Public Value

**Structural Model Evaluation**

Before evaluating a structural model, it is important to ensure that there are no collinearity problems in the structural model. According to Kock and Lynn in (Ramayah, 2018), even if the criteria for discriminant validity are met, the problem of lateral collinearity sometimes causes the research results to be wrong. According to (Hair, 2017) the size of the collenarity assessment is less than 5 and 3.3. The table below shows the results of the collinearity test.

**Table 6: Test Coefficient of Determination**

|  |  |
| --- | --- |
|  | R Square |
| Public Value | 0,921 |

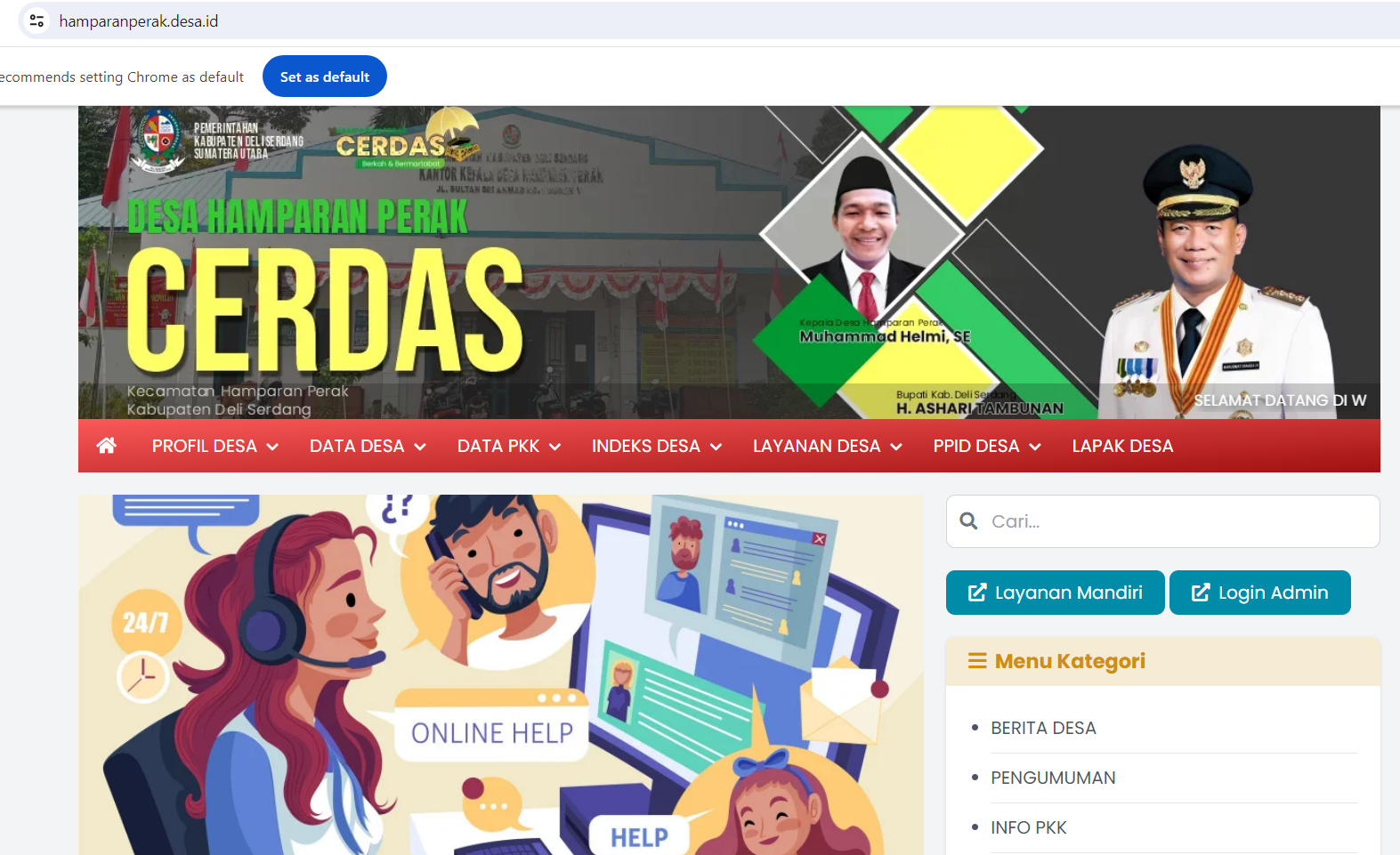
From the table above, it can be observed that the test of the coefficient of determination of the forming variable or which affects the dependent variable has an R-square value of 0.921. These results can be interpreted that the ability of digital village based web for public service variables can affect the public value variable very large with a value of 92.1% and the rest is influenced by other variables. Next is to test the research hypothesis. The results of hypothesis testing in this study can be seen in the table below.

