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The Mission Driven Principle: Regulation and Disruption of Technology 4.0

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Abstract: Currently, human life is undergoing the Fourth Industrial Revolution (Industry 4.0), where technology to improve the quality of public services is necessary to create transparent, accountable, quick, and precise governance. Presently, electronic procurement of goods and/or services is one of the government's efforts to achieve good governance through the use of technology. Presidential Regulation (PerPres) Number 12 of 2021 explicitly mandates that procurement of goods and/or services must be conducted electronically. This research aims to understand how to address technological disruption in the Industry 4.0 era and contribute scientific insights regarding the mission-driven principle in the policy of goods and services procurement. The research method utilizes a qualitative approach with a normative (doctrinal) legal specification, which will be analyzed descriptively. The results show that the application of the mission-driven regulation in the issuance of Presidential Regulation Number 12 of 2021 has provided added value in terms of value for money, competition, integrity, transparency, and efficiency.

Keywords: Government procurement; Mission Driven Principle; Fourth Industrial Revolution; Technological Disruption.

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1. Introduction

The development of media today is experiencing technological disruption. Digital technological disruption refers to an era of significant and fundamental innovation and transformation, altering systems both in Indonesia and globally. Technological disruption can be likened to a virus that spreads rapidly, expanding its presence and dismantling old systems across various sectors including business, law, society, banking, and culture, resulting in new orders. Consequently, the role of the government has become more complex, not only as a regulator but also as a facilitator, dynamizer, and catalyst. This mirrors the actions of governments in advanced nations striving to transform their bureaucracy into entrepreneurial entities (*reinventing government*).

The concept of a mission-driven government becomes the primary goal to be pursued by government components by implementing high professional work standards. The advantage of mission-driven policy is that it makes organizations more effective and efficient, achieving better performance, innovation, and flexibility (Rosidah, 2006). The mission-driven government concept can enhance public sector morality, simplify budgeting, and allow the government to focus on critical issues. Thus, bureaucratic reform in the government will become more independent and capable of improving the quality of public services for the community (Fatikha, 2016).

Indonesia has formulated its primary objectives as a nation, as outlined in the Preamble to the 1945 Constitution of the Republic of Indonesia, in paragraph IV, which states: "The State protects the entire Indonesian nation and all its blood, advances the general welfare, enlightens the life of the nation, and participates in implementing world order based on independence, eternal peace, and social justice for all Indonesian people" (Wibawa, 2019). Based on this provision, the formation of the Indonesian

government is directed toward realizing general welfare through development and service (public service/social service).

National development depends on regional development carried out by Regional Governments. The success of regional development is crucial for the success of national development, whereas the failure of regional development can negatively impact national development. The procurement of goods and services plays a key role in enhancing public services and the national economy. Government procurement services are critical for development.

Currently, the mission-driven government policy is being intensively implemented across all fields, including both central and regional governments, to address the technological disruption of Industry 4.0, which poses challenges to nations. One such area is government procurement of goods and services, aiming to make procurement services more innovative, effective, and efficient. Procurement of goods and services is crucial in national development and improving public services. Procurement is expected to support the economy both at the regional and national levels. The government employs mission-driven regulations to align procurement policies with strategic environmental issues and to support sustainable economic development.

In improving the program for the development of the procurement system for goods and/or services, it is regulated by LKPP Regulation Number 10 of 2019, which has several program targets, including resolving issues in the procurement process of goods and/or services, the presence of a reliable information system that supports the procurement process, and how Ministries/Agencies/Regional Devices (K/L/PD) can resolve procurement issues. Additionally, human resource development is carried out through the process of competency testing for positions, the development of functional positions, procurement managers, and the effectiveness of the Procurement Service Unit (ULP) functions. By maximizing national development and addressing the challenges of technological disruption in Industry 4.0, LKPP continues to strive for breakthroughs by utilizing ultra-modern technology. By developing a real-time procurement system, the agency is transforming towards E-procurement to enhance the quality and capacity of procurement data management for faster processing.

