

E-Government Transformation Through Mobile Payment Online System in The Regional Revenue Agency Of Sidenreng Rappang District

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ABSTRACT

This study aims to analyze the transformation of e-government through the use of the Mobile Payment Online System (MPOS) at the Regional Revenue Agency (Bapenda) of Sidenreng Rappang Regency. MPOS is a real-time digital innovation designed to record taxpayers' business transactions with the goal of improving transparency, efficiency, and accountability in local tax management. This research uses a qualitative method with a descriptive case study approach. Data were collected through interviews, observation, and documentation, involving key informants such as Bapenda officials, subdistrict heads (Camat), and business actors in sectors including hospitality, restaurants, and entertainment.

The study adopts the three success elements of e-government development according to the Harvard JFK School of Government: Support, Capacity, and Value. The findings show that in the early stages of implementation, MPOS gained strong support from regional leadership and inter-agency collaboration, which contributed to a significant increase in local revenue (PAD). However, this success was not sustained due to weakening coordination, limited budget, lack of continuous training, and unresolved technical issues. Institutional capacity and infrastructure especially in subdistricts with poor internet access and low digital literacy became major challenges. While MPOS initially brought clear benefits to both taxpayers and the government, its long-term effectiveness declined due to the absence of structured maintenance and user support. This study concludes that the sustainability of e-government programs depends on consistent institutional commitment, reliable technical infrastructure, and perceived value by users. Adaptive strategies and periodic evaluations are essential to maintain the relevance and continuity of digital taxation services

Keywords: e-government, MPOS, local tax, digital transformation, Sidenreng Rappang Regency.

INTRODUCTION

E-government is an innovation in information and communication technology-based governance that aims to transform the manual work system into an electronic one. This concept provides a great opportunity for the government to improve efficiency, reduce bureaucratic barriers, and simplify access to information and public services.

Integrating information technology into governance, e-government contributes to improving the quality of public services, transparency, and community participation. In the scope of public administration, the implementation of e-government includes data processing, information management, and simplification of electronic work processes. This allows the government to create a collaborative work environment and reduce bureaucratic barriers. This technological advancement has brought various impacts of change, all sectors of life have begun to be touched by digital transformation, both in the private and public sectors (Adinegoro, 2023).

In a broader perspective, the development of e-government is expected to be able to realize public services that are more inclusive, efficient, and adaptive to the changing times. This is in line with Indonesia's vision to build governance that is responsive, innovative, and oriented to the interests of the community. Public services continue to transform to create effective and effective services and continue to develop along with the development of the times. Public services continue to transform according to the needs of the increasingly modern times (Diva Cantika & Harapan Tua RFS, 2021).

Developing countries such as Indonesia have implemented e-government or e-government through programs based on existing geographical, social and political conditions. Meanwhile, e-government is defined as a form of government management and public services by changing the government workflow system that was originally manual to electronic (Riksfardini et al., 2023).

The implementation of e-government has been regulated in various national policies, including Law Number 23 of 2014 Article 349 paragraph 3 concerning Regional Government. This regulation mandates that local governments can utilize information and communication technology in the implementation of

public services. E-government is not only a solution in facing the demands of modernization, but also a tool to improve the accountability and efficiency of the government system.

Presidential Instruction of the Republic of Indonesia Number 3 of 2003 concerning National Policies and Strategies for the Development of E-Government, explains efforts to develop the implementation of government based on (using) electronics in order to improve the quality of public services effectively and efficiently. Through the development of e-government, the arrangement of management systems and work processes in the government environment is carried out by optimizing the use of information technology. The use of information technology includes 2 (two) related activities, namely: (1) data processing, information management, management systems and electronic work processes; (2) the use of information technology advances so that public services can be accessed easily and cheaply by people throughout the country.

Basically, the application of the e-government concept is a transformation challenge. The use of information technology in this framework is as a driver of change or something that actually offers the occurrence of fundamental changes related to the process of government administration in the modern era and not only as a support for government management.

Digital transformation in government is a complex and continuous process. Its success requires a strong commitment from all parties, both the government, the community, and the private sector. With proper planning and implementation, digital transformation can bring significant benefits to improving the quality of public services, government efficiency, and the nation's competitiveness. Forms of Information Technology-Based Public Service transformation include: Online Services, Use of Big Data and Analytics and the Use of Artificial Intelligence (AI).

Through the transformation process towards the e-government era, the government can optimize the use and utilization of information technology advances to reduce bureaucratic organizational barriers, as well as at the same time form a network of management systems and work processes that allow government agencies to work in an integrated manner to simplify access to all information and public services. The development of e-government is one of the efforts to improve the quality of public services effectively and efficiently. In other words, through the development of e-government, the arrangement of management systems and work processes in the government environment is carried out by optimizing the use of information and communication technology (Majid, 2021).

In line with the development of science and technology, local governments are required to be able to provide public services to the community effectively and efficiently. The demand for improving good, effective and efficient public services to the community then becomes a need that must be met by the government. So based on this, the government implements the implementation of e-government or electronic-based government as stipulated in Law No. 23 of 2014 Article 349 paragraph 3 concerning Regional Government which mandates that "Regional Governments can utilize information and communication technology in the implementation of public services". Previously, the implementation of e-Government had been regulated in Presidential Instruction No. 6 of 2001 concerning Telematics to Support Good Governance. E-government is felt to be one of the solutions in improving the quality of public services by utilizing information and communication technology (Muzni Hanipah & Aryani, 2022).

The development of information and communication technology provides a great opportunity for the government to improve the quality of governance through the implementation of e-government, not only providing convenience in public services, but the implementation of the e-government concept is carried out in the context of optimizing public services. E-Government is an information and communication technology used by the government to provide services to the community, the business world and related parties, E-Government includes various initiatives such as the provision of online services, government websites, mobile applications and other digital interactions.

Digital transformation is a fundamental change process in the way organizations, governments, or communities carry out their activities by utilizing digital technology. This transformation includes the integration of technology to replace manual processes with automated systems, improving efficiency, transparency, and accessibility. Through digital transformation, a wide range of services can be provided online, allowing for faster, easier, and more accurate interactions between service providers and beneficiaries. In addition, this transformation opens up opportunities for innovation, increased competitiveness, and creates a more sustainability-friendly environment through reduced use of physical resources. Digital transformation is a strategic step in answering the need for modernization in various sectors, including tax payments.

The Online System is a step taken by the local government in the tax collection process by implementing online-based devices or applications at the tax collection location. MPOS is a fair tax collection system because the taxes paid are in accordance with the transactions that occur. This tool calculates taxes based on transactions, making it transparent to taxpayers and the government. MPOS tools are connected online and can be monitored directly by the Corruption Eradication Commission (KPK), ensuring transparency and accountability in tax collection.

Presidential Regulation Number 95 of 2018 concerning Electronic-Based Government System (SPBE), where SPBE encourages the digitization of public services, including the implementation of Mobile Payment Online System (MPOS) in regional tax collection.

Regional Tax is a type of tax collected by the local government with an amount determined according to the policy of each region. Sidenreng Rappang Regency is one of the regions that relies on Regional Taxes as the main source of revenue.

Law Number 28 of 2009 Article 2 concerning Regional Taxes and Regional Levies, states that the types of Regency/City taxes consist of hotel taxes, restaurant taxes, entertainment taxes, billboard taxes, street lighting taxes, non-metallic mineral and rock taxes, parking taxes, groundwater taxes, swallow's nest taxes, rural and urban land and building taxes, and land and building acquisition duties. With the various potentials available, the Regional Government of Sidenreng Rappang Regency is required to manage these taxes optimally and efficiently. Regional Original Revenue (PAD) since the issuance of the Sidenreng Rappang Regent Regulation on the Online System of Regional Taxes and Regional Levies.

