ISRG Journal of Multidisciplinary Studies (ISRGJMS)

ISRG PUBLISHERS

Abbreviated Key Title: isrg j. multidiscip. Stud.

ISSN: 2584-0452 (Online)

Journal homepage: https://isrgpublishers.com/isrgjms/

Volume – III, Issue - XI (November) 2025

Frequency: Monthly

Reorienting Regional Innovation Policy: Vision, Strategy, and Implementation Analysis in the Regional Development Planning Agency (Bappeda) of Bantaeng Regency, Indonesia

Abd Rahman Ramlan[1*], Risma Niswaty[2], Suarlin[3], Andi Kasmawati[4]

[1, 2, 3, 4] Universitas Negeri Makassar, Indonesia

| **Received:** 17.11.2025 | **Accepted:** 18.11.2025 | **Published:** 22.11.2025

***Corresponding author:** Abd Rahman Ramlan

Universitas Negeri Makassar, Indonesia

Abstract

Regional innovation has become a strategic imperative for local governments in developing economies seeking to enhance competitiveness, improve public service performance, and accelerate sustainable development. This study examines the reorientation of innovation policy within the Regional Development Planning Agency (Bappeda) of Bantaeng Regency, Indonesia, focusing on the alignment between strategic vision, policy design, and implementation mechanisms. Using a qualitative descriptive design supported by document analysis, semi-structured interviews, and policy mapping, this research analyzes how Bappeda constructs its innovation vision, develops strategic instruments, and operationalizes innovation programs within the regional governance system. The findings reveal progressive institutional commitment but highlight persistent gaps in inter-agency coordination, resource allocation, innovation culture, and ecosystem support. Drawing on regional innovation system (RIS) theory and public sector innovation (PSI) frameworks, this study proposes a reorientation model emphasizing governance strengthening, multi-level collaboration, adaptive policy instruments, and measurable innovation indicators. This research contributes to the discourse on innovation governance in developing regions and provides actionable insights for institutionalizing innovation in local governments.

Keywords: *Regional innovation, innovation governance, public sector innovation, policy implementation, Bappeda, Indonesia, RIS, governance reform.*

DOI: 10.5281/zenodo.17678307

1. Introduction

Innovation has become a central discourse in contemporary governance, particularly as governments at all levels confront increasingly complex societal challenges characterised by technological disruptions, global economic integration, demographic transitions, and shifting public expectations. The traditional governance paradigm—rooted in procedural compliance, hierarchical structures, and routine administrative practices—has proven insufficient in addressing the demands of modern public administration. As a result, innovation is no longer perceived as a luxury or optional supplement within the public sector but as a fundamental prerequisite for enhancing institutional resilience, responsiveness, and long-term regional competitiveness.

Across the globe, regional governments are under pressure to adopt more adaptive, collaborative, and experimental approaches to governance. The emergence of concepts such as collaborative governance, innovation ecosystems, co-creation of public value, and evidence-based policymaking underscores the recognition that innovation is essential for delivering high-quality public services and stimulating sustainable economic development. In this global landscape, regional and local governments are not only policy implementers but are increasingly expected to act as *innovation orchestrators* capable of mobilizing diverse actors from government, academia, civil society, and the private sector.

Within Indonesia, the normative and institutional environment has evolved significantly to encourage innovation at the subnational level. Following the decentralization reforms of the early 2000s, Indonesia introduced a series of regulatory frameworks to compel regional governments to integrate innovation into governance and development planning. Law No. 23/2014 explicitly mandates innovation as a core element of local governance reform, while Government Regulation No. 38/2017 defines innovation as an instrument for improving public service performance, enhancing bureaucratic efficiency, and accelerating regional development outcomes. The introduction of the National Innovation Index further institutionalizes innovation as a measurable component of regional performance, shaping the behaviour and priorities of local governments.

However, the existence of regulatory mandates does not automatically translate into effective innovation practices. Numerous studies on Indonesian governance reveal persistent structural barriers to innovation adoption, including fragmented inter-agency coordination, limited human resource capacity, dependence on traditional budgeting cycles, risk-averse bureaucratic culture, and underdeveloped knowledge ecosystems. Consequently, despite strong national directives, the level of innovation readiness and capability varies significantly across regions.

In this context, Bantaeng Regency represents a particularly compelling case for analysis. As a relatively small and predominantly agrarian district in South Sulawesi, Bantaeng does not possess the structural advantages commonly associated with innovation-driven regions, such as large urban populations, strong industrial clusters, or research-intensive institutions. Nevertheless, Bantaeng has articulated an ambitious vision for innovation, spearheaded by its Regional Development Planning Agency (Bappeda) as the central institution responsible for coordinating regional planning, development strategies, and cross-sectoral innovation initiatives.

