

## Do Information's Richness of Provincial Government Websites Will Support Regional Economics in Indonesia?

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**Abstract.** The aim of the study are to analyze whether in every local government website provides transparent information about the activities of the local government, to analyze whether there is a relationship between the transparency of information available on the website connected with the human development index, the open unemployment rate, and percentage of poor people and to analyze differences in the transparency of existing government websites in Java with those outside of Java. Sample of this research is 33 provinces in Indonesia. The model analysis utilized is linear regression and independent sample t test. The result of this research points out that there is no relationship between human development index, open unemployment, and percentage of poor people to local government website's transparency. There is a difference average for the index of the website among province at java with outer Java. DKI Jakarta is the best province for providing information in the website.

**Keywords:** Index Feature, Financial Index, government website

### 1. Introduction

The government is obliged to develop and utilize technological advances to improve the ability to manage regional finance, and distribute financial information to the public service area to follow up the implementation of the development process in line with the principles of good governance. As an example of utilization of information technology in the form of central government's official website and local governments, environmental developments in the use of government websites to support e-Government is increasing from year to year. But the increase that occurred just in the stage of quantity, in terms of the number of websites increases, but the quality has not been too much attention. Quality of Service (QoS) for the specific domain of e-Government has been investigated (Magoutas, 2007), where has been defined a specific *Quality of e-Government Service* (QeGS) ontology. The front-side is the *government-to-citizen* (G2C) domain, where web publishing is used to give information to citizens, to report news regarding tax procedures, laws as well as local information about events; citizens browse the web searching for specific information but have to know in advance the government *context* where the information is located. Following National guidelines for the e-Government support in small municipalities (Sorrentino and Ferro, 2008), the Italian Regione Veneto *myPortal* project, launched in 2003, addressed this field by ordering local (province, comuni, comunità montane) governments free use of a common portal platform.

Based on the background of the above problems, the authors formulate the problem as follows:

- Whether in any government website provides transparent information about the activities of these governments?
- Is there a relationship between the transparency of information in the local government website with the human development index, the open unemployment rate, and percentage of poor people?
- Is there a difference transparency of government websites that exist on the island of Java to those outside of Java?

These research limit only at the provincial level governments, except the province of Gorontalo because the local government website site is not accessible. The data used in this study is data in 2011.

## 2. Theoretical Framework

Website-based technology is required as part of e-government. It is also the focus and point of contact of a new electronic interface with the citizens that the government created under the e-government. Governments with an authoritarian or paternalistic nature use web-based technologies to control access to information for the purpose of monitoring citizen behavior to tighten political control of the regime (Welch and Wong 1998). They also find that economic openness is not significant for website openness (Welch and Wong, 2004). Haldenwang argue that e-government is not neutral in terms of governance. It connects better with result and customer-oriented public management than with traditional forms of bureaucratic administration (Haldenwang, 2004).

E-Government became very popular in line with the development of information and communication technology (ICT). In Indonesia, this topic becomes popular after being linked with regional autonomy. The basis of the implementation of e-government is a Presidential Instruction No. 3 of 2003 on National Policy and Strategy Development of e-government. According Harijadi and Satriya (2000), beyond the commitment to e-government, the government of Indonesia is still facing a number of challenges which may hamper the implementation of e-government, among them are (1) insufficiency and high capacity telecommunications infrastructure, (2) The issue of funding sustainability of various initiatives on e-government, (3) Lack of coordination and integration, and (4) the process of finalizing a lot of various laws and regulations regarding e-Commerce and e-government. Silfianti (2010) find that a rating for local governments outside of Java suggests that the provincial websites more dominant than the city or county and on the island of Java, the website of the district and the city is more dominant than the provincial web. The governance, both by Central and Regional promotes and facilitates development in order to achieve sufficient economic growth to improve the welfare (Silfianti, W. Henny Medyawati, Ruddy J. Suhatrik and Budi Hermana, 2011). This suggests that governments are increasingly aware of the utilization of technological progress in realizing the creation of good governance. Silfianti W. and R.J Suhatrik (2011) find that the traffic does not depend on information richness and number of web features. There were differences in information richness and real traffic rank among the provinces outside Java with Java.