Figure 1. Regional Original Revenue (PAD) 2020-2024



Source: Central Statistics Agency, 2024.

Based on the data in Figure 1.1 regarding the development of Regional Original Revenue (PAD) in Sidenreng Rappang Regency in 2020–2024, it can be seen that the growth pattern of PAD has experienced two different phases. In the first phase, namely in 2020-2021, tax revenue increased significantly from IDR 38,464,297,080 to IDR 46,044,498,994. This surge is in line with the implementation of the Mobile Payment Online System (MPOS) which in the early days of its implementation was relatively optimal. MPOS plays an important role in accelerating transaction recording, minimizing the potential for manipulation, and improving taxpayer discipline, especially in the restaurant, hotel, and entertainment sectors. This positive impact emphasizes the importance of digitization of public services in strengthening accountability and transparency as emphasized in the theory of e-government success factors (Indrajit, 2006; UN-ASPA, 2002).

Regulation of the Regent of Sidenreng Rappang Number 20 of 2019 concerning the Online System of Regional Taxes and Regional Levies in article 6 "In the context of reporting Taxpayer Business Transaction Data, BPKD is authorized to install tools and connect the Business Transaction Data system owned by Taxpayers with the Online System owned by BPKD". The tool as referred to in article 6 is to record the results of receipt of the amount of payment (turnover) of the Taxpayer's business on a daily basis and the amount of Tax payable. The amount of tax payment payable is based on the calculation of the instrument, then Tax Payment through a Debit Transfer Order as referred to in paragraph (1) of article 11 is carried out no later than every 15th (fifteen) of the following month using the e-SSPD form.

The submission of e-SSPD as intended in paragraph (6) of Article 11 is carried out by the Bank through the Online System.

In the implementation of the online system, the Sidenreng Rappang Regency Government collaborates with Bank SULSELBAR (South Sulawesi and West Sulawesi) Sidenreng Rappang branches for procedures in the collection and payment of regional taxes and also regional levies online system. The Regent appointed Bank SULSELBAR as the operational implementer of the online system through cooperation with the Regional Revenue Agency (Bapenda) of Sidenreng Rappang Regency which was written in the Joint Agreement Letter between the Sidenreng Rappang Regency Government and PT. Regional Development Bank of South Sulawesi and West Sulawesi concerning the Payment and Collection of Regional Taxes and Regional Levies Online System at Number: 903/1901/BPKD, and Number: 290/MoU-BSSB/IV/2019. As the operational implementer, BANK SULSELBAR handed over the MPOS (Mobile Payment Online System) tool to the Regional Revenue Agency. MPOS is an integrated retail payment service through an electronic network (Ruslan T, Muhammad Nur, 2022) .

Based on the Regulation of the Regent of Sidenreng Rappang Number 20 of 2019 concerning the Online System of Regional Taxes and Regional Levies, Chapter VI is related to the Online System of Regional Taxes and Regional Levies, which states that Business Transactions are payment transaction data made by tax subjects or the public to Taxpayers for services at hotels, restaurants, and entertainment venues. The Business Places that have used MPOS as many as 18 of them, namely 3 Hotels, 11 Restaurants and 4 Entertainment Venues, can be seen from the following table:

Table 1: Types of Taxes

No	Tax Types	Place of Business
1	Hotel Tax	Hotel Tri Multi
		Hotel Grand Zidny
		Hotel AR2
2	Restaurant Tax	Palekko Utama Café & Restaurant
		LND Nusantara Cafe
		CM Café & Resto (Cahaya Mario)
		Ratu Seafood Café & Resto
		Senja Café & Resto
		Nagoya Café & Resto
		Rice Paddies
		Sweet Memmory
		The Pizza
		Hadide Café & Restaurant
		La Bugis Café & Resto
3	Entertainment Tax	Victoria Bar & Room Karaoke
		Happy Cafe Karaoke
		77 Music Karoke
		Nagoya Karoke

Source : Primary Data

The Mobile Payment Online System is connected to the local government's network, so that the amount of tax that must be paid can be recorded and calculated automatically by the device. Several districts and cities in South Sulawesi Province have implemented the Mobile Payment Online System (MPOS) to increase efficiency and transparency in regional tax management, including Makassar City, Palopo City, Pare-Pare City, North Toraja Regency, Jeneponto Regency, Barru Regency.

The transformation of E-Government using the Mobile Payment Online System (MPOS) in Sidenreng Rappang Regency is expected to increase efficiency, transparency, and accountability in tax calculation and taxpayer payments. The use of MPOS as a tool that is considered to facilitate the online system, especially tax payments, is not only used in Sidenreng Rappang Regency. MPOS enables real-time transaction-based tax collection, increases transparency, and minimizes potential tax leakage. However, even though this system has been implemented, its use has not been evenly distributed among taxpayers.

One of the regions that has also implemented MPOS is the city of Makassar and is made by Bapenda as part of the innovation of digitization of tax services. The use of MPOS allows taxpayers, especially business actors such as restaurants and hotels, to report and pay their taxes in real-time through mobile devices. This not only makes it easier for taxpayers to fulfill their obligations, but also helps local governments in monitoring and managing tax revenues more effectively. Meanwhile, in Pare-Pare City, since 2019, MPOS and Transaction Monitoring Device (TMD) have been installed in restaurants to monitor transactions and increase tax revenue.

The results of the previous research with the title "Analysis of the online mobile payment system for the Palopo city local government application", Ryan Alghazali Pakkaja, Ahmad Luthfi, Kholid Haryono (2024). This study analyzes the implementation of the Mobile Payment Online System (MPOS) by the Palopo City Government based on user satisfaction levels. This study highlights that MPOS aims to increase transparency and efficiency of transactions, as well as make it easier to report regional taxes. The research uses qualitative methods with a quasi-experimental approach and data analysis based on the Likert scale. The results of a survey of 40 respondents showed that the majority of users found MPOS easy to use, responsive, and did not require special skills. However, obstacles are still found such as procedural inconsistencies by some users and potential misuse of the system. Further analysis with SPSS shows that the system has high validity and reliability, but it still requires further development in terms of socialization, feature improvement, and maintenance of the system to be more effective. The study recommends improved education for users as well as the development of more informative features to improve MPOS satisfaction and effectiveness (Ryan Alghazali Pakkaja, Ahmad Luthfi, 2024).

"Implementation of the Utilization of Mobile Payment Online System (MPOS) Information Technology in Hotel Tax Administration in North Toraja Regency", Rani Maria Manggau (2020). The results of the study show that the initial communication in the implementation of MPOS is carried out by socialization to all parties. The implementation of MPOS is regulated in Regent Regulation No. 29 of 2019 concerning Online System Payment and Collection of Regional Taxes. So far, the implementation of MPOS has not had a significant impact on existing human resources. The implementation of MPOS itself is a collaboration between Bapenda, Bank Sulawesi and the KPK Korsupgah Team so that coordination between parties is needed in its implementation. In addition, it was also found that the driving factors for the use of MPOS are the usefulness of MPOS and continuous supervision, while the inhibiting factors include gradual installation, taxpayer mindset, technical assistance, weak sanctions, and Covid-19 pandemic conditions (Rani Maria Manggau, 2020).

