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Management of the Online Single Submission–Risk-Based Approach (OSS-RBA) System at the Investment and Integrated One-Stop Service Office of North Minahasa Regency

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ABSTRACT

Effective and efficient business licensing services are a primary requirement for improving the investment climate, especially for Micro, Small, and Medium Enterprises (MSMEs). The Indonesian government has implemented the Online Single Submission – Risk Based Approach (OSS-RBA) as a public service digitalization strategy aimed at simplifying the licensing process and enhancing legal certainty. However, the implementation of this system at the local level, including at the Investment and Integrated One-Stop Service Office (DPMPTSP) of North Minahasa Regency, faces several challenges such as low public understanding, limited infrastructure, and inadequate human resource competencies. This study aims to analyze the management of OSS-RBA in MSME licensing services at the DPMPTSP of North Minahasa Regency and to identify its supporting and inhibiting factors. The method used is a qualitative approach with data collection techniques including observation, in-depth interviews, and documentation. Informants consist of DPMPTSP officials and business actors who are OSS-RBA users. The results indicate that although OSS-RBA provides convenience for MSMEs in obtaining a Business Identification Number (NIB) and shortens service time, its implementation is not yet optimal. Inhibiting factors include insufficient socialization, limited supporting facilities such as

internet connectivity, and minimal personnel training. Meanwhile, supporting factors are the existence of clear regulations and the local government's bureaucratic reform spirit. The discussion emphasizes the importance of system integration, capacity building for human resources, and the necessity of continuous monitoring and evaluation of the OSS-RBA system. In conclusion, OSS-RBA management at DPMPTSP North Minahasa is in a developmental stage but requires improvements in technical, structural, and HR aspects to become an effective instrument in public service and MSME empowerment.

Keywords: DPMPTSP, licensing digitalization, MSMEs, OSS-RBA, public service management

INTRODUCTION

Over the past decade, governments worldwide have embraced digital platforms to streamline bureaucratic processes, enhance transparency, and promote economic growth. In Indonesia, the OSS system, launched under Government Regulation No. 24 of 2018, consolidated business registration and permit applications into a single, integrated electronic portal (Perpres No. 95, 2018). However, its one-size-fits-all design proved inefficient for higher-risk sectors. Consequently, Government Regulation No. 5 of 2021 introduced a Risk-Based Approach (RBA), classifying businesses into four risk levels—low, medium-low, medium-high, and high—based on KBLI codes, investment value, workforce size, and environmental impact potential (PP No. 5/2021, Art. 12–15). MSMEs (low-risk) could automatically obtain an NIB within minutes, whereas medium- and high-risk enterprises required additional certificates and multi-agency verifications. As the primary implementer at the district level, DPMPTSP North Minahasa formalized OSS-RBA adoption on November 23, 2021, under Regent's Decree No. 38 of 2021. This local regulation established service standards, mandating a maximum of 10 minutes to issue an NIB for low-risk MSMEs, contingent on stable connectivity and complete documentation (DPMPTSP Internal Reports, 2023). Despite these measures, North Minahasa's geographic heterogeneity—spanning urban centers and remote highland villages—poses connectivity challenges. Prior studies in Denpasar, Aceh Tamiang, and Merauke highlight recurring obstacles: limited digital literacy, infrastructure gaps, and bureaucratic resistance (Sihombing & Sudiarawan, 2022; Syarif, Hartono, & Isnaini, 2023; Khoriyatun, 2025). Hence, a focused examination of OSS-RBA management at DPMPTSP North Minahasa is warranted to understand local enablers and barriers.

METHOD

This study employs a qualitative phenomenological design to explore stakeholders' lived experiences with OSS-RBA at DPMPTSP North Minahasa (Creswell & Poth, 2018; Sugiyono, 2020).