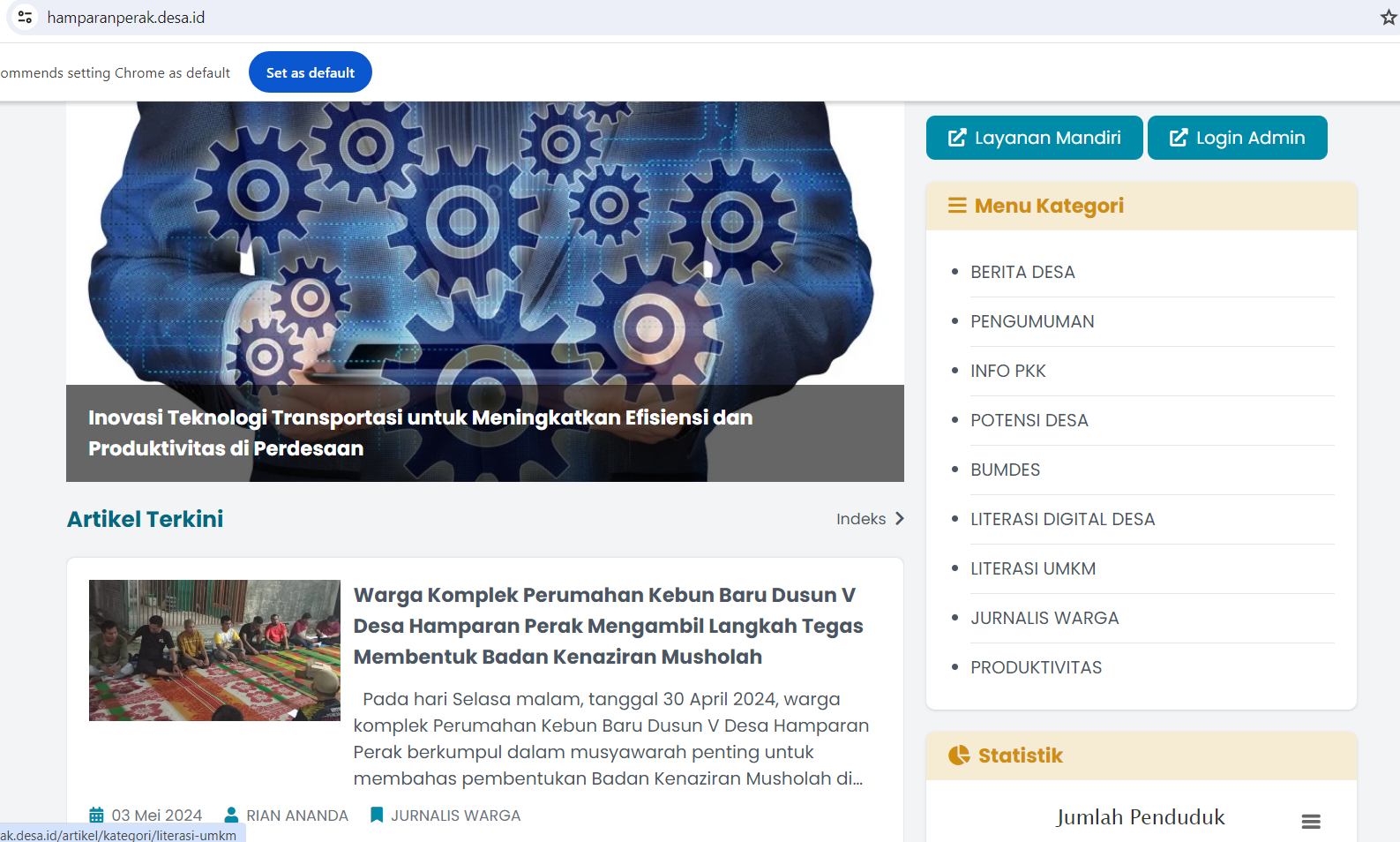
**Table 7: Hypothesis Testing**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **No** | **Influence** | **Path Coefficient** | **t-statistik** | ***p-value*** |
| H0 | Digital Village Based Web > Public Value Creation | 0.960 | 138,059 | 0,000 |

Source: Processed data, 2024

Implementation of digital village based web for public services in the Hamparan Perak Village an effort to support the implementation of an electronic system in Deli Serdang Regency so that it can provide convenience for the community in administrative management, but in Hamparan Perak Village, special assistance must be provided for the community in utilizing digital village based web. The limited ability of the community to utilize the web application is one of the obstacles that must be faced by the government in implementing an electronic system in government administration.