Previous Research with the title "The Influence of Online System Use, Tax Knowledge and Taxpayer Awareness on Taxpayer Compliance in Makassar City Restaurants", La Ode Muhammad Arfan Samrin, Abdul Rahman Mus, Darwis Lannai (2023). The results of the study show that the use of online systems such as the Pakinta application has a positive and significant effect on restaurant taxpayer compliance. This system improves speed, accuracy, and honesty in tax turnover reporting. The public also feels the ease of use and benefits of the application as well as increasing taxpayer trust and compliance (Samrin et al., 2023).

The Sidenreng Rappang Regency Government is one of several districts in South Sulawesi Province that tries to implement E-Government in various government sectors, especially in the calculation and payment of taxpayers, namely by using the Mobile Payment Online System (MPOS). Therefore, it is important to conduct this study with the aim of providing a clear picture related to the use of the Mobile Payment Online System (MPOS) and its contribution to the Calculation and Payment of Taxpayers in Sidenreng Rappang Regency, in order to support the main goal of e-Government transformation and optimize PAD receipts.

The purpose of MPOS is to optimize regional revenue in the tax sector, and to prevent tax leakage. MPOS is operated through an application installed on a tablet device called AIRSale which is an online-based cashier application to bring together convenience between buyers, business owners, and local governments in retail transactions. The use of MPOS is part of digital transformation in government administration, but it still faces challenges in socialization, technology implementation, taxpayer compliance, and effectiveness in increasing regional tax revenue. Lack of socialization and understanding of taxpayers, technical and infrastructure challenges such as unstable internet access, and still several times encountered by some taxpayers who are reluctant to access the digital system.

Empirically, the implementation of the Mobile Payment Online System (MPOS) in Sidenreng Rappang Regency shows inconsistent results. In the initial phase (2019–2021), this system was able to significantly increase Regional Original Revenue (PAD) because every transaction was recorded in real-time,

transparent, and accountable. However, since 2022, the effectiveness of MPOS has decreased. Many devices are damaged without replacement, network infrastructure is not evenly distributed, and there is no continuous training for employees and technical assistance for business actors. As a result, most users revert to manual record-keeping, which reduces efficiency and opens up room for tax report inaccuracies. This condition shows that the transformation of e-government through MPOS is still at the stage of strengthening infrastructure, regulations, and public adoption. The uneven political support, technical capacity, and public acceptance have made the sustainability of this system not achieved optimally. Therefore, this study is important to further analyze the extent of support, capacity, and value from the use of MPOS, in order to support the sustainability of regional tax digitalization as part of the transformation of e-government in Sidenreng Rappang Regency.

METHODS

The research approach used is a qualitative approach with the aim of knowing and describing the reality of the events being researched so that it makes it easier for the author to obtain objective data in order to know and understand "E-Government Transformation through Mobile Payment Online System (MPOS) at the Regional Revenue Agency of Sidenreng Rappang Regency" especially in the calculation and payment of Hotel Tax, Restaurant Tax, and Entertainment Venue Tax in the Regency Siddhartha Rapping. The research design used in the research on E-Government Transformation through the Use of Mobile Payment Online System (MPOS) at the Regional Revenue Agency of Sidenreng Rappang Regency is a case study design

Data collection was conducted through observation and interviews with several informants, including the Head of Regional Revenue Management, Head of Planning, Development and Management of Regional Revenue Information Systems, Business Actors (Owners of Sweet Memory, Nagoya Karoke, Hotel AR2), the Sub-district Heads of Maritengae, Panca Rijang, Watang Pulu, Dua Pitue and Pitu Riase. In addition, researchers also collected various documents, including research results and other relevant documents, to enrich the analysis. The collected data were then analyzed using data analysis techniques proposed by Creswell (2018): Organizing and Preparing Data, Reading All Data, Coding Data, and Interpreting the Meaning of Themes/Descriptions.

RESULT & DISCUSSION

The Regional Revenue Agency of Sidenreng Rappang Regency collaborates with the South Sulawesi Regional Development Bank of West Sulawesi as a payment partner and uses the Mobile Payment Online System (MPOS) digital device to record taxpayer transactions automatically. In addition, there is participation from business actors and sub-district heads as part of the public service chain that supports the implementation of this system.

The Mobile Payment Online System (MPOS) was introduced through a collaboration between the provincial government and Bank Sulawesi, several cities/regencies in South Sulawesi that first implemented the use of MPOS, namely the city of Makassar and Gowa Regency with the support of regional banks and technology providers. In order to expand the scope of digital tax payment services, Bank Sulawesi then facilitated cooperation with other local governments, including Sidenreng, Rappang Regency

The use of the Mobile Payment Online System (MPOS) in Sidenreng Rappang Regency has been implemented since July 2019 by following up on a joint agreement letter for procedures in the collection of regional tax payments and also regional levies through the online system between the Sidenreng Rappang Regency Government and PT. Regional Development Bank of South Sulawesi and West Sulawesi regarding the Payment and Collection of Regional Taxes and Regional Levies online system at Number: 290/Mou-BSSB/IV/2019.

At the beginning of its use, the Regional Revenue Agency received 41 units of Mobile Payment Online System tools which were distributed to various restaurants, such as:

- a. Coffee Shop : 14 Units
- b. Palekko Food Stalls : 8 Units
- c. Rice Stalls : 10 Units
- d. Meatball Stalls : 6 Units
- e. Coto Shop : 3 Units

The use of the Mobile Payment Online System (MPOS) tool has an impact on a significant increase in restaurant tax revenue, especially for palekko food stalls where the income has increased from Rp 16 million to Rp 225 million and for rice stalls and coffee shops have also experienced a similar spike, while for Regional Original Revenue (PAD) has also increased and still reaches the target even though there are restaurants that closed during the pandemic.

Before entering into the indicators of research results, it is important to place this research in a relevant academic framework. The results of studies and research on the successful elements of e-government development have been presented by the Harvard JFK School of Government. In the context of the application of digitalization concepts in the public sector, these elements are important guidelines.

The use of the Mobile Payment Online System (MPOS) by the Regional Revenue Agency (Bapenda) of Sidenreng Rappang Regency is a significant form of digital transformation in the regional tax service system. In the framework of theory (Support, Capacity, Value)(Indrajit, 2006), the success of e-Government transformation is determined by three main aspects: institutional support, implementing capacity, and perceived benefits.

A. Support

In the context of e-Government transformation, support is a fundamental element that includes political commitments, institutional policies, and social support from relevant stakeholders. Indrajit (2006) stated that the success of the use of digital systems in government is highly dependent on the strength or weakness of support from the leadership, the availability of clear regulations, and the level of acceptance from the public as service users.

Digital transformation cannot be carried out by just one technical unit, but must be the collective agenda of organizations and governments as a whole. The political will of regional leaders determines whether digital change is just an administrative project or really directed as a public governance reform strategy. Regulations also function as a policy pillar that provides clarity on the role and work mechanism, including the legal basis for cross-sectoral cooperation. On the other hand, the success of the system is also determined by the support of users, in this case the community or business actors, who are the main actors in the digital ecosystem.

Policies and Regulations as the Basis for the Implementation of MPOS the use of MPOS in Sidenreng Rappang Regency is based on formal regulations in the form of a Memorandum of Understanding (MoU) between the Regency Government and PT. Bank Sulawesi, namely Number: 903/1901/BPKD and Number: 290/MoU-BSSB/IV/2019, which regulates the mechanism for payment and collection of taxes and regional levies online. In addition, the implementation of MPOS also refers to broader provisions such as Permendagri No. 77 of 2020 concerning Regional Financial Management, which encourages the use of technology in financial administration.