This article differs from the work of (Lian, 2019), which only discusses the challenges and threats faced by higher education institutions/the education system in Indonesia during the era of the Fourth Industrial Revolution. It also contrasts with the work of (Siallagan & Bagus Made Agung Dwijatenaya, 2022), which focuses on the implementation of goods and/or services procurement through e-procurement in the West Kutai Regency government. The key distinction in this article is that it contributes scientific insights regarding the mission-driven principle in procuring goods and/or services in the Indonesian government during the Fourth Industrial Revolution, which can later be applied in a normative framework related to strengthening good governance. Moreover, it serves as input for the development of legal science, particularly in the field of Administrative Law (Government Procurement Law).

2. Problem Formulation

Based on the explanation provided in the background section, the research problems in this study are as follows:

a. How is the mission-driven principle regulated in government procurement policy in Indonesia?

b. What is the correlation between the mission-driven principle in the procurement of goods and/or services as an effort to address technological disruption in the era of Industry 4.0?

3. Research Methods

The research in this article employs a qualitative approach with normative (doctrinal) legal specifications, which are analyzed descriptively. The normative or doctrinal research method utilizes secondary data obtained through a literature review, including legislation, court decisions, and the opinions of prominent legal scholars.

In qualitative research, data is gathered from various sources using diverse data collection techniques (triangulation) and is conducted continuously. The data collection technique is the most strategic step in research, as the primary goal of the study is to obtain data. The primary data in this research was obtained directly from field observations, including document studies, interviews, and observations) (Rony Hanitijo Soemitro, 1985).

4. Results and Discussion

Regulation of the Mission-Driven Principle in Government Procurement of Goods and/or Services Policy in Indonesia

Government procurement of goods and services, financed by the State Budget (APBN) or Regional Budget (APBD), can be effectively and efficiently implemented by adhering to the principles of healthy competition, transparency, openness, and fair treatment for all parties so that the results are accountable in terms of physical, financial, and functional benefits for the government's tasks and public service delivery. Since the government, as the user of goods and services, requires these to improve public services, procurement must be based on logical and systematic thinking while adhering to applicable principles and ethics, and utilizing established procurement methods and processes.

According to the latest Presidential Regulation, the procurement of goods and services refers to activities conducted by governmental bodies and suppliers (contractors) from the planning stage through execution and handover of the procured goods or services. The goal of procuring goods and services is specifically to improve public services. Public services address the people's needs through facilities and services provided within a goods and services procurement program. Public service is a basic need in the form of general services (Hardiyansyah, 2011).

The procurement of government goods and/or services is an activity aimed at acquiring goods and/or services by Ministries/Agencies/Regional Devices (K/L/PD), with the process beginning with the identification of needs and continuing through the handover of procured goods and services, financed by the state budget (APBN/APBD) as regulated in the Presidential Regulation on Government Procurement. The procurement process is crucial in providing adequate infrastructure and services. The regulations governing procurement are intended to fulfill the mandate of the 1945 Constitution to create a just and prosperous society. These regulations have their origins in the Dutch colonial government's regulations known as AV.41, which stands for "Algemene Voorwaarden voor de uitvoering van openbare werken." This regulation governed the terms and conditions for constructing public buildings and was established by a government decision on May 28, 1941. The decision and regulation were originally written in Dutch and later translated into Indonesian (Malangjoedo, 1978).

The AV.41 regulation governed the rights and obligations between service providers and contractors in public construction projects. AV.41 was initially created by the Public Works Labor Association of the Dutch East Indies and became a foundation and guideline for procurement practitioners at that time. This regulation later held legal force until it was replaced by Law Number 18 of 1999 on Construction Services and followed by Government Regulation Number 29 of 2000 on the implementation of construction services. The AV.41 regulation no longer serves as a guideline for the procurement of goods and/or services in Indonesia due to updates made by the government. The procurement process has since become more systematic, with improvements introduced, and in 1999, Law Number 18 of 1999 on Construction Services was enacted.

New regulations on Government Procurement emerged through Presidential Decree Number 80 of 2003, which was later revised by Presidential Regulation Number 54 of 2010. In 2018, the government made further updates by issuing Presidential Regulation Number 16 of 2018. The changes, particularly from Presidential Regulation Number 54 of 2010 to Presidential Regulation Number 18 of 2018, aimed to address previous shortcomings. One significant difference was in contract signing, where under Presidential Regulation Number 54 of 2010, the contract could be signed by the Budget User (PA), Budget User Proxy (KPA), or Procurement Officer (PPK). However, in Presidential Regulation Number 16 of 2018,

there were changes in the procurement process, including the roles of the Work Result Acceptance Officer (PPHP) and the Work Results Examination Officer (PJPHP) (Rusydi, 2020).

