CHAPTER I

INTRODUCTION

A. Background

In reform era, Indonesia implemented the development planning program as mandated by Law Number 25 of 2004 called for the establishment of a National Development Planning System (SPPN 2004) which has the goal to fix various weaknesses of the development planning in the old era (Sjafrizal, 2014). One of targets of the program is the integration of planning and budgeting. To save budget, is one of priorities of Indonesia governments, especially in the procurement process of public services.

Moreover, public service is an activity or series of activities in order to meet the needs of the service in accordance with the laws of every citizen and resident in the goods, services and / or administrative services provided by public service providers (Sjafrizal, 2014). In law number 25 of 2009 stated that public service must be based on public interest, rule of law, equality, openness, accountability, and affordable (Adinegoro, Patriastorno, Sucahyo, & Ruldeviyani, 2009). It must be asserted that it is important to create a good quality of public service. And then, one of the public services realization is by the procurement implementation.

According to OECD stated public procurement is refer to the purchase by governments and state-owned enterprises of goods, services and works which the process is the sequence of activities starting with the assessment of needs through awards to contract management and final payment (OECD, 2016). Conventional

procurement has three weaknesses in public service, these are: lack of transparency, lack of efficiency and lack of function to the development of advance tools (Adinegoro, Patriastorno, Sucahyo, & Ruldeviyani, 2009).

The lack of transparency in the procurement process affects the decreasing trust of the citizens to the government, the lack of transparency also makes the process vulnerable to corruption (Adinegoro, Patriastorno, Sucahyo, & Ruldeviyani, 2009). This is manifested in people's lack of easy access to information and the failure of the government to present to the public financial report. It is the possibility of corruption, when the financial reports are not presented, it parts way to the possibility of corruption and the possibility of people pursuing personal financial interest. The lack of efficient on the other hand affects the limited competition and tight monitoring procedure (Adinegoro, Patriastorno, Sucahyo, & Ruldeviyani, 2009). The lack of efficiency results to the delivery and demand for bigger budget. The last weakness, is the lack of function to the development of advance tools (Adinegoro, Patriastorno, Sucahyo, & Ruldeviyani, 2009).

Procurement when faced by the challenges of the lack of transparency and efficiency limits the development. In the other side, the conventional procurement process does not part way for and does not lift up local business that can faster economic stability.

Procurement as part of public service and becoming the media's target calls for a to the new system. Since Corruption Eradication Commission was established (in 2009), as much as 50 cases in public procurement with the total value project of

Rp. 1,9 Trillion has been implemented and 35% from these cases there has potential deviations reaching to Rp. 689, 19 M (Adinegoro, Patriastorno, Sucahyo, & Ruldeviyani, 2009). According to the Finance Audit Department (BPK) the deviation probably exists in the procurement process even if there is an existing e-procurement already. BPK said that there is a possible cooperation in tender processes where some providers are part of following the same tender (Afriyadi, 2016).

Overall, coming from various problems in conventional procurement, the government established the new system of procurement process, which is aimed to be more effective, efficient and will create an open information system, this system is called by *E-procurement*. E-procurement is procurement of goods and services which implemented by using information technology and electronic transaction as according to laws regulation (LKPP, 2016). E-procurement is a new system established to make the government procurement process easier. In e-procurement process is undertaken by Independent E-procurement Unit (*Layanan Pengadaan Secara Elektronik or LPSE*).

According to act number 131 in PERATURAN PRESIDENT 54/2010 or Presidential Regulation 54 of 2010 about government procurement of goods and services, the Ministries/Agencies/Local Government Units/ and Departments (*Kementrian/Lembaga/Satuan Kerja Perangkat Daerah/Institusi or K/L/D/I*) are required to implement e-procurement in all or part the project packets starting the year 2011 (LKPP, 2016). According to the law, the government was mandated to e-

procurement since 2011 in all government levels of procurement process. The purposes of act number 131 are; (1) Improving the accountability and transparency, (2) Improving the market access and promoting good competitiveness, (3) Repairing the efficiency level of the procurement process, (4) Supporting the monitoring and audit processes, and (5) fulfilling the information access needed in real time (LPSE, Pengadaan Secara Elektronik, 2016).

Based on LPSE LKPP regulation has seven principles are, and these accountability, efficiency, effectiveness, competitiveness, equality, transparency and openness (Sepriani, 2016) the mentioned principles are implemented in public service. LPSE improves the accountability and transparency of public information which can be access by the people. E-procurement is a new effort of government to repair the information openness system of procurement. the existence of e-procurement exist in Indonesia is to reduce the corruption potential in public procurement. The Corruption Eradication Commission stated that 44% of corruption cases are rooted in the public procurement process (Wibawa, 2014). To realize the accountability and transparency in public procurement, the government implemented the e-procurement system.