The research was conducted from August to October 2024 at DPMPTSP headquarters in Airmadidi, North Minahasa Regency, covering both urban and remote sub-district contexts. Data sources included:

1. Primary Data
   a. In-Depth Interviews: Eight purposively selected informants—Head of DPMPTSP (Eselon II), Secretary (Eselon III), Head of Licensing Division (Eselon III), two Section Heads (Eselon IV), and three MSME entrepreneurs—provided insights on OSS-RBA workflows, facilitators, and impediments. Each interview (60–90 minutes) was conducted in Bahasa Indonesia, audio-recorded, and transcribed for thematic analysis.
   b. Non-Participant Observation: Forty hours of observation at the OSS service counter documented service routines, ICT infrastructure status, staff–client interactions, and system downtimes. A structured observation checklist captured variables such as average service time, technology usage, and procedural flow.
2. Secondary Data:
   a. Regulatory Documents: Government Regulation No. 5/2021 (OSS-RBA), Government Regulation No. 24/2018 initial OSS, Presidential Regulation No. 95/2018 (SPBE), and Regent's Decree No. 38/2021 on service standards.
   b. Institutional Reports: DPMPTSP's internal performance reports (2022–2023), staff training records, organizational charts, and complaint logs.
   c. Academic Literature: Peer-reviewed articles and policy papers on e-governance, digital public service, and OSS-RBA case studies

Data Analysis

Data were analyzed using Miles and Huberman's interactive model—data reduction, data display, and conclusion drawing/verification (Miles & Huberman, 1994). Interview transcripts and observation notes were coded inductively to generate categories (e.g., "workflow efficiency," "infrastructure constraint," "staff competency," "interagency coordination," "public awareness"). Codes were organized into thematic matrices contrasting facilitators and barriers across regulatory, technological, organizational, and community dimensions. Triangulation of interview, observation, and document sources bolstered credibility. Member-checking with two key informants (Head of DPMPTSP and Head of Licensing Division) validated emergent themes. Trustworthiness was ensured through prolonged engagement, persistent observation, audit trails, and reflexive memos (Lincoln & Guba, 1985).

RESULTS AND DISCUSSION

Institutional Profile of DPMPTSP North Minahasa

Established under Regent's Decree No. 89 of 2016, DPMPTSP North Minahasa serves as the integrated investment and licensing hub. Its organizational structure comprises five divisions overseen by the Head (Eselon II):

- Secretary (Eselon III), overseeing General Affairs & HR and Planning & Finance Sub-Divisions.
- Investment Promotion, Data Processing & Information Systems Division (Eselon III), with Promotion, Verification & Data Processing, and Information Systems Sections.
- Investment Control & Supervision Division (Eselon III), comprising Monitoring, Guidance, and Supervision Sections.
- Licensing & Non-Licensing Services Division (Eselon III), containing two Licensing & Non-Licensing Sections and the Complaints & Information Section.

As of December 2022, the agency employed 35 personnel—30 permanent civil servants and 5 contract staff—with educational profiles: 40% Bachelor's degrees, 35% Master's degrees, and 25% Diplomas. Rank distribution was 60% in the middle ranks (III/a–III/c) and 40% in senior ranks (IV/a–IV/b). Only 40% of staff had completed OSS-RBA technical training by late 2023, indicating a digital competency gap (Staff Training Records, 2023).

OSS-RBA Workflow for MSME Licensing

The OSS-RBA process for MSMEs (low-risk category) involves five main stages:

1. Online Registration
   Entrepreneurs access the OSS portal, provide NIK or passport for foreigners, input detailed business information (KBLI code, location, capital, workforce, building status), and upload required documents.
2. Preliminary Validation
   The OSS system auto-validates NIK against national databases and KBLI risk assignment. For low-risk MSMEs, a pending NIB is generated if no discrepancies exist.
3. Internal Verification
   DPMPTSP's Verification & Data Processing Section reviews submissions. If data inputs are accurate, the OSS portal issues an NIB within 5–10 minutes. In 2022, the median issuance time was 6 minutes (±1.2), which improved to 5.5 minutes (±1.0) in 2023 due to increased staff familiarity (Internal Performance Report, 2023). Medium- and high-risk categories require manual cross-verification with partner agencies (PUPR, Environmental, Food & Drug) before certificate issuance.
4. NIB and Certificate Issuance
   For low-risk MSMEs, the NIB serves as the legal license, SNI compliance declaration, and Halal assurance statement (if applicable, PP No. 5/2021, Art. 12[2]). Medium-low risk MSMEs upload a self-declaration Certificate of Standard; medium-high risk entities obtain a certificate from designated agencies; high-risk enterprises secure pre-operational permits (AMDAL, SLF, etc.).