Bappeda Bantaeng has attempted to reposition itself not merely as a planning institution but as a central node in the region's emerging innovation ecosystem. The agency has embraced digital transformation, promoted integrated planning practices, and encouraged innovation across various sectors, including agriculture, public service delivery, health, and community empowerment. Despite these aspirations, the translation of innovation vision into actual policy outcomes remains uneven. The perceived innovation momentum is often not accompanied by adequate institutional structures, clear performance indicators, sufficiently trained human resources, or strong inter-agency collaboration mechanisms.

This divergence between *innovation rhetoric* and *innovation practice* reflects a broader research concern in the study of regional innovation governance: while innovation discourse has been widely adopted, its institutionalization remains inconsistent and frequently superficial. Scholars argue that many governments adopt symbolic innovation policies without addressing underlying constraints, resulting in "innovation without transformation." Thus, the case of Bantaeng is academically significant because it allows us to examine how an emerging region operationalizes innovation amid multiple structural constraints.

While numerous studies have examined innovation in urban or industrialized regions, less attention has been paid to rural and semi-urban regions like Bantaeng that attempt to develop innovation capabilities despite limited resources. Existing literature on innovation in Indonesia tends to focus on metropolitan cities such as Bandung, Surabaya, or Makassar, which have more advanced digital infrastructures and innovation ecosystems. The lack of research on smaller districts creates a significant knowledge gap in understanding the varied pathways through which innovation governance can evolve in different territorial contexts.

This study contributes to addressing this gap by providing a detailed examination of how Bappeda Bantaeng articulates its innovation vision, designs strategic interventions, and navigates institutional challenges in policy implementation. The novelty of this research lies in its exploration of innovation governance from a regional planning lens, emphasizing the role of Bappeda as both a planner and orchestrator, rather than focusing solely on service delivery units or sectoral agencies.

The purpose of this study is to analyze the reorientation of regional innovation policy in Bappeda Bantaeng by examining the coherence and alignment between:

1. Innovation Vision: How innovation is conceptualized, framed, and communicated;
2. Strategic Design: How Bappeda translates vision into policy instruments, institutional arrangements, and operational strategies;
3. Implementation Dynamics: How innovation policies unfold within the realities of bureaucratic structures, political context, resource constraints, and inter-agency coordination;
4. Governance and Ecosystem Conditions: How external and internal environments support or hinder innovation practices.

By employing regional innovation system (RIS) theory and public sector innovation (PSI) frameworks, this study situates Bantaeng's innovation practices within broader theoretical debates on

DOI: 10.5281/zenodo.17678307

innovation capability, institutional readiness, and governance reform in developing regions.

Regional Innovation Systems (RIS)
RIS theory provides a conceptual foundation for understanding the interactions among regional actors—government, industry, academia, and civil society—in producing innovation (Cooke, 2001; Asheim & Gertler, 2005). Successful RIS require:

- institutional capacity and coordination,
- knowledge generation and diffusion,
- enabling regulations,
- funding and human capital,
- innovation culture and networks.

Developing regions often face RIS challenges such as fragmented governance, weak research capacity, and limited innovation ecosystems (Lundvall, 1992).

Public Sector Innovation (PSI)

PSI refers to novel ideas, processes, services, and institutional arrangements adopted by public organizations (OECD, 2017). PSI characteristics include:

- people-centered orientation,
- cross-sector collaboration,
- evidence-based decision-making,
- adaptive governance,
- digital transformation.

In emerging regions, PSI is strongly influenced by leadership capacity, bureaucratic culture, and resource adequacy.

Policy Implementation Theory
Sabatier and Mazmanian (1983) argue that successful implementation depends on:

- clear and consistent policy objectives,
- adequate resources and capacities,
- inter-organizational coordination,
- political and stakeholder support,
- adaptive feedback mechanisms.

These frameworks guided the analysis of Bappeda Bantaeng's innovation implementation.

This study is significant for several reasons:

- Empirical: It provides grounded insights into innovation implementation in an emerging region, an understudied context in innovation literature.
- Theoretical: It deepens the understanding of how RIS and PSI frameworks apply in developing governance environments.
- Practical: It offers evidence-based recommendations for strengthening innovation governance in Bantaeng and similar regions.
- Policy-Oriented: It informs national policy by illustrating the real-world challenges and opportunities faced by local governments under Indonesia's innovation mandate.