The regulation of government procurement of goods and/or services has undergone several changes, ultimately leading to Presidential Regulation Number 12 of 2021. The enactment of Presidential Regulation No. 12 of 2021 on the procurement of government goods and/or services serves to refine previous regulations, specifically Presidential Regulation No. 16 of 2018, which replaced Presidential Regulation No. 54 of 2010. The latter was a regulatory milestone that established a mission-driven framework for government procurement policy. Issues regarding the changes in the systematics of procurement regulations are crucial, particularly in the government procurement of goods and/or services, which are vulnerable to misconduct such as corruption, collusion, and nepotism (KKN). The prevalence of these issues has led to low budget absorption in government procurement due to stringent procedures and lengthy tender processes. Government officials fear legal scrutiny from the police, prosecutors, and the Corruption Eradication Commission (KPK). This reflects the weak budget absorption in government procurement.

In Indonesia, government procurement of goods and/or services has become one of the largest contributors to corruption cases. According to cases handled by the KPK from 2004 to 2022, 21% of corruption cases, or approximately 277 cases, involved procurement issues (Ernowo, n.d.) With unresolved corruption issues, this presents a challenge for current regulations to focus on professional human resources (HR), which is a primary goal of Presidential Regulation No. 12 of 2021 to foster integrity and competence in HR for the implementation of the procurement process.

The government procurement policy in Indonesia aims to boost domestic production and support small and medium enterprises (SMEs) and cooperatives. Presidential Regulation No. 12 of 2021 on the procurement of government goods and/or services regulates the use of SME and cooperative products/services as well as construction services funded by the state budget (APBN) or regional budget (APBD). This aligns with Law No. 6 of 2023 on Job Creation, which replaced Law No. 11 of 2020. President Joko Widodo has also encouraged the increased use of domestic products, the role of SMEs, the acceleration of government budget absorption, and the use of SME products in contractual partnerships. Presidential Regulation No. 12 of 2021 reflects the optimization of mission-driven regulation aimed at supporting SMEs, cooperatives, and the procurement of construction services utilizing APBN/APBD funds (Ambarwati & Andriana, 2024). Article 4 outlines the objectives of this Presidential Regulation as follows:

(1) To produce goods and/or services that are accurate and meet aspects of quality, cost, time, location, quantity, and provider, and are in line with the allocated budget;

(2) To increase the use of domestic products;

(3) To enhance the role of SMEs and cooperatives;

(4) To increase the involvement of national businesses;

(5) To promote the role of the creative industry;

(6) To achieve economic equity and expand business opportunities;

(7) To improve sustainable procurement;

The implementation of the policy must demonstrate results that are consistent with the success indicators that have been planned. Initially, mission-driven regulations were introduced to evaluate performance based on the needs of a nation. The policy also reflects the government's role in public expenditure, aiming to achieve strategic national development through measures of effectiveness in the application of mission-driven regulations in the procurement process based on Presidential Regulation No. 12 of 2021. This is assessed through value for money (VFM) and the elements of competition, integrity, transparency, and efficiency.

1. *Value For Money* (VFM)

To assess the success of the procurement process for goods and/or services so that it can be evaluated and held accountable, the concept of value for money (VFM) can be used as an alternative measure of success. This is implicitly stated in Article 4(a) of Presidential Regulation Number 12 of 2021, which states that goods and services procured must be appropriate for every dollar spent, measured by aspects of quality, quantity, time, location, cost, and provider. In the procurement of goods and/or services, value for money cannot function independently, as it requires supporting elements from other components of the procurement policy to achieve the highest possible value. These components include competition, integrity, transparency, and efficiency, which support the maximization of the three main principles: economy, efficiency, and effectiveness, as well as the two additional principles of fairness and equity. These principles aim to optimize the desired aspects of goods/services through the inputs, outputs, and outcomes of the procurement process.