The existence of this policy is important because it provides legality and direction for the implementation of MPOS, while strengthening the role of local governments in encouraging regulation-based digital transformation, not just technical initiatives.

In the case of the use of the Mobile Payment Online System (MPOS) in Sidenreng Rappang Regency, this aspect of support is a point to assess the extent of the readiness of the internal and external environment in encouraging the success of this real-time-based digital system.

1. Regional Leadership Support (Regional Revenue Agency)

The results of interviews with key informants at the Bapenda of Sidenreng Rappang Regency show that the initial support from regional leaders for the use of the Mobile Payment Online System (MPOS) is very strong. This is reflected in the existence of formal regulations in the form of a Memorandum of Understanding (MoU) between the Regency Government and PT. Bank Sulawesi, namely Number: 903/1901/BPKD and Number: 290/MoU-BSSB/IV/2019, which regulates the mechanism for payment and collection of taxes and regional levies online. In addition, the implementation of MPOS also refers to broader provisions such as Permendagri No. 77 of 2020 concerning Regional Financial Management, which encourages the use of technology in financial administration. However, such support is not sustainable. Budget constraints led to the cessation of the procurement of new devices and the absence of additional training for employees.

"In the past, enthusiasm was high because the support of the leadership and the initial budget were sufficient. But now there are no additional tools, so many businesses are no longer using them."(24/05/2025, Informant S – Head of Regional Revenue Management)

Cross-sector coordination in the early phase of use is also going quite well. Bank Sulawesi as a banking partner, as well as the Communication and Information Service (Diskominfo), provide technical support and training. However, as time went by, coordination between agencies weakened. Technical assistance from partners is no longer active, and Bapenda often faces confusion in handling technical in the field.

"Initially, everyone was involved, but now other OPDs rarely interfere. If the equipment is damaged, we are confused about who to contact." (24/05/2025, NI Informant – Head of Planning, Development and Management of Regional Revenue Information System)

From the public's side, especially business actors, the acceptance of the Mobile Payment Online System (MPOS) is quite diverse. Business groups that already have digital literacy welcome the existence of this system because it is considered efficient and transparent. However, some others feel supervised and do not understand the working mechanism of the tool. Moreover, the socialization is only carried out once, so it does not reach all user segments.

"Some are happy because it's automatic, but others are afraid because they feel watched and don't understand how the tools work." (24/05/2025, NI Informant – Head of Planning, Development and Management of Regional Revenue Information System)

These findings indicate that the initial success of the use of the Mobile Payment Online System (MPOS) is greatly influenced by the political will of regional leaders. However, weak follow-up support, both in terms of budgets, additional regulations, and technical assistance, shows that the long-term commitment to digital transformation has not been fully built. In line with the opinion of Indrajit (2006), the success of e-government is highly determined by the consistency of leaders in all phases of digital policy, from planning to evaluation.

The absence of additional tools and the lack of advanced training are indicators that the Mobile Payment Online System is no longer considered a priority program. In addition, the weakening of the participation of other OPDs and technical partners such as Diskominfo and partner banks shows weak cross-sector coordination, even though digital transformation in government requires a collaborative model. The success of a system such as MPOS cannot depend on one agency alone, but must be built through strong institutional synergy in terms of technical, infrastructure, education, and service.

The public response that is divided between enthusiasm and concern also indicates that the social aspect has not yet become an integral part of the digitalization strategy. Socialization carried out only once is not enough to form a collective understanding, especially in areas that are not used to non-cash transactions. This is in line with the concept of technological adoption gap, which is the gap between the availability of technology and user readiness, which can only be bridged through education and continuous mentoring

2. Support for Business Actors (Taxpayers)

The support from business actors as end-users of the Mobile Payment Online System (MPOS) in the early stages of implementation is quite good. This is driven by a direct approach from the Sidenreng Rappang Regency Government through officers from the Regional Revenue Agency (Bapenda) and sub-district officials who carry out socialization and installation of tools at business locations.

Most business actors know the MPOS system from field officers who technically explain how the device works and the purpose of its application. However, after the initial stage, there is no follow-up assistance or periodic training provided to business actors. This was revealed by one of the business actors:

"In the past, there were officers who came to explain and install tools. But after that we never got any more guidance." (29/05/2025, Informant R – Nagoya Karoke Business Actor)

The absence of continuous assistance causes a disconnection in the communication pattern between local governments and business actors. When the Mobile Payment Online System device is damaged, the business actor does not have access to assistance services or clear technical information. As a result, most business actors choose to return to manual reporting methods, which is contrary to the principles of transparency and accountability carried out in regional tax digitalization.

"The system is good, but if the equipment is damaged and not repaired, we get confused and go back to recording it ourselves." (23/05/2025, MF Informant – Sweet Memory Business Actor)

This statement is strengthened by information from the Regional Revenue Agency. The Head of Regional Revenue Management admitted that after the initial period of distribution and socialization, there was indeed no regular follow-up program. He mentioned:

"We focused in the early stages to distribute the tools and provide short training. But for maintenance and follow-up assistance, it has not been well structured due to budget and human resource limitations." (24/05/2025, Informant S – Head of Regional Revenue Management Bapenda)

In line with that, the Head of Planning, Development and Management of the Regional Revenue Information System added that the sustainability of the system has not been supported by a permanent technical unit that is ready to handle complaints from users.

"We have received many reports of equipment damage, but there is no quick response mechanism because there is no permanent field technical team yet." (24/05/2025, NI Informant – Head of Planning, Development and Management of Bapenda Regional Revenue Information System)

This condition shows that the success of the use of digital systems in public services does not only depend on the availability of technology, but also on the readiness of institutions to build sustainable support for users. Without technical support and continuous communication, business actors tend to withdraw from systems that they consider complex or problematic.

Furthermore, the absence of a special service unit or official communication channel to serve complaints or requests for assistance from business actors worsens trust in the Mobile Payment Online System. This creates the impression that local governments are not ready to handle the operational challenges that arise after use.

The implication is that support for business actors should not stop at the initial stage of installation and socialization. The government needs to develop a responsive technical service system, conduct regular user training, and monitor tool usage patterns as part of the digital transformation sustainability strategy. Without this mechanism, digital transformation in the regional tax sector will experience stagnation and even regression, as can be seen from the tendency of business actors to return to the manual recording system. This is certainly contrary to the main goal of e-government in creating efficient, transparent, and measurable public services

3. Sub-district Head Support

The role of the sub-district head in the use of the Mobile Payment Online System (MPOS) in Sidenreng Rappang Regency is relatively limited, although structurally, the sub-district head is a sub-district government actor who has direct proximity to the community and business actors. Based on the results of the interviews, it is known that the sub-district heads only play a role in conveying initial information to the public regarding the use of the Mobile Payment Online System, but are not formally involved in technical training or supervision of the use of the system.

"We help disseminate information, but we have never been involved in training or technical tools." (23/05/2025, US Informant – Maritengae Sub-district Head)

This condition shows that the existence of sub-districts is only used as a one-way communication channel from the district government to the community, without being optimally empowered as a technical partner or monitoring at the regional level. In fact, the sub-district as an extension of the district government has great potential in assisting in coaching, mapping problems, and overseeing the implementation of public policies at the site level.

Coordination between the sub-district and the Regional Revenue Agency (Bapenda) is informal and unstructured. There is no official reporting system, no joint monitoring mechanism, and no routine evaluation SOP involving the sub-district. When business actors face technical problems, the sub-district only submits complaints orally to Bapenda officers, without a definite follow-up mechanism.