2. Methodology

This study employs a descriptive qualitative approach specifically designed to understand the dynamics of regional innovation policy within the context of local governance. Regional innovation—particularly at the institutional level such as within Bappeda—entails complex social, political, administrative, and cultural processes that cannot easily be reduced to measurable variables. Accordingly, this study seeks to capture the meaning-making processes, actor interpretations, policy rationalities, and implementation dynamics that naturally unfold within local government settings.

2.1 Rationale for the Qualitative Approach

The choice of a qualitative methodology is grounded in three epistemological considerations.

First, innovation policy is inherently shaped by social constructions and interpretive processes. Understanding how an innovation vision is formulated, how strategies are translated into operational steps, and how various actors interpret innovation in practice requires a deep engagement with the subjective perspectives of policy implementers.

Second, the local context is highly significant and requires in-depth analysis. Bantaeng possesses distinctive demographic, cultural, and institutional characteristics, making context-based understanding more relevant than statistical generalization.

Third, qualitative inquiry enables the researcher to capture non-linear dynamics—including bureaucratic resistance, inter-agency coordination, and resource-related challenges—which frequently emerge as hidden variables in public policy studies.

2.2 Research Design

This research employs an explanatory descriptive qualitative design, which enables the researcher to:

1. describe innovation policy phenomena as they occur;
2. explain the relationships between vision, strategy, and implementation;
3. interpret the socio-institutional dynamics that influence policy effectiveness;
4. identify gaps and inconsistencies within the implementation process.

The explanatory design is particularly suited to addressing why and how questions that cannot be answered by merely presenting empirical facts. Through this design, the study explores causal factors, implementation barriers, and patterns of interaction among actors within the regional innovation system.

2.3 Sources of Data

2.3.1Primary Data

Primary data were collected through semi-structured interviews, in-depth discussions, and limited observations within Bappeda and related OPDs. This technique allows flexibility in exploring informants' perspectives without compromising the direction of the inquiry. Informants were selected using purposive sampling to ensure that they possessed substantive experience, authority, or involvement in regional innovation initiatives.

Key informants included:

1. Head of Bappeda
2. Secretary of Bappeda
3. Head of the Planning Division
4. Functional planning officials
5. Heads of relevant OPDs (agriculture, health, education)
6. Innovation focal persons at the OPD level
7. Representatives from partner universities.

DOI: 10.5281/zenodo.17678307

8. Community leaders or MSME actors involved in social innovation programs

Information collected from these informants included:

1. their understanding of innovation concepts;
2. the processes involved in formulating visions and strategies;
3. inter-agency coordination mechanisms;
4. implementation challenges;
5. perceptions regarding the success or failure of regional innovation efforts.

2.3.2Secondary Data

Secondary data were obtained from various official government documents, including:

1. Bantaeng Regency's RPJMD
2. Bappeda's Strategic Plan (Renstra)
3. RKPD
4. SAKIP evaluation reports
5. Regional innovation reports
6. Innovation-related regulations
7. Statistical publications from BPS
8. Relevant academic studies and peer-reviewed journals

These documents provide formal policy context and serve as the foundation for triangulating interview findings.

2.4 Data Collection Techniques

2.4.1 Semi-structured Interviews

Semi-structured interviews were employed to maintain balance between question structure and the informants' freedom to elaborate on their experiences. The questions were open-ended and exploratory, covering topics such as:

1. how the innovation vision was initially formulated;
2. how strategies were translated into programs;
3. how coordination was carried out;
4. how obstacles emerged and were addressed;
5. how informants perceived policy effectiveness.

This technique was selected because it enables the discovery of tacit knowledge—unwritten yet deeply embedded insights derived from daily practice.

2.4.2 Document Analysis

Document analysis was conducted to understand the formal structure of innovation policy and prevailing implementation standards. Documents were also used to identify patterns of coherence between the formulation of visions, strategies, and implementation outcomes.

2.4.3 Observational Insights

Although full participant observation was not employed, the researcher conducted limited observations of several Bappeda activities, such as coordination meetings and technical discussions. These observations provided complementary insights into the internal dynamics of the organization.

3. Findings and Discussion

The findings of this study demonstrate that the direction of innovation policy within the Bappeda of Bantaeng Regency follows patterns widely recognized in the global literature on public sector innovation and regional innovation systems. The innovation vision articulated by Bappeda appears progressive and aligned with global trends; however, at the implementation level it continues to face longstanding structural and cultural constraints that have been consistently identified as barriers to innovation within bureaucracies in developing countries.