According to (Mahmudi, 2007) integrated performance management is divided into two main components: performance planning and performance measurement. Performance planning is further divided into four stages: (1) Defining the vision, mission, objectives, and strategy; (2) Translating the vision, mission, objectives, and strategy into strategic targets, strategic initiatives, performance indicators, and performance targets; (3) Program development; (4) Budget formulation.

The concept of value for money consists of three main elements:

(1) **Economic concept**, which refers to the comparison between actual input and expected input. This concept serves to monitor how far a public sector organization can minimize the resources used, aiming to avoid wasteful and unproductive spending.

(2) **Efficiency concept**, which relates to the comparison between the output of goods and/or services produced and the input used to generate that output. This concept is closely related to productivity in terms of resource utilization, where resource use is maximized and outcomes are optimized (maximizing benefits and minimizing costs).

(3) **Effectiveness concept**, which represents the relationship between output and the objectives or goals (outcome) to be achieved. The greater the contribution of the output to achieving the goals, the more effective it is. If a program is declared effective and efficient, it can be said to have achieved cost-effectiveness.

These three aspects can be illustrated as follow:

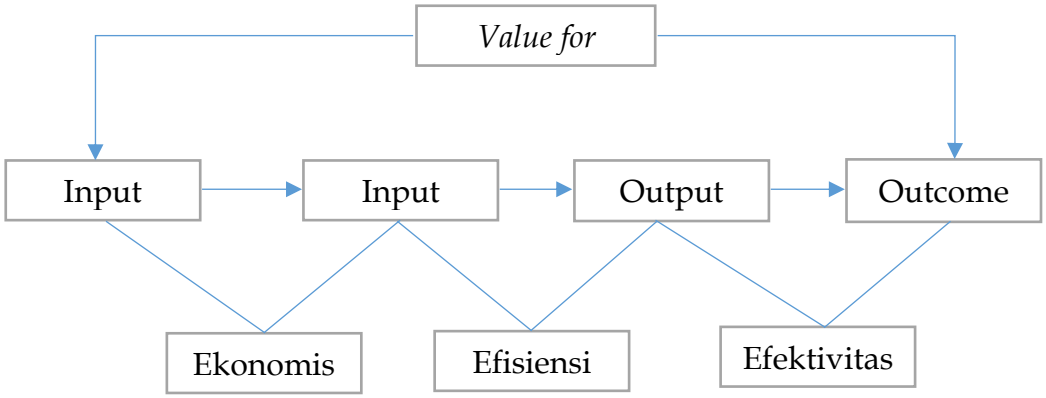

Figure: Scheme of *Value for Money*

Based on the explanation and diagram of the basic concept of value for money, it is evident that all three are interrelated. (a) **Input**: resources used to implement a policy, program, or activity; (b) **Output**: the results achieved in a program or policy, with the output measure indicating the results of program or activity implementation; (c) **Outcome**: the impact of a particular activity, with outcomes often associated with objectives or desired targets.

2. Competition

Achieving value for money in the procurement process for goods and/or services requires support from the parties involved, leading researchers to include competition as a critical element in achieving the effectiveness of mission-driven procurement regulations. Competition among suppliers of goods and/or services is crucial for encouraging the maximum participation of providers, especially small and medium enterprises (SMEs), as mandated by Presidential Regulation No. 12 of 2021. In this regard, the government is expected to play a role in balancing development efforts through the issuance of appropriate regulations.

The government procurement process in Indonesia, regulated by LKPP, aims to strengthen development by increasing the use of domestic products. This includes the participation of SMEs, with digital access support to enhance value and innovation, helping them enter national and global markets. The mandate of Presidential Instruction No. 2 of 2022 emphasizes increasing the use of domestic products and supporting micro, small, and cooperative enterprises to succeed in the National Movement for Proud of Indonesian Products (Gernas BBI) in the implementation of government procurement of goods and/or services. According to Article 65 of Presidential Regulation No. 12 of 2021, there is a requirement to use local/domestic products, with ministries/agencies/regional governments (K/L/PD) required to allocate at least 40% of their procurement budget for such products (Indonesia, 2021) Article 66 further stipulates that if domestic products have a Local Content Level (TKDN) and a Corporate Benefit Weight (BMP) above 40%, they will be further encouraged.