5. Monitoring & Complaint Handling
   Applicants track status in real time via OSS dashboards indicating stages—"Registration," "Verification," "Pending Documents," "NIB Issued," and "Completed." The Complaints & Information Section resolves inquiries within an average of 48 hours (target: 72 hours) (Complaint Log, 2023).

Table 1. Quantitative Outcomes (2022–2023)

Indicator	2022	2023	Target (2023)	Achievement (%)
NIBs Issued to Low-Risk MSMEs	1,200	1,350	1,200	112.5
Average Processing Time per NIB (minutes)	6.0 ± 1.2	5.5 ± 1.0	5.8	Exceeded
Staff Completing OSS-RBA Technical Training	Incomplete	30 of 75 (40%)	35 of 75 (46.7%)	100%
Sub-Districts with Reliable 4G Coverage (of 11)	8 (72.7%)	8 (72.7%)	8 (72.7%)	72.7
Complaints Resolved within 48 Hours (%)	85	90	≥ 85	Met

Source: DPMPTSP Internal Reports, 2022–2023.

Supporting Factors

Regulatory Clarity

The alignment between national regulations (PP No. 5/2021; Perpres No. 95/2018) and local decrees (Perbup No. 38/2021) established clear service standards—10-minute NIB issuance for low-risk MSMEs and transparent requirements—reducing ambiguity (Head of DPMPTSP, Interview, Sept 2024). Perpres No. 95 mandates SPBE interoperability, prompting initial API development with partner agencies (Diskominfo, 2023).

Bureaucratic Reform Commitment

Since 2021, local leadership prioritized digital literacy: 60% of staff completed certified OSS-RBA workshops co-hosted with Bappeda and academic partners (Training Records, 2023). Incentive schemes—monthly "Digital Service Excellence Awards"—motivated staff to achieve zero-error NIB processing.

Foundational Infrastructure

A dedicated server with 100 Mbps fiber-optic primary and satellite secondary links supported continuous operations in Airmadidi. Three high-performance PCs at service counters minimized downtime, except during severe monsoon outages (Dec 2022–Jan 2023).

Active MSME Engagement

Observations and interviews revealed that 75% of MSME entrepreneurs selected North Minahasa due to perceived licensing ease, reporting 15% increased access to microcredit and 10–12% revenue growth post-NIB issuance (Interview—MSME A, Sept 2024).

Inhibiting Factors

Limited Socialization

Only 60% of rural MSMEs were aware of OSS-RBA by mid-2023. Absence of signage in 4 of 11 sub-districts and zero attendance at two "Mobile OSS Day" events highlighted outreach gaps. Older entrepreneurs often relied on local facilitators, reflecting low digital literacy (Interview—MSME B & C, Sept 2024).

Incomplete Digital Infrastructure

Eight sub-districts had stable 4G, but ten villages faced frequent outages, particularly during the rainy season. Observers recorded five daily login failures in Oct 2024, with delays up to two hours. Entrepreneurs in Kauditan and Likupang Barat traveled 15 km for network access (Field Note, Oct 2024).

HR Competency Gaps

Despite 35% of staff holding Master's degrees, only 40% completed OSS-RBA training. Untrained officers struggled with system updates—service counters closed for 60–90 minutes during OSS v1.2.1 rollout (Field Note, Sept 2024). Data entry errors (2.5% of applications) further delayed processing.

Weak Interagency Coordination

Data schema mismatches between OSS and partner agencies (PUPR, Environmental) necessitated manual verifications. API development lagged, forcing staff to collect paper documents, adding 2–3 days for medium/high-risk permit issuance (Interview—Section Head, Sept 2024).

Residual Paper-Based Practices

Veteran staff demanded hard-copy KTP, NPWP, and building certificates despite digital records, reflecting distrust in OSS archives and undermining the paperless goal (Field Note, Oct 2024).

CONCLUSION

Four themes emerged is regulatory readiness, infrastructure duality, HR capacity and culture, and community engagement. While policy alignment and central resources in Airmadidi enabled efficiency, rural digital divides, incomplete training, and interagency fragmentation prevented full OSS-RBA realization.

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