## 3. Methodology

General data analyzed in this study is the data sourced from the provincial government website in Indonesia, all of which amounted to 33 provinces, which are also the same provinces analyzed by Silfianti, Widya and R.J. Suhatrik (2011). The methodology of web popularity adopted from Silfianti (2010) whose measure the popularity and wealth of content on the 181 local government websites in Indonesia. However, since the Gorontalo provincial government websites are not accessible then the data is examined only amounted to 32 provinces in Indonesia. Special data analyzed in this study are data derived from the information level of human development, the information rate of open unemployment and poverty percentage of each province are available from the Central Statistics Bureau (BPS). Observation methods implemented by making observations on the consolidated level of open unemployment, reports the level of human development, poverty and the percentage issued by the BPS website as well as 32 provincial-level governments in Indonesia. In this study, the variables used are:

- Independent variable (variable X), i.e. the variables that affect the financial index or an index feature that is the human development index, the open unemployment rate, and percentage of poverty
- Dependent variable (variable Y), i.e. a variable which is the result of attachment to the X variables that affect the variable Y.
- Group 1, i.e. for the province was on the island of Java.
- Group 2, which is to provinces outside of Java

Financial transparency will be measured by using Internet Financial Disclosure Index (IFDI) covering aspects of web design and web content. The instrument used is an adaptation of the Hanafi, Karim, and Ibrahim (2009)

#### 4. 4. Result and Discussion

At the local government website there are two important information that must be considered, namely information about the features / services and information about local finances. Information about the features contain the profile, history, and circumstances of the province, while the financial information contained on the report as well as information about local finances. Components that exist in the index feature of News/ News, Contact Local Government via e-mail, Guest Book, Local Government Activities/Press Release, Vision and Mission Local Government, Regional Profile, Local History, Local Government Structure Organization, Regional Promotion, FAQs, E -Procurement, Search, External Links, Regional Map, Site Map (Site Map), Forums, Polls, Other. If the local government website is no such information, for any given information each value of 1, in order to obtain the formula:

$$\text{Feature Index} = \frac{\text{The amount of information available on the website}}{\text{Number of data}}$$

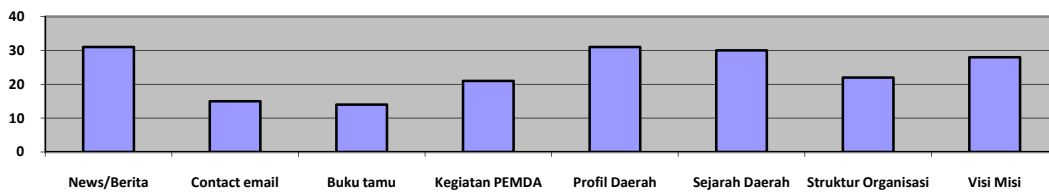


Fig. 1 Graph the amount of information on the Index Feature (1)

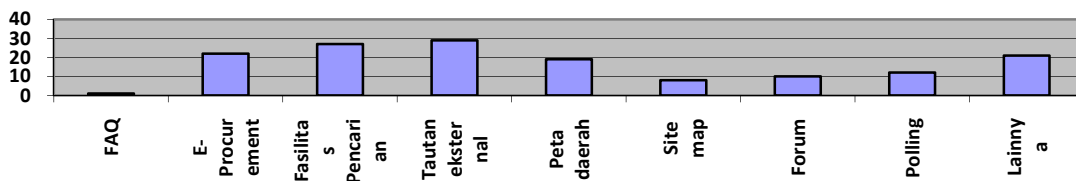


Fig. 2 Graph of the amount of information on the Index Feature (2)

Based on fig. 1 and 2, it is known that the information submitted is at most news, profile area, and regional promotion, while at least the information conveyed is a FAQ.

The components that exist on the financial index that is the Regional Balance, Budget Report, Budget Realization Report Local Government, Statement of Cash Flows, News about the Regional Finance, News / Information about the Regional Corporate Financial Statements (enterprises), Financial Statements Regionally Owned Enterprises, Opening balance Sheets, an inventory of goods owned by local/Asset, Planning Documents, Regulatory Documents, Regional Deconcentration Fund Information, Information Assistance, Tax Information and Retribution, Diversion Financial News. If the local government website is any such information, then the value for given information is 1. The calculation used the same formula of Feature Index.

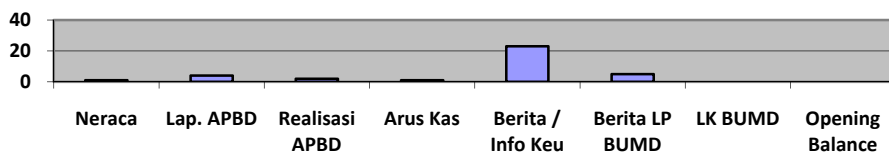


Fig. 3 Graph of the amount of information on Financial Index (1)