3. Integrity

The procurement process for goods and services involves government officials and suppliers, governed by regulations designed to prevent conflicts of interest. Integrity is crucial, requiring all parties to adhere to agreed contracts. High levels of integrity in government foster fair competition and reduce deviations. Integrity regulations are outlined in Presidential Regulation No. 12 of 2021, which emphasizes ethics in procurement because this sector is highly susceptible to fraud and corruption. Fraud can hinder the procurement process through manipulation or deception for individual gain, both inside and outside the organization.

According to Albrecht (2012), five factors serve to eliminate opportunities for individuals to commit fraud, which also act as indicators for fraud prevention (Rohman & Adi, 2023): (1) Implement strong controls in government internal systems; (2) Minimize cooperation between government officials and clients or suppliers and provide clear information about government policies on fraud; (3) Conduct supervision and provide whistleblowing systems for government employees/officials; (4) Create legal expectations; (5) Conduct proactive audits.

4. Transparency

Transparency is mandatory for procurement officials in the goods and/or services procurement process, which must be conducted in an appropriate, open, non-discriminatory, and impartial manner. Indicators for achieving transparency include (a) Open systems and clear, easily understandable standards in the provision of goods and/or services procurement services; (b) Simplified procedures and mechanisms for goods and/or services procurement services so that they are easy for users and stakeholders to understand; (c) Easy access to information related to the provision of goods and/or services procurement services.

5. Efficiency

Efficiency refers to the process of doing things correctly by utilizing organizational resources, including man, money, machines, methods, marketing, materials, minutes, and information (7M+1H). Efficiency is essential in public service at both local and central government levels, positioning the government as a catalyst for predicting the future of the country and creating accessible governance services for the public.

Correlation of the Mission-Driven Principle in the Procurement of Goods and/or Services as a

Strategy to Address Technological Disruption in the Era of Industry 4.0

The Industrial Revolution first occurred in England in 1760 (18th century), during a period of stability and transition in the way work was conducted. The revolution proceeded in four phases: Industry 1.0, 2.0, 3.0, and 4.0. The term "revolution" refers to changes in the patterns, culture, and society of a community, while "industry" relates to activities concerning the processing of raw materials into valuable and quality goods (Harahap, 2019). The Industrial Revolution also signifies a fundamental change in human work patterns, as it introduces new tools that are both helpful and essential to human life (Setiono, 2019).

The technological revolution marks a dramatic phase in human evolution, characterized by significant shifts in how humans create, use, and understand technology. There have been three major technological revolutions that have shaped the world:

(1) First Industrial Revolution (18th century – early 19th century)

The first Industrial Revolution took place in England during the 18th century, marking a shift from manual production to mechanized production. Steam engines, mechanical looms, and locomotives transformed how goods were produced and distributed.

(2) Second Industrial Revolution (Late 19th century – early 20th century)

This revolution was defined by the introduction of electricity and moving machines. Factories became more efficient, and advancements in transportation, such as automobiles and airplanes, revolutionized human mobility.

(3) Information Technology Revolution (20th century)

The development of computers and the internet revolutionized how we access, store, and share information. Communication has become faster and more efficient.

Currently, human society is experiencing the Fourth Industrial Revolution, first introduced in 2011 by the German Industry-Science Research Alliance (Marsudi & Widjaja, 2019). This revolution, described in Klaus Schwab's The Fourth Industrial Revolution (2017), is fundamentally altering the way we live, work, and communicate with others.

1. The First Industrial Revolution (1.0)

The first Industrial Revolution in the 18th century marked the initial phase of major technological change. Before this era, most work relied on human and animal labor. However, following the invention of the mechanical loom powered by a steam engine in 1784, human and animal labor became less necessary, despite increasing unemployment. This revolution significantly boosted production output (Harahap, 2019). The steam engine spurred economic growth, leading to a sixfold increase in per capita income and heralding significant changes in industry (Satya, 2018).