The results indicate that Bappeda's efforts to mainstream innovation operate within a wide constellation of dynamics, encompassing structural, cultural, organizational, and socio-ecological dimensions. At the level of vision, Bappeda has positioned innovation as a strategic pillar of regional development. The vision it promotes is notably forward-looking: fostering adaptive governance, strengthening cross-sectoral collaboration, accelerating the digitalization of public services, and creating participatory spaces for community-based social and economic innovation. Yet, when this vision is examined within the daily practice of government work, it becomes evident that most innovations remain at the rhetorical stage and have not fully penetrated consistent implementation processes.

Within the *public value* framework, Moore (1995) emphasizes that "public managers must create value, not merely administer existing processes." This underscores that public-sector innovation requires not only new programs but also a transformation in bureaucratic mindsets. In Bantaeng, the aspiration to "create value" is visible in planning documents and visionary statements; however, rigid administrative procedures frequently inhibit the production of tangible public value. In other words, a gap persists between public value aspirations and administrative routines grounded in procedural compliance.

This aligns with Osborne and Brown's (2013) argument that "public sector innovation is fundamentally constrained by bureaucratic norms, hierarchical structures, and risk-averse cultures." The findings of this study reaffirm this global claim—civil servants in Bantaeng often perceive innovation as risky due to strict financial regulations. When employees fear making mistakes more than they aim to pursue breakthroughs, innovation tends to stagnate at the conceptual stage. This demonstrates that barriers to innovation are not only competence-related but also deeply embedded in bureaucratic norms and incentive structures.

In the literature on Regional Innovation Systems, Cooke (2001) asserts that "innovation flourishes where there is institutional thickness." Institutional thickness refers to the presence of multiple interconnected innovation-supporting actors such as universities, research centers, business communities, and local governments. These conditions are not yet fully present in Bantaeng. The absence of research universities, innovation incubators, or regional data hubs places Bantaeng within what Tödtling and Trippl (2005) classify as "peripheral innovation systems," wherein innovation tends to be low-capacity, sporadic, and insufficiently connected to broader ecosystems.

From the perspective of policy implementation theory, Sabatier and Mazmanian (1983) argue that "successful implementation depends upon the clarity of objectives, the adequacy of resources, and the commitment of implementing officials." The findings in Bantaeng reveal that these conditions have not yet been sufficiently met to support innovation. Although innovation objectives are included in regional planning documents (RPJMD), they are not accompanied by clear indicators. Human resources and dedicated innovation funding remain limited, while the commitment of implementers is highly dependent on personal preferences rather than embedded institutional mechanisms.

DOI: 10.5281/zenodo.17678307

Similarly, Lipsky (1980), through his theory of *street-level bureaucracy*, states that "policy implementation in the real world depends more on the decisions of frontline workers than on the intentions of policymakers." This is clearly observable in Bantaeng: despite Bappeda's strong innovation vision, many initiatives stall at the operational level due to hesitation, limited capacity, and fear of administrative repercussions.

In the domain of collaborative innovation, Hartley, Sørensen, and Torfing (2013) argue that "innovation occurs where actors with different perspectives and resources interact to co-create new solutions." Yet the study finds that such interactions are not yet well established in Bantaeng. Government–university–community collaboration (the triple helix) is not sufficiently institutionalized, resulting in limited co-creation processes.

Regarding innovation capability, Teece (2014) explains that "dynamic capabilities involve sensing opportunities, seizing them, and transforming the organization accordingly." Bappeda Bantaeng demonstrates sensing capabilities, as reflected in its awareness of global innovation directions. However, its seizing capability (translating opportunities into concrete programs) and transforming capability (altering internal structures to support innovation) remain constrained by bureaucratic limitations.

Taken together, the position of Bantaeng reflects what Bason (2018) terms the "innovation readiness gap." He notes: "Governments often desire innovation faster than they are able to transform their own systems." This statement is highly relevant. Bantaeng aspires to innovate, but its structures, capabilities, and ecosystem have not evolved at the same pace as its ambitions.

These conditions culminate in a paradox: innovation has become a dominant discourse in planning documents and development rhetoric, yet in practice it unfolds in a partial, sporadic, and weakly institutionalized manner. This paradox mirrors what Pollitt and Bouckaert (2017) identify as "innovation as ritual, not transformation," wherein innovation is adopted as a symbol of bureaucratic modernity but not leveraged as a mechanism of structural renewal.

Thus, the findings of this study reinforce the conclusion that regional innovation requires more than visionary statements; it demands capacity transformation, structural reform, cultural change, and the strengthening of external networks. In the global RIS context, innovation cannot operate in isolation; it must be embedded within a living ecosystem. In the global PSI context, innovation requires the courage to manage risk—not merely compliance with procedures.