Furthermore, according to United Nation Office on Drugs and Crime (UNODC) a guidebook on anticorruption in public procurement and the management of public finance, it stated 3 key elements which are vital to reduce corruption in public procurement. The three key elements are transparency, competition, and objective decision making (Wibawa, 2014). It is similar to

PERPRES 54 which supports the realization of transparency and accountability in public procurement. To realize transparency is through openness of information (Wibawa, 2014). The openness of information gives opportunity to let people know the steps and activities taken in public procurement. Indonesia has provinces that ranked top 10 in good transparency or openness of information in public procurement. These provinces are East Borneo (56,832), East Java (88,639), NTB (80,417), Central Java (74,861), West Java (72,994), West Borneo (71,623), Banten (71,172), Sumatera Selatan (70, 397), and Daerah Istimewa Yogyakarta (61,206) (Rimadi, 2015).

Even if, all of the provinces in Indonesia have been using e-procurement in the procurement process, only these 10 provinces practiced well the e-procurement, especially West Java (Rimadi, 2015). Moreover, in the end of 2014 (JABAR, 2014) and 2015 West Java achieved the number 7th ranked public disclosure board (*keterbukaan informasi publik*) (Rimadi, 2015). The assessments based on the implementation of the e-government system including E-budgeting, E-procurement, E-audit, E-catalog, until cash flow management system and others (Rimadi, 2015). The award of LPSE of West Java is deserved because the province succeeded in improving accountability and transparency to the public through public disclosure. Besides, as evidence, LPSE of West Java achieved the best LPSE on innovation service category (LPSE, LPSE JABAR Kembali Raih Penghargaan, 2012). The achievements of LPSE West Java shows that there is an existing performance

improvement year after year. It puts West Java as one of the models in e-procurement implementation.

Meanwhile, with several achievements linked to LPSE West Java some problems have also been found. The problem is rooted in 460 data of e-procurement auction in consultation service of business agency in 2014 of LPSE West Java (LPSE, 2016). It was revealed that there is some missing information such as the offer price (*harga penawaran*), correction price (*harga terkoreksi*), winner information (*pemenang*), and also the local budgeting year (*tahun APBD*). Another finding revealed is that there are consistent winners in the process. The e-procurement of Consultation Service of Business Agency (*Jasa Konsultasi Badan Usaha*), it can be verified that several providers won for several times in 2014. In this case, the focus on should be the processes of selection of providers including the provider's accountability.

Thus, with the predicaments presented above, this research is important for the following reasons: firstly, this research looks into the accountability of the e-procurement process. Accountability is one of the key principles of procurement implementation as part of public service studying it is important. Most significantly, the research focused into the implementation of the procurement in West Java, specifically in the e-procurement of consultation service of business agency in the year 2014. Secondly, this research does not only focus on the accountability in the side of the government but of the providers as well; providers who won once or

several times in a tender/s. The accountability of the provider is important to be studied for it is part of the procurement process and public service delivery.

B. Research Question

Based on the background above, the research will explore the following:

a. Why the provider could be won for several times in consultation service of business agency category of West Java e-procurement in 2014 period?

b. How is the accountability of the provider who ever won for several times in consultation service of business agency category of West Java e-procurement in the year 2014 period?

C. Objectives and Benefits of the Research

a. Objectives of the Research

The objectives of this research are:

1. To analyze the accountability principle implemented in several providers won once or several times in consultation service of business agency of West Java in 2014 and have completed the project.

2. To analyze the accountability principle upheld in LPSE West Java towards procurement implementation.

b. Benefits of the Research

This research is expected to bring benefits as a basic research of understanding the nature fundamentals of the social phenomenon. The results and findings are hoped to generalized the decision-making process including the

monitoring and evaluation processes in e-procurement. Therefore, based on the purpose and objective of the research, the benefits expected from this research are:

1. Theoretical Benefit

In relation to development concept, this research is expected to be a base for further governance-related researches, especially in local government level (West Java). It is hoped to be a base to develop strategy for provider accountability in consultation service of business agency.

2. Practical Benefit

This research is expected to bring benefits to local governments and the providers which can be utilized to make an improved evaluation process and policy in e-procurement. Another benefit from this research is for the society to improve the evaluation process throw the use of government e-procurement in decision making. Practical benefits expected are the following:

a. Benefit for Independent E-procurement Unit (LPSE) West Java

This research is expected to benefit local governments specifically LPSE West Java. It will be useful for LPSE to be more accurate in the input of the e-procurement data in order to prevent missing information. It is also a mechanism to build public trust towards government project.

b. Benefit for Provider

This research is also expected to benefit providers who won several times to be more careful and accurate in the detail input of information. It is also emphasized the importance of information to avoid miscommunication, to build public trust to LPSE and to achieve accountability of providers.

c. Benefit for Society

This research is expected to benefit society. The research highlight the importance that society must have access to detailed and completed data. The research serves as a call to society to be participative in government processes and activities including public procurement.