2. The Second Industrial Revolution (2.0)

The second Industrial Revolution spanned the 19th and 20th centuries, characterized by the introduction of electricity, which reduced production costs. In 1913, the creation of the assembly line using conveyor belts revolutionized car manufacturing, enabling mass production. Workers were trained to specialize in specific tasks, increasing production efficiency.

3. The Third Industrial Revolution (3.0)

In the Second Industrial Revolution, human labor was still essential for the production of goods. However, after the advent of the Third Industrial Revolution, human labor was no longer required to the same extent. This revolution marked the gradual end of the industrial age, which was subsequently replaced by the information age.

While the First Industrial Revolution was characterized by the invention of the steam engine and the Second Industrial Revolution by the use of electricity, the Third Industrial Revolution was driven by

information technology and electronics, introducing automation into production processes. Emerging in the early 1970s, the Third Industrial Revolution once again transformed global civilization. In this revolution, machines, which were previously controlled by humans, became automated systems regulated by computers. This technological advancement in production automation is a testament to the industry's progression.

4. Industrial Revolution (4.0)

The ongoing development of the Industrial Revolution has prompted numerous technological breakthroughs and innovations, which have been widely embraced by society. Known as the Fourth Industrial Revolution or Industry 4.0, this term was first coined in Germany in 2011, marking the onset of the digital revolution. Industry 4.0 is expected to boost productivity through its direct connection with digital systems, which encompass various types of technology.

The Fourth Industrial Revolution began in 2018 and continues to evolve. It combines two major technological advancements: automation and cyber technologies. This era is characterized by the integration of data exchange within manufacturing and automation processes. Unlike previous revolutions, Industry 4.0 has introduced the Internet of Things (IoT), along with new technologies such as robotics and scientific innovations. The digital era has had a profound impact on human life across the globe, as many activities, including work and lifestyles, have become more practical due to the increasing use of automated systems in daily tasks (Hamdan, 2018).

The era of the Fourth Industrial Revolution has significantly enhanced productivity through the adoption of digital technologies. For instance, in the transportation sector, conventional services such as manual motorcycle taxis and traditional taxis have been replaced by digital platforms offering online services. Nevertheless, there remains a segment of society unfamiliar with digital technology, who prefer to continue using conventional methods of transportation. Recently, the term "disruption" has become a focal point, coinciding with the advancement of online mass media technology. While the terms "humanities" and "history" have been in use longer, the concept of disruption is now more frequently discussed due to the rapid development of Fourth Wave technology. In this era, humans can interact seamlessly without the limitations of time and space (Kasali, 2017).

The concept of disruption gained popularity in the late 20th century within the business world, as large companies faced setbacks due to the creativity and innovation of smaller businesses operating through digital platforms. This phenomenon was previously unforeseen. The decline of established companies in competition with smaller enterprises is referred to as disruption (Christensen, 1997). Since then, economists have paid close attention to the concept, although it had existed prior. The growth of digital businesses has allowed small companies to outperform larger, well-established corporations. Initially, disruption was primarily discussed in economic circles, especially about business, investment, and finance. However, as digital technology increasingly affects various aspects of human life, the theory of disruption is now being applied to explain profound and widespread changes beyond the business world, encompassing social, cultural, and political spheres as well.

In the current era, access to information has become almost limitless, and technological advancements are driving us into the era of disruption. This era is characterized by major changes brought about by innovation. Countries unable to adapt will fall behind. The era of disruption has advanced rapidly and now affects nearly every field, including education, posing its own set of challenges. Moreover, the digital age offers both positive and negative impacts, depending on how human resources leverage this technology (Rizal & Harib, 2018).

Indonesia has already embraced Industry 4.0, with many activities transitioning to digital formats. One example is in the procurement of goods and services, where information technology is employed within procurement management systems, commonly referred to as e-procurement (electronic procurement) (Suryobuwono et al., 2021).