"If there are complaints from business actors, we convey them to Bapenda officers. But there is no particular pattern." (23/05/2025, Informant SA – Watang pulu Sub-district)

This phenomenon shows the existence of institutional fragmentation, which is when agencies that are supposed to coordinate actually work individually. From a public policy perspective, this institutional fragmentation is one of the main obstacles in the implementation of cross-sectoral policies, especially in the context of digital transformation that requires integration, collaboration, and consistency between levels of government. According to Denhardt & Denhardt (2015), the effectiveness of public services in the era of digital governance can only be achieved through synergy between institutions based on mutual commitment, two-way communication, and a clear coordination structure.

Based on the results of interviews with various informants from Bapenda, business actors, and sub-district heads, it can be concluded that the implementation of the Mobile Payment Online System in Sidenreng Rappang Regency originally ran with quite strong and structured support. The commitment of regional leaders is clear, the enthusiasm of business actors is quite high, and coordination with other OPDs was active, especially at the program launch stage.

However, these initial successes were not followed by an adequate sustainability system. As time went on, technical support weakened, budgeting was not resumed, training stopped, and broken Mobile Payment Online System devices were not replaced. Coordination with partners such as Diskominfo and Bank

Sulawesi has also declined. As a result, there has been stagnation to a decrease in the effectiveness of the use of the MPOS system in several regions.

The response of business actors has also changed. The digitally literate group still showed enthusiasm, but most found it difficult due to the lack of further socialization and lack of technical support.

The sub-district head as an actor of regional government is also not given space to play an active role, even though it has great potential in strengthening its use at the field level. The absence of a collaboration structure between Bapenda and sub-districts makes it clear that there is a coordination gap between levels of government that should be avoided through a more inclusive policy design

B. Capacity

The transformation of e-Government does not depend only on policy or political commitment, but is also highly determined by technical and institutional capacity. The capacity aspect includes the readiness of digital infrastructure, human resource competence, and completeness of work procedures that are able to support the operation of the system effectively and sustainably.

Indrajit (2006) emphasized that the success of e-Government is highly determined by the connection between an adequate technological system and competent human resources. Infrastructure such as internet networks, digital cash register devices (MPOS), servers, and data security systems are the technical foundations of digitalization. However, without human resources who are able to operate and manage the system, digital transformation will stop as a mere technology project.

In addition, strengthening human resource capacity through continuous training is an important requirement so that the adoption of digital systems does not only occur at the beginning of implementation, but also continues to grow along with system updates and field dynamics.

The following are the results of an interview with an informant from the Regional Revenue Agency of Sidenreng Rappang Regency regarding the Capacity aspect in the implementation of the Mobile Payment Online System to encourage the success of this real-time-based digital system.

1. Capacity of Regional Revenue Agency

Aspects of human resource capacity (HR) and digital infrastructure readiness are the two main challenges in the sustainability of the implementation of the Mobile Payment Online System (MPOS) by the Regional Revenue Agency (Bapenda) of Sidenreng Rappang Regency. Although in the early stages of the system rollout, basic training had been carried out by the system provider (Bank Sulselbar), this training was one-time and was not continued with a continuous learning program.

"We had received initial training when MPOS was just implemented, but after that it never happened again. Even though there are also employees who have just entered and have never held the tool at all." (24/05/2025, Informant S - Head of Regional Revenue Management)

In the midst of bureaucratic dynamics characterized by periodic employee rotation, the absence of advanced training causes a gap in technical competence between officers. New hires do not have a basic understanding of the operation of MPOS tools and rely only on informal learning from colleagues. In this context, digital transformation requires not only the availability of devices and applications, but also an adaptive and sustainable knowledge ecosystem.

This problem is even more complex when it is associated with the condition of digital infrastructure. Based on information from Bapenda, unstable internet networks in several areas—especially in sub-districts such as Pitu Riase and Duapitue—caused the process of synchronizing MPOS data to the central server to be disrupted. Transactions cannot be recorded automatically and some data is even lost from the system.

"If the network is good, MPOS can run smoothly. But in certain areas, the signal goes up and down. If the equipment has problems, sometimes it is left alone because there are no technicians or assistance from partner banks anymore." (24/05/2025, NI Informant - Head of Planning and Management of Regional Revenue Information System)

The absence of a technical team or rapid response unit in dealing with obstacles in the field shows that the use of MPOS is not accompanied by adequate operational readiness. Previously, partner banks had provided technical assistance services, but now the support is no longer active. This is contrary to the principle of e-government which emphasizes the reliability of technology and the responsiveness of the public service system (Indrajit, 2006).

Ironically, in the early days of use, the MPOS system actually encouraged the improvement of Bapenda's work efficiency. The data verification process that was previously done manually has switched to digital, speeding up workflows and improving the accuracy of taxpayer data. However, because many devices are

damaged and not replaced, officers are now reverting to manual methods that are time-consuming and more prone to errors.

"Initially, MPOS was very helpful because we just had to check digital reports. But now that many tools are dead, the digital SOPs are no longer running. We are going back to the old way: manual verification and one-on-one inputs." (24/05/2025, Informant S-Head of Regional Revenue Management)

When asked further about the reason for not continuing the MPOS system operation to the maximum, Bapenda revealed that the budget factor was the main obstacle. The absence of a dedicated budget post for the maintenance and replacement of equipment, as well as the cessation of support from third parties (partner banks), makes the system unmaintainable.

"We no longer have the support from banks like we used to. The special budget for MPOS is also not provided regularly, so we have difficulty if we want to repair or replace equipment. The focus now is more on increasing admission, so this system is not a priority anymore." (24/05/2025, NI Informant – Head of Planning and Management of Regional Revenue Information System)

This condition is clear evidence that the success of digital transformation in the public service sector is highly dependent on institutional capacity and operational readiness. Without planning that includes periodic training, infrastructure maintenance, and the establishment of technical support systems, innovations such as MPOS risk stagnation and even failure to continue.

2. Capacity of Business actors

Business actors as direct users of the Mobile Payment Online System (MPOS) system play a strategic role in determining the success of regional tax digitization. Based on the results of interviews with several business actors in Sidenreng Rappang Regency, it is known that in general the MPOS system is quite well received in the early stages of use.

One business owner stated that this system makes it easy to record transactions and calculate taxes automatically:

"At first I was confused, but because there was an officer who helped install and explain, finally it could also be used. But now if there is a problem, I don't know who to ask anymore." (25/05/2025 –MF Informant Business Actor, Sweet Memory Restaurant)

However, this convenience only takes place in the initial phase due to technical assistance. When equipment is damaged or the network is unstable, business actors no longer have a clear line of help. This was also conveyed by the manager of the entertainment venue:

"In the past, I was still enthusiastic about using it because there was assistance. Now if the tool is damaged, we just store it. No one fixes it, so it's useless." (25/05/2025 – Informant R Business Actor, Nagoya Karaoke)

Common problems include weak internet signals and device damage, especially in suburban areas. Hotel manager AR2 added that the system often fails to synchronize data in real-time, causing delays or lost transactions:

"Sometimes the device does not want to turn on, or the transaction does not come in. The network is also often weak. We were confused, we had to wait for a good signal before we could use it." (25/05/2025 –AR Informant Business Actor, AR2 Hotel)

This condition indicates that the adoption of technology has not touched the stage of user independence (self-sufficiency), dependence on external parties and the absence of complaint SOPs cause trust in the system to decline.

3. Capacity Camat

The capacity of the sub-district as the spearhead of government at the local level plays an important role in bridging the regional digitalization program with the reality of the community. Based on the results of the interviews, most of the sub-district heads stated that the readiness of the community to access digital services such as MPOS is still uneven, especially in rural areas. Small business actors, especially those who are not used to using electronic devices or the internet, tend to find it difficult to adjust to the digital system.