D. Literature Review

The distinctive elements of this research among other existing research is that this research puts more focus on the accountability of providers who won several times in the year 2014. The provider accountability that is the focus of this research looks into the responsiveness of the providers to their won projects. There are some previous researches that related to this research.

Firstly, Thai, V. K. (2009) the research focuses on the procurement implementation and operation in the public sector. This research also sets out to address the need for experience-based operational issues of E-procurement by examining not only the implementation process. But also, the experience of public sector E-procurement operation in both local authorities and national civil government departments.

Secondly, Udayono (2012) this research focused on procurement through electronic implementation. Based on the principle, e-procurement is designed to foster accountability. In this case, the focus is on e-procurement accountability in Yogyakarta City in the year 2009. The finding is that e-procurement accountability in Yogyakarta is currently regulative, political and financial. The findings above have concluded that e-procurement in Yogyakarta City in 2009 is visible, but is not accountable yet.

And then, the research from Aprizal (2013) revealed some problems in e-procurement implementation such as, the small number of experts in information technology in the human resource aspect, bad moral of the people who are in authority and also the ineffective performance of the respective functions in e-procurement implementation.

Another research, Hidayat (2015) discusses the process of e-procurement implementation in 4 regencies of East Java Province such as Sampang, Kediri, Surabaya and Jember. There are 2 aspects on the e-procurement implementation process, these are, inhibit the e-procurement acceleration and increasing of the corruption cases. Then, to implement a good e-procurement in Indonesia the following points are emphasized by Hidayat (2015): 1) Creating of indicator or category for accountability and transparency on e-procurement internal implementation, 2) Entering the important value of leadership and personal integrity 3) Needs to re-formulate the new system of e-government which should

be compatible and support the e-procurement, and 4) Improving the role of government monitor units.

In addition, the research was done by Novitaningrum (2014) to examine how the accountability and transparency of the government is upheld in the procurement process. The research established that e-procurement exist to create the openness of information and to improve the accountability and transparency in the procurement process. Therefore, cheatings on procurement process it is could be minimize because of optimize the function of e-procurement implementation.

Moreover, Asliana (2012) the purpose of this research is to analyze the headline of the public procurement process in Indonesia. The electronic system (e-procurement) is to improve the accountability and transparency including the others principles of on good governance. The new system must be socialized to people to increase the participatory principle. Moreover, e-procurement is expected to decrease the corruption cases and to improve the quality of procurement process that involved LPSE and the vendor.

Furthermore, the research done by Setiawan (2014) focuses on knowing how the implementation of good corporate governance principle on procurement are implemented in BUMN Company referred in this study is specifically the PLN in Balikpapan City The findings of the research revealed that the principles of accountability, responsiveness, independence and fairness are good indicators in assessing good corporate governance. The mentioned five principles have been significant in assessing the procurement implementation in PLN Balikpapan City.

Addition research (Nurmandi, et al., 2014) is Kepulauan Riau Province, in e-procurement implementation, encountered challenges, that are associated with environmental factors, where the province geographically has more or less 2,448 islands and not all regions have the adequate with strong internet connection for the implementation of e-procurement. Another challenge is the issue of limited electrical power. And then, the limitation which is caused by the fact that organizers and vendors are not familiar to e-procurement. Then, the political process also had a very strong impact to implementation of e-procurement system on LPSE Kepulauan Riau Province.

Lastly, the research Nurmandi & Kim (2015) focused on confirming that conventional variables are really affecting the efficiency and effectiveness of e-procurement in a decentralized system of Indonesia's local government system. The important factor for successful e-procurement implementation is the synergy between central government and local government, and the reinforcement of local capacity and willingness to fight corruption and carry out e-procurement programs. On the other side, the local government needs to secure support from central government. The result of this research is valuable to improve the performance of e-government at the local level.

Overall, the distinctive elements of this research among other existing research is that this research puts more focus on the accountability of providers who won several times in the year 2014. It shows that the main concern of this research is different with these literature reviews, the previous researches above have

different concern each other. The literature review above is had some concerns that could be concluded how the e-procurement implementation is, how the was the accountability and transparency of e-procurement implementation, how to build up the new system in some regencies, and also the impact of the e-procurement implementation. The literature review above also show this research more concerns how the accountability of the provider who won several times in the year 2014. The provider accountability is assessed by the provider quality when executed the project execution.