Source: <https://hamparanperak.desa.id/>

In accordance with the above opinion (Bryson et al., 2017) that changes to the theory of public value and in particular to the strategic triangle framework, which aims to adapt it to a developing world where policy makers and managers in the public, private, voluntary and informally separately and together can create public value. Then, (Ribeiro & Shapira, 2020); (Mangani & Bassi, 2019) also argue that public value is an important indicator in governance that can produce policy innovations based on the development of science and technology. Thus, the application developed for the implementation of the electronic system in the Hamparan Perak Village, namely digital village, is a breakthrough in developing science and maximizing administrative services.

The results of this study are not comparable to those produced by (Cordella & Paletti, 2019); (Kusnadi & Baihaqi, 2020) from the results of his research that an e-government application called GaaP, can have an impact on government performance implemented on public values ​​which is a challenge for public institutions so that the modularity of platform and ecosystem configurations is different. supporting public institutions need to be organized to support effective public value creation and service production cooperation with external actors, to deliver better public value. The findings suggest that the orchestration of the characteristics of the GaaP configuration can allow the Italian public administration to deliver public value, but also that, if GaaP is not properly regulated, it can limit the strengthening of public value. Likewise with the results of research produced by (Liang et al., 2019) that the assimilation of the e-Government cloud which has implications for the creation of public value, through the stages of popularization and adoption as part of e-Government. This e-government cloud application is a model that is expected to create public value based on the theory of information technology assimilation. The results obtained are 1) directly the existence of operational public value; 2) indirectly on strategic public value through operational public value, this strategy also has a positive impact on understanding of e-Government cloud assimilation. So, it is hoped that digital village based web in Hamparan Perak Village will be one of the e-government developments carried out in structuring management systems and work processes in a government environment that includes two interrelated activities, namely:

* 1. Electronic data processing, information management, management systems and work processes
  2. Utilization of advances in information technology so that public services can be accessed easily and cheaply by people throughout the country.

Thus, based on the results of the tests conducted, it is concluded that digital village based web for public services have a significant positive effect on the creation of public value, namely > 1.96. The results of this study are also the same as those produced by (Paskaleva & Cooper, 2018) that the implementation of e-gov has a very positive effect on public value (β = 0.384, p < .01). Thus, the implementation of the electronic system in the Hamparan Perak Village, can achieve public value creation by fulfilling the strategic triangle and also relating to the main components that can distinguish the services provided between public organizations and private organizations. However, there are still some obstacles in implementing the digital village based web program in Hamparan Perak, because there are still people who are not willing to accept and use digital village based web as an administrative service program in Hamparan Perak Village, even though digital village based web is supported by legitimate legitimacy. However, not only legitimacy is needed, but also several aspects that must be met, namely the readiness of resources, both human and financial resources. The main aspect that needs to be addressed in the application of digital village based web in achieving strengthening public values ​​is the ability of human resources to use the electronic system correctly and provide a good understanding to the public about the usefulness of digital village based web program for public service.

**Conclusion**

Digital village based web for public services are the biggest challenge for the Hamparan Perak Village, because there is still much that must be addressed and improved by the government to implement digital village based web as government administration through an electronic system (e-government) so that it requires optimal time and readiness from the government and the community, especially the capacity of human resources (village employees). Public value is created by the implementation of public services carried out by public organizations, especially the government based on applicable laws and regulations. E-government services such as those implemented in Hamparan Perak Village, namely the digital village based web as a solution in optimizing digital village based web for public services so that they can generate public value strengthening that comes from the level of community satisfaction through public trust and support for the implementation of electronic systems (e-government) in Hamparan Perak Village. The application of the digital village based web is not only a legitimacy aspect that is needed as support from the government, but also support from the community related to trust in the services provided so as to result in strengthening public values. The main aspect that needs to be addressed in the application of digital village based web in achieving strengthening public values ​​is the ability of human resources (village officials) to use the electronic system correctly and provide a good understanding to the public about the usefulness of digital village based web. So, there is a need for socialization to the community and special training for Kelurahan officials in charge of implementing digital village based web as inovation public service.

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