"In urban areas, some business actors can indeed quickly adjust. But in the village, many are not used to this kind of tool. They are still comfortable with the manual way." (23/05/2025, US Informant – Maritengae Sub-district Head)

This condition shows that there is a digital gap that not only includes access to infrastructure such as the internet network, but also a digital literacy gap. In areas with weak signals, business actors have difficulty accessing MPOS to the fullest. When the system cannot be accessed stably, trust in digital services also decreases.

The sub-district heads assessed that to bridge the gap, there is a need for continuous mentoring, repeated training, and improvement of digital infrastructure, especially the internet network which is the main foundation of the Mobile Payment Online System.

"If it wants to be widely implemented, there must be continuous assistance, not just socialization once and then released." (23/05/2025, Navy Informant – Panca Ribang Sub-district Head)

However, from the internal side of the government, the sub-district officials themselves have never received official technical training related to MPOS. Their role is only limited to delivering initial information or assistance during socialization. This creates a condition where the sub-district cannot optimally help business actors when technical problems occur.

"We only know this MPOS from the socialization of Bapenda. But they have never been trained on how to work, let alone prepared to help business actors if there are technical problems." (23/05/2025, Informant SA – Watang Pulu Sub-district)

The limited involvement of the sub-district shows that in the implementation of MPOS there has not been a real decentralization of responsibility to the sub-district level. In fact, as the institution closest to the community, the sub-district has great potential to play a role as a technical and educational facilitator in the field. The lack of post-launch coordination makes the sub-district feel disconnected from the implementation process.

"If I can be honest, the sub-district officials have not been sufficiently involved. Even though if we are given a clearer role, we can help in the field." (24/05/2025, AS Informant – Dupitue Sub-district Head)

These findings indicate that the institutional capacity of the sub-district has not been optimally mobilized in supporting the e-government ecosystem. The active involvement of the sub-district in training, monitoring, and reporting will be very important so that the sustainability of the MPOS program does not only depend on Bapenda, but also spreads to the government structure closest to the community.

"Actually, the system is good. But we in the sub-district are not prepared to assist business actors. So if there are complaints, we just convey them to Bapenda." (25/05/2025, AM Informant – Pitu Riase Sub-district Head)

This condition indicates that there has not been a decentralization of the role in supporting the sustainability of the digital system. The sub-district is only used as a one-way communication channel from Bapenda to the community without involvement in the process of mentoring, evaluating, or solving technical problems in the field.

C. Value

The Value Indicator in the context of e-Government implementation refers to the added value, benefits, and real impact felt by government institutions and the community as users of the digital system. In this case, the Mobile Payment Online System (MPOS) system is expected to be able to contribute to the effectiveness of regional tax governance, improve public services, and increase Regional Original Revenue (PAD).

This indicator is crucial because the success of digital transformation is measured not only by the availability of infrastructure and support, but also by the concrete benefits felt directly by stakeholders. If the system does not provide added value or actually burdens users, then its sustainability will be difficult to maintain.

In this study, an assessment of the value of MPOS use in Sidenreng Rappang Regency was carried out through interviews with three main informant groups:

1. Value of Regional Revenue Agency

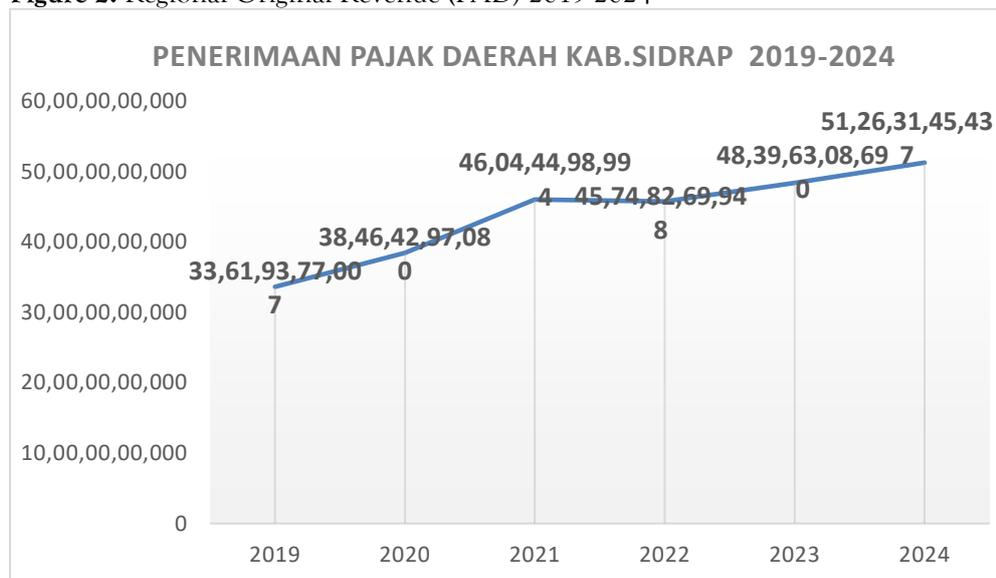
From the perspective of the Regional Revenue Agency, the use of MPOS in the early stages of its implementation (2019–2021) has made a real contribution to increasing Regional Original Revenue (PAD), especially in transaction-based sectors such as restaurants, entertainment, and hospitality. The MPOS system allows transaction recording to be carried out in real-time and automatically, thereby minimizing the opportunity for reporting manipulation from taxpayers. This is in line with the principles of accountability and transparency in regional financial governance.

"MPOS had a big impact on PAD, especially in the first two years. Transaction data goes directly into the system, so reporting cannot be manipulated." (24/05/2025, Informant S – Head of Regional Revenue Management)

However, these positive impacts did not last long, the effectiveness of the system decreased along with the reduced use of MPOS devices by business actors. Many damaged appliances were not replaced, and there was no technical team in charge of handling complaints quickly. As a result, most businesses revert to

manual systems, which not only slows down the verification process but also opens up gaps in data inaccuracies.

Figure 2. Regional Original Revenue (PAD) 2019-2024



Source : Central Statistics Agency, 2025

Based on the graph above, Sidenreng Rappang Regency's regional tax revenue shows a significant upward trend from 2019 to 2024. This data shows that consistent digital transformation supported by adequate infrastructure and human resources can significantly increase regional income. Conversely, inconsistencies in the implementation of digital technology can lead to stagnation or even a decline in tax revenue performance.

Based on the previous explanation, it is associated with the use and decline in the use of Mobile Payment Online System Digital transformation in public administration has become an urgent need for local governments in facing the demands of transparency, efficiency, and accountability. One form of this transformation is the implementation of digital systems in regional tax collection, such as the Mobile Payment Online System (MPOS) which facilitates electronic and real-time tax recording and payment. This system not only simplifies the payment process, but also narrows the gap in manipulation of reporting data from business actors.

According to Indrajit (2006) and OECD (2020), tax digitization encourages an increase in revenue because electronic systems are able to reduce the potential for revenue leakage, increase transaction speed, and improve the accuracy of taxpayer data. In this context, MPOS has fulfilled all three aspects during the initial period of its implementation. The existence of automatic recording tools makes the reporting of business actors' turnover more objective and can be monitored directly by the Regional Revenue Agency (Bapenda). However, in 2022, the chart shows a decrease in revenue to IDR 45.7 billion. This coincides with the widespread cessation of MPOS in the field due to equipment damage, lack of replacement budget, and lack of technical support. Business actors also return to using manual systems that are prone to manipulation and slow down the verification process by regional tax officials.