E-procurement is an online system used for the acquisition of goods and services. The implementation of this

system aims to streamline procurement processes, meet operational needs, and enhance procurement effectiveness (Puspitasari et al., 2017). Effective procurement means that the acquisition of goods and services aligns with organizational goals, including quality, quantity, time, place, and cost considerations. In addition to these benefits, e-procurement systems can record all planning activities and schedules, allowing for direct oversight by both middle and top management. One key success factor for government procurement through e-procurement is related to policy. The role of policy in e-procurement serves as the basic framework for its implementation, particularly regarding regional autonomy. Government e-procurement employs several methods, including e-tendering, e-bidding, e-catalog, and e-purchasing.

a) *E-tendering* is a method for selecting suppliers through an open process available to all registered suppliers via electronic procurement systems;

b) *E-bidding* is activities to carry out procurement of goods and services using information delivery methods and/or procurement and providers of goods and services, from the announcement of procurement results carried out via electronic media using the internet or electronic data interchange (EDI);

c) *E-Catalogue* is an electronic list detailing the specifications and prices of goods provided by various suppliers;

d) *E-purchasing* is a method of purchasing goods and services using e-catalog tools (Damayanti et al., 2013).

E-Procurement Policy Implementation

Government procurement of goods and services focuses on government activities, often referred to as national spending. The electronic procurement of goods and services is guided by Presidential Regulation Number 54 of 2010, later amended by Presidential Regulation Number 70 of 2012. However, these regulations do not provide detailed technical guidance on the procedural aspects of implementing electronic procurement. As a result, efforts have been made to establish Standard Operating Procedures (SOPs) for procurement implementation within government procurement units (ULP). These SOPs focus on three main stages:

(1) Compilation and publication of the General Procurement Plan;

(2) Preparation for the procurement of goods and services; and

(3) The bidding process;

Each of these SOP stages requires careful attention, as government procurement is highly susceptible to misuse, including corruption.

Then, the introduction of Presidential Regulation No. 12 of 2021 has had a positive impact on the procurement process for goods and/or services, particularly by providing easier and faster access, thereby making the mechanism more efficient and effective compared to the previous regulation, Presidential Regulation No. 55 of 2010. The earlier regulation was deemed insufficient in absorbing the state budget promptly due to its convoluted mechanism, which lacked simplicity in the procurement process. Moreover, Presidential Regulation No. 12 of 2021 has fostered healthy competition in the promotion of domestic products through the new package value, which was increased from the Rp. 2,500,000,000.00 set by Presidential Regulation No. 16 of 2018 to Rp. 15,000,000.00. This increase has boosted the participation of national businesses, Micro, Small, and Medium Enterprises (MSMEs), cooperatives, and the creative industry, thereby contributing to economic equity and sustainable development.

According to George C. Edward III's policy implementation theory, the success of policy implementation depends on four variables:

(1) Communication: the success of policy implementation requires that implementers clearly understand what needs to be done. The goals and objectives of the policy must be effectively communicated to the target group to minimize disruptions;

(2) Resources: even if a policy has been communicated clearly and consistently, its implementation will not be effective if the implementers lack sufficient resources. These resources can include human resources, such as the competency of implementers, and financial resources;

(3) Disposition: this refers to the characteristics and traits of the implementers, such as commitment, honesty, and democratic values. If implementers possess a positive disposition, they are more likely to implement the policy in line with the intentions of the policymakers. However, if there is a misalignment between the attitudes of the implementers and those of the policymakers, the implementation process may become ineffective;

(4) Bureaucratic structure: the organizational structure tasked with implementing the policy significantly impacts its success. Key aspects of organizational structure include Standard Operating Procedures (SOPs) and fragmentation. An overly complex organizational structure can weaken oversight and lead to bureaucratic red tape, characterized by cumbersome and complex procedures, which reduce organizational flexibility.

5. Conclusion

Based on the preceding discussion, the following conclusions can be drawn:

(1) The implementation of mission-driven regulations in the procurement of goods and services, as outlined in Presidential Regulation Number 12 of 2021, has proven to be more effective and efficient than previous regulations. This success is due to the adoption of appropriate measures. The new regulation adds value in terms of financial prudence, competition, integrity, transparency, and efficiency, which are now better structured and integrated.

(2) The application of technological advancements from the Fourth Industrial Revolution in governance is a driving force for improving government administration, particularly in the quality of services. Although the implementation of e-procurement in government procurement is not yet fully optimized, the government has made significant strides in transitioning from the old procurement system, which was prone to misuse, to an electronic procurement system that promotes transparency, accountability, effectiveness, and efficiency in government procurement processes.

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