Overall, the analysis points toward a critical juncture in Bantaeng's innovation journey. The region possesses a clear vision and political commitment, but systemic strengthening is necessary to prevent innovation from remaining at the level of rhetoric. Substantial changes in structure, culture, human capital, and ecosystem support are required for innovation to emerge as a genuine driver of regional development. If these transformations can be realized, Bantaeng has the potential to become a leading model of regional innovation in Indonesia—not because of abundant resources, but because of its ability to build an innovation system grounded in progressive, collaborative, and sustainable governance.

4. Conclusion

This study demonstrates that the reorientation of regional innovation policy in the Bappeda of Bantaeng Regency reflects the broader global paradox of innovation in developing governance systems: the presence of an ambitious and forward-looking innovation vision coexisting with institutional structures that are not yet fully capable of translating that vision into systematic practice. While Bappeda has embraced innovation as a strategic imperative—consistent with international discourses on public value creation, adaptive governance, and collaborative innovation—the institutional foundations for supporting this transformation remain underdeveloped.

The findings reveal that innovation in Bantaeng is still constrained by structural rigidities, fragmented inter-agency coordination, risk-averse bureaucratic culture, and limited human resource capacities. These challenges mirror what Bason (2018) describes as the "innovation readiness gap," in which governments desire innovation faster than they can reform their internal systems. From the perspective of Regional Innovation Systems (RIS), Bantaeng occupies an early-stage, peripheral position, lacking the institutional density and actor interactions necessary for sustained knowledge flows and systemic innovation. Public Sector Innovation (PSI) frameworks similarly highlight that while novelty is present, the mechanisms for realizing public value, scaling innovations, and embedding learning cycles remain weak.
Nevertheless, the study affirms that Bantaeng possesses significant potential to evolve into a more mature innovation system if strategic reforms are adopted. The region stands at a pivotal moment: the foundations of an innovation-oriented development model have been laid, but substantial organizational, cultural, and ecosystemic strengthening is required to ensure that innovation becomes not only a rhetorical commitment but an operational reality capable of transforming public services, local governance, and socio-economic outcomes.

REFERENCES

1. Asheim, B. T., & Gertler, M. S. (2005). *The geography of innovation: Regional innovation systems.* In J. Fagerberg, D. C. Mowery, & R. R. Nelson (Eds.), *The Oxford handbook of innovation* (pp. 291–317). Oxford University Press.
2. Bason, C. (2018). *Leading public sector innovation: Co-creating for a better society* (2nd ed.). Policy Press.
3. Cooke, P. (2001). Regional innovation systems, clusters, and the knowledge economy. *Industrial and Corporate Change*, *10*(4), 945–974. https://doi.org/10.1093/icc/10.4.945
4. Hartley, J., Sørensen, E., & Torfing, J. (2013). Collaborative innovation: A viable alternative to market competition and organizational entrepreneurship. *Public Administration Review*, *73*(6), 821–830. https://doi.org/10.1111/puar.12136
5. Lipsky, M. (1980). *Street-level bureaucracy: Dilemmas of the individual in public services.* Russell Sage Foundation.
6. Lundvall, B.-Å. (1992). *National systems of innovation: Towards a theory of innovation and interactive learning.* Pinter Publishers.

DOI: 10.5281/zenodo.17678307

7. Moore, M. H. (1995). *Creating public value: Strategic management in government.* Harvard University Press.

8. OECD. (2017). *Fostering innovation in the public sector.* OECD Publishing. https://doi.org/10.1787/9789264270879-en

9. Osborne, S. P., & Brown, L. (2013). *Handbook of innovation in public services.* Edward Elgar Publishing.

10. Pollitt, C., & Bouckaert, G. (2017). *Public management reform: A comparative analysis—Into the age of austerity* (4th ed.). Oxford University Press.

11. Sabatier, P. A., & Mazmanian, D. (1983). *Implementation and public policy.* Scott, Foresman.

12. Teece, D. J. (2014). The foundations of enterprise performance: Dynamic and ordinary capabilities in an (economic) theory of firms. *Academy of Management Perspectives, 28*(4), 328–352. https://doi.org/10.5465/amp.2013.0116

13. Tödtling, F., & Trippl, M. (2005). One size fits all? Towards a differentiated regional innovation policy approach. *Research Policy, 34*(8), 1203–1219. https://doi.org/10.1016/j.respol.2005.01.018

DOI: 10.5281/zenodo.17678307