Although in 2023 and 2024 there will be a gradual increase to IDR 48.3 billion and IDR 51.2 billion, the trend is not as sharp as when MPOS was still active. This increase is mainly due to Bapenda's initiative to introduce a QRIS-based online payment system and bank digital channels, but this system is not equipped with an automatic transaction recording feature as offered by MPOS.

Based on the opinion of Heeks (2002), one of the factors for the failure of e-government is the absence of continuity and long-term planning in the management of public technology. This can be seen in the case of Sidenreng Rappang Regency, where the initial success of MPOS was not followed by maintenance efforts, human resource capacity development, or system integration into other sectors. These findings confirm the research results of Pardo & Nam (2013) which states that the success of public technology is highly dependent on the sustainability of institutional support, including funding, training, and cross-sectoral stakeholder engagement. When MPOS began to be decommissioned, support from other agencies and technical providers also disappeared, which had a direct impact on the decline in system effectiveness.

The results of the interview with Informant N (Head of Planning, Development and Management of Regional Revenue Information System) show that although the MPOS system is technically considered to have a good design and functions that support tax transparency, in practice it faces a number of serious challenges.

"The MPOS system is actually very good, especially in the aspect of transparent transaction recording. However, when the device breaks down and is not replaced immediately, public trust begins to decline. In response to these conditions, we then designed an alternative online payment system that is more adaptive, namely through the integration of bank digital channels and the use of QRIS as a modern solution in facilitating tax obligations." (24/05/2025, NI Informant – Head of Planning and Regional Revenue Information System)

From the perspective of public administration, this initiative shows that digital transformation is not enough to rely only on technology launches, but must be accompanied by the readiness of the supporting ecosystem, ranging from infrastructure, training, equipment maintenance financing, to cross-agency communication. As a form of adaptation to these conditions, Bapenda then initiated an alternative digital-based payment system, by utilizing QRIS and banking channels as a new route in regional tax payments. This step shows the institutional awareness to maintain a digital approach, even though the form has changed. The success of technologies such as MPOS relies heavily on the availability of ongoing technical support and responsiveness to constraints in the field. Without these two things, technological excellence will not have the long-term impact as expected in the framework of e-government.

Table 2 : Total PAD (in billion rupiahs) 2019-2024

Year	Total PAD (in Billion Rupiah)	Note
2019	38,2	Initial use of MPOS
2020	42,5	MPOS is active in almost all sub-districts
2021	47,1	Peak of effectiveness of MPOS use
2022	45,7	Decline; many tools are damaged, MPOS is starting to be abandoned
2023	48,3	Transition to QRIS system and bank digital channels
2024	51,2	PAD increase without full MPOS support

Source : BPS Sidenreng Rappang Regency 2025

Based on the use of MPOS has provided a positive surge to PAD, the impact is not long-term due to the weak sustainability aspects of the system and supporting ecosystems. Digital transformation in the context of tax services requires not only technological innovation, but also integrated strategic planning, maintenance budgets, regular training, and a responsive and inclusive technical reporting system.

2. Value of Business Actors

Most business actors, including the Owner of AR2 Hotel, Sweet Memory Restaurant, and Nagoya Karaoke, revealed that the use of MPOS in the early days of its implementation was very helpful in simplifying the tax payment administration process. This system automatically records daily transactions and calculates taxes payable, so that business actors no longer need to do manual calculations or prepare reports conventionally. This reduces the potential for human error and strengthens transparency between taxpayers and local governments.

"At first I felt very helped. There is no need to calculate or fill out tax forms, because the system directly records transactions." (25/05/2025 –AR Informant of AR2 Hotel Business Actor)

The existence of MPOS also encourages increased discipline in paying taxes. With automatic recording that is directly connected to the Regional Revenue Agency (Bapenda) system, business actors become more orderly and aware of their tax obligations. However, this condition did not last long. Over time, many MPOS tools deteriorate without any repair or replacement, and responsive technical service is not

available. As a result, some business actors are reverting to manual systems that are considered more familiar, even though they are at risk to the accuracy and transparency of reporting.

"When the tool is still working properly, I routinely pay taxes on time because everything is clear. But now, because the equipment breaks down a lot, I sometimes delay." (25/05/2025 – MF Informant of Sweet Memory Business Actor)

This condition reflects that digital innovations such as MPOS will only succeed if they are supported by sustainable infrastructure and adequate operational services. When there are no technical services and no active communication lines available, the level of trust in digital systems decreases dramatically. Business actors also felt disappointed and finally abandoned the system.

"I used to be satisfied and felt helped. But now, my appliance is broken and nothing is repaired. So I was confused and disappointed." (25/05/2025 – Informant R Business Actor Nagoya Karoke)

For business actors who are not used to using technology, the absence of technical assistance makes the use of MPOS a burden. This highlights the importance of an inclusive e-government policy, which considers the difference in digital literacy levels between business actors. In interviews, they emphasized the importance of regular retraining and replacement of damaged devices so that the MPOS system can be optimally reused.

"If the equipment is repaired and there are officers who regularly come to inspect it, I will definitely continue to use it." (25/05/2025 – AR Informant of AR2 Hotel Business Actor)

In addition, they also proposed the addition of supporting features in the MPOS system, such as payment due notifications, monthly transaction report recaps, integrated mobile applications, and active help buttons or technical contacts. This desire shows that business actors still view MPOS as a potential innovation, as long as it is equipped with adequate service facilities and technical support.

"I want an application on my cellphone that can show my transaction reports and tax bills. That helps a lot." (25/05/2025 – MF Informant of Sweet Memory Business Actor)

From these findings, it can be concluded that the value of the MPOS system in the eyes of business actors is highly dependent on three main aspects: ease of use, transparency of the system, and ongoing technical support. Without consistent fulfillment of these three aspects, the benefits offered by the system are unlikely to last, and the risk of a return to manual reporting practices that are prone to manipulation will remain high. Therefore, the sustainability of MPOS does not solely depend on its technological sophistication, but also on institutional commitment to building a service ecosystem that is responsive, inclusive, and adaptive to user needs.

3. Value of the Village

From the perspective of the sub-district heads in Sidenreng Rappang Regency, the Mobile Payment Online System (MPOS) system is considered a strategic innovation that is able to simplify the tax payment process by the community, especially business actors. This system provides convenience in the form of automatic transaction recording and practical tax calculation, which makes taxpayers no longer need to compile manual reports or come directly to the tax service office regularly. This is seen as in line with the main goal of digitizing public services, which is to improve the efficiency and comfort of services.

"MPOS is very good in terms of convenience. Business actors just use it, there is no need to fill in manual reports." (23/05/2025 – US Informant of Maritengae Sub-district)

However, the sub-district heads also highlighted that the convenience could not be felt evenly, especially in rural areas. Digital literacy problems, weak internet signals, and limited understanding of the use of technological devices are the main challenges. Many business actors feel confused, even reluctant to use this system, due to the absence of regular technical assistance and the lack of response to obstacles faced in the field.

"In urban areas, some business actors can indeed quickly adjust. But in the village, many are not used to this kind of tool. They are still comfortable with the manual way." (22/05/2025 – AM Informant of Pitu Riase Sub-district)

The sub-district heads also revealed that their role in the socialization and implementation process of MPOS is very limited. They receive no formal technical training, and their involvement is limited to delivering basic information to the public. This makes the sub-district unable to become a technical extension of Bapenda at the local level, even though they are the closest government structure to the community.