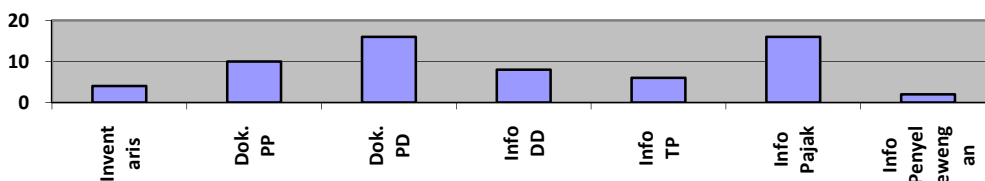


Fig. 4 Graph of the amount of information on Financial Index (2)

Based on Fig. 3 and Fig. 4 show that the information submitted is at most news / information about the financial area, while the least financial statements presented are public enterprises and opening balance sheet. Here is a table that describes the feature size of the index, financial index:

Tabel 1. Feature Index and Financial Index Per Province

Province	Feature Index	Financial Index	Province	Feature Index	Financial Index
Aceh	0,72	0,20	Bali	0,67	0,13
Sumatera Utara	0,56	0,20	Nusa Tenggara Barat	0,50	0,27
Sumatera Barat	0,61	0,40	Nusa Tenggara Timur	0,72	0,33
Riau	0,61	0,27	Kalimantan Barat	0,61	0,13
Jambi	0,67	0,60	Kalimantan Tengah	0,72	0,13
Sumatera Selatan	0,67	0,13	Kalimantan Selatan	0,78	0,20
Bengkulu	0,56	0	Kalimantan Timur	0,67	0,33
Lampung	0,72	0,13	Sulawesi Utara	0,67	0,07
Bangka Belitung	0,67	0,20	Sulawesi Tengah	0,33	0
Kepulauan Riau	0,72	0,27	Sulawesi Selatan	0,61	0,07
DKI Jakarta	0,83	0,80	Sulawesi Tenggara	0,83	0,07
Jawa Barat	0,78	0,40	Sulawesi Barat	0,44	0,13
Jawa Tengah	0,67	0,07	Maluku	0,78	0
D.I. Yogyakarta	0,56	0,13	Maluku Utara	0,50	0,07
Jawa Timur	0,67	0,33	Papua Barat	0,61	0
Banten	0,67	0,27	Papua	0,56	0,20

Based on the results of data processing, the relationship between the variables of financial indexes and index features with the human development index respectively 0.325 and 0.277 which means the relationship is very weak and unidirectional. The relationship between the variables of financial indexes and index features with the open unemployment rate of 0.340 which means the relationship is very weak and unidirectional. The relationship between the index variable features and financial indices with the percentage of poor people respectively -0.369 and -0.386 which means the relationship is very weak and not unidirectional. Based on the results of data processing with SPSS then the correlation coefficient obtained:

Tabel 2. Correlation Coefficient

No	Variable	Correlation
1	Feature Index – Human Development Index	0,325
2	Feature Index – Open Unemployment Rate	0,340
3	Feature Index - percentage of poor people	(0,369)
4	Financial Index – Human Development Index	0,277
5	Financial Index – Open Unemployment Rate	0,271
6	Financial Index - percentage of poor people	(0,386)

The results of processing the data showed that there was no significant effect between the human development index, the rate of open unemployment, and poor percentage either partially or simultaneously to the index or financial index feature. The coefficient of determination of 21.3% and 18.8% indicated that the human development index, the rate of open unemployment, as well as the percentage of poor people only affect the index of features and financial indices respectively of 21.3% and 18.8% only, the rest is influenced by other factors not tested in this study. These result in line with Silfianti et.al (2011) that no significant relationship between the parameters of the website with regional economic indicators and support Welch and Wong (2004) that economic openness is not significant for website openness.

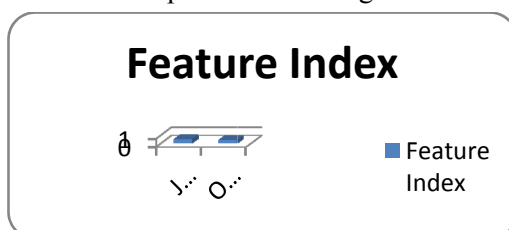


Fig.5. Comparison of Feature Index



Fig. 6 Financial Index

Independent Sample T Test used to determine whether or not the average difference between the index of features, financial index, human development index, unemployment rate, percentage of poor provinces in the island of Java with the provinces outside Java. Calculation results show that t count of 2.161, so the t count (2.161) > t-table (2.042). Based on the results of data processing as shown in fig. 5 and fig 6, can be concluded that there was a significant difference between the average index of existing features of the province on the island of Java with the index feature provinces outside Java. The result is in line with Silfianti et.al (2011), that there is an indication of the digital divide between regions in Java islands with the regions outside of Java. The results also support Silfianti W. and R.J. Suhatri(2011) that there were differences in information richness and real traffic rank among the provinces outside Java with Java.

## 5. Acknowledgment

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