"We only know this MPOS from the socialization of Bapenda. But they have never been trained on how to work, let alone prepared to help business actors if there are technical problems." (22/05/2025 – US Informant of Dua Pitue Sub-district)

If viewed from the overall findings of the interview results from three categories of informants—namely the sub-district government, business actors, and Bapenda—it can be concluded that the value or benefit indicators of MPOS are quite high, especially in the aspects of efficiency, transparency, and accountability of tax services. At the beginning of its implementation (2019–2021), the Mobile Payment Online System had made a real contribution to increasing Regional Original Revenue (PAD), by allowing real-time transaction recording and preventing report manipulation.

However, these benefits did not last long due to various technical constraints in the field, including equipment damage, the absence of maintenance teams, and limited institutional support across sectors. As a result, reporting is carried out manually, which risks reducing the validity, timeliness, and speed of regional tax services.

From the point of view of ease of service and user satisfaction, MPOS does make it easier for business actors to report and pay taxes. The system is considered efficient, transparent, and minimizes administrative burden. However, this satisfaction is fluctuating due to the absence of advanced technical services, weak networks, and the unavailability of retraining facilities for users. Some business actors even expressed disappointment and confusion when the equipment was damaged and not repaired immediately.

This condition indicates that the value of the MPOS system is theoretically and technically quite high, but its implementation is hampered by weak support consistency, lack of infrastructure, and absence of sustainability strategies. When there is no system update, human resource strengthening, and coordination between agencies, digital innovations such as MPOS will only be a temporary project that fails to have a long-term impact.

Digital transformation through the Mobile Payment Online System had become a milestone in the success of Sidenreng Rappang Regency in significantly increasing PAD. However, the decline in effectiveness that occurred post-2021 proves that the launch of the system is not the end of the innovation process, but rather the beginning of a digital service ecosystem that demands continuous maintenance, budget allocation, and active participation from all stakeholders, including the sub-district government and the user community.

The results of the sub-district research are based on the indicators of Support, Capacity, and Value according to conditions in 5 sub-districts in Sidenreng Rappang Regency. This explanation refers to field findings from interviews with the Sub-district Head, business actors, and Bapenda.

Table 3 : Recap of Research Results Based on Indicators in 5 Districts

District	Support	Capacity	Value
Maritengae	High (early), decreasing	Good infrastructure, broken tools	High impact at the beginning, now it goes down
Panca Rijang	Enough	Uneven tools, weak technical	Initial impact good, now weak
Watang Pulu	Enough	Network interference, malfunctioning tools	Limited impact
Duapitue	Low	Low infrastructure, untrained human resources	Almost no impact
Pitu Riase	Very low	Low digital access	No significant impact

Source : Data Processing Results, May 2025

The results of the study on the use of Mobile Payment Online System (MPOS) in regional tax services in Sidenreng Rappang Regency show that there are variations in use in the five sub-districts studied, namely Maritengae, Panca Rijang, Watang Pulu, Duapitue, and Pitu Riase Districts. The analysis was carried out based on three main indicators: Support, Capacity, and Value, which were obtained through interviews with sub-district heads, business actors, and the Regional Revenue Agency (Bapenda).

Maritengae District, which is the center of the district government, became the first area to receive a comprehensive MPOS system intervention. In the early stages, support from local and sub-district governments was very high. Socialization is actively carried out, and business actors in the restaurant, café, and entertainment sectors become enthusiastic early users. In terms of capacity, Maritengae has adequate digital infrastructure, including a stable internet network. The main business actors have been equipped with MPOS devices since the beginning. However, over time, many tools deteriorate without any replacement or repair. Sub-district employees also do not receive advanced technical training, so they cannot help in the event of a disturbance. In terms of value, MPOS made a significant contribution to increasing Regional Original Revenue (PAD) in 2020–2021. However, since 2022, usage has decreased drastically due to a lack of technical support and equipment breakdowns, so reporting is done manually again.

Similar conditions were found in Panca Rijang District, which is known as an active economic area. In the early days of use, the sub-district head together with Bapenda actively socialized MPOS and encouraged business actors to use it. However, cross-agency coordination has declined since 2022. Although the internet infrastructure is quite adequate, the limited number of tools and the absence of technicians cause users to have difficulties when the tools are damaged. The absence of technical training at the sub-district level has also worsened the situation. In terms of benefits, MPOS had a significant impact on PAD during the first two years, but then business actors returned to using manual methods due to the lack of technical support and clarity on program sustainability.

Watang Pulu District as a buffer area for the city shows that its use has not been maximized. MPOS socialization is only carried out once at the beginning without further assistance. The limitations of the internet network, especially in suburban areas, make it difficult for MPOS devices to operate consistently. Appliance breakdowns are not responded to with repairs or training, so the use of the system only occurs briefly. Although the benefits were felt in 2020, the system was abandoned, and the impact on PAD was limited.

In Dupitue District, the use of MPOS is experiencing severe challenges. Support from the sub-district is very minimal and coordination with Bapenda is not sustainable. Digital infrastructure is very limited, and internet networks are often disrupted. Only a few business actors have ever used MPOS, and when the equipment is damaged, there is no repair or technical assistance. The sub-district officials were also not involved in the training. In general, the MPOS system does not have a significant impact on tax services or PAD revenues in this region.

Pitu Riase District as the outermost area with mountainous characteristics faces significant geographical challenges and infrastructure limitations. Support for MPOS is almost non-existent, because limited socialization is only carried out at a few business points. MPOS devices are not available evenly, and sub-district officials do not receive training. The low level of digital literacy causes this system to be unworkable. Until now, MPOS has not contributed to behavior change or increase in PAD in the region. Overall, the performance of the MPOS system was very strong at the beginning of its use (2019–2021), especially in areas with higher infrastructure readiness and capacity of business actors such as Maritengae and Panca Rijang. However, since 2022, the utilization of the system has decreased drastically due to weakening institutional support, the absence of ongoing training, and the absence of the role of post-use support OPDs. This system not only failed to be maintained, but was also not integrated into the overall tax service ecosystem. Uneven infrastructure and human resource capacity exacerbate digital adoption inequality at the regional level.

MPOS has been proven to be able to increase the transparency and accuracy of tax reporting and have a real impact on PAD. However, these benefits are only short-term if they are not accompanied by system maintenance, device updates, and strengthening human resource capacity. Without ongoing technical support and a deployment strategy that is responsive to regional characteristics, digital systems such as MPOS are prone to failure despite superior technological design

CONCLUSION

The results of studies and research from the Harvard JFK School of Government are fundamental elements in the success of e-government development, namely support, capacity, and value. In the context of the use of the Mobile Payment Online System (MPOS) in Sidenreng Rappang Regency, these three elements were achieved simultaneously in the initial phase of the system launch, especially from 2019 to 2021. At that time, political support from regional leaders and cross-agency coordination went well, initial institutional capacity was prepared through basic training, and the benefits of the system were proven to be real with increasing the efficiency of tax recording and contribution to Regional Original Revenue (PAD).

However, entering 2022 until now, these three elements have shown a gradual and simultaneous weakening. Support from the management agencies is reduced due to budget and human resource limitations, technical capacity decreases due to the absence of advanced training and the absence of response teams in the field, and the benefits of the system begin to disappear due to many devices being damaged and users reverting to manual methods. The current condition shows that MPOS is no longer used as widely as before, and most business actors in several sub-districts have declared that they are returning to conventional tax reporting. In fact, according to the nexus digital government approach, the success of digital transformation can only be achieved if support, capacity, and value are present synergistically. The absence of one of the elements will weaken the entire system.

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