E. Theoretical Framework

a. Public Procurement

According to OECD, public procurement is referred to as the purchase made by governments and state-owned enterprises of goods, services and works which the process follows a sequence of activities starting with the assessment of needs through awards to contract management and final payment (OECD, 2016). In addition, OECD stated that the four pillars of integrity in public procurement are transparency, good management, the prevention of misconduct, as well as accountability and control. Public procurement is also defined as the government's activity of purchasing goods and services which is needed to carry out the governments functions (Arrowsmith, Treumer, Fejo, & Jiang, 2010). They also mentioned three phases of the public procurement process, and these are as follows:

1. Deciding which goods or services are to be bought and when (procurement planning);

2. The process of placing a contract to acquire those goods or services which involves choosing who is to be the contracting partner to provide the goods and services;

3. The process of administering the contract to ensure effective performance.

Furthermore, World Bank (1995) defines public procurement as the purchase of commodities and contracting of construction works and services if such acquirement is effected with resources from state budgets, local authority budgets, state foundation funds, domestic loans or foreign loans guaranteed by the state, foreign aid as well as revenue received from the economic activity of the state (Matunga, Nyamba, & Okibo, 2013).

b. E-procurement

E-Procurement is part of public procurement which is using an electronic procurement process through internet starting from the announcement process (*proses pengumuman*), registration (*pendaftaran*), offers process (*proses penawaran*), aanwijzing (*penyediaan*), and the evaluation process of the result of the offers (*hasil evaluasi atas penawaran*) these processes are done by utilizing the information technology facility (Aprizal & Purba, 2013). In addition, Henriksen and Mahnike (2004) e-procurement offers reformation an avenue for the process of

goods and services procurement. it's implemented is for the improvement of the competition (Nurmandi & Kim, 2015).

Moreover, UNDP defined e-procurement as the development of the concept of e-government, e-procurement is an information technology movement emerging due to the physical limitations such as paper and physical based systems has traditionally been through the use of technology, constant to access and submission to government services, are made convenient and accessible to the people (Nurmandi, et al., 2014). According to Thai (2001) e-procurement system should focus on integrity and transparency, Thai (2001) explained that the process of implementing e-procurement system are as follows (Nurmandi, et al., 2014):

1. Policy making and management is related to the relationship of power between legislative, executive and judiciary, in which the implementation of the accountability procurement is under these three agencies.

2. Procurement regulation means that the e-procurement system should focus on integrity and transparency that is laid down in the procurement regulation.

3. Authorization and appropriation, Thai (2001) explained that the e-procurement professionals can provide policy makers with valuable information in the pre-procurement cycle phases, including needs assessment, and procurement program authorization, and procurement program authorization and appropriations.

4. E-procurement function in operations, according to Thai (2001), require the following manager and procurement personnel, organizational structure, techniques and methods and process.

5. Thai (2001) explained that feedback is very important for a sound procurement system. Feedback may indicate the need for adjustments to or improvements in all procurement system elements.

Furthermore, according to Simon Croom & Alistair Brandon-Jones the existing E-procurement has the body of literature that identifies five main themes in E-procurement research relating to the following (Thai, 2009):

1. Cost-efficiency benefits

Category of cost-efficiency in e-procurement improvement mentioned above, are presented by cost benefit in e-procurement by Yen and Ng (2013), and these are as follows: Reduction in costs arising as a result of digitizing catalogs, Reducing errors in order transmission, Reductions in inventory, and Reductions in suppliers' marketing costs.

2. Impact of E-procurement systems on the form and nature of supplier governance

Malone (1987,1989) viewed that e-procurement and associated e-business systems will increase the tendency toward arms' length, market forms of transaction because the barriers to entry in electronic transactions are low.

E-procurement implementation is expected to realize the costs and process efficiencies rather than public procurement in conventional way procurement.

4. Information technology (IT) infrastructure issues

In e-procurement there is certainly a use of information technology infrastructures issue to facilitate the system implementation. The Web-based and Web-related found to support the procurement process are E-mail, Web sites, Funds transfer, Electronic data interchange, Microsoft outlook, Lotus notes, Knowledge sharing, E-procurement, Intranet, Middleware, Extranet, Portals and Global positioning systems.

5. Organizational and relational issues

The adoption of e-procurement can have an impact to the internal and external relation linkages. The first is internal impact, the motivation of buyer to use the internet as a resource for various elements of the purchasing process was investigated by Kennedy and Deeter-Schmelz (2001).

c. Consultation Service of Business Agency

Consultation service is defined as the professional service which needs certain expert in various scientific sectors with brain ware as the priority (LPSELKPP, 2016). Some example of the sectors in the consultation service category are engineering (*jasa rekayasa*); planning (*jasa perencanaan*), design (*perencanaan*) and supervision (*pengawasan*) for construction jobs; planning (*jasa perencanaan*), design (*perencanaan*) and supervision (*pengawasan*). Another

example is profession expert services such as advisory services, mentoring services, assessment services, technical assistance, management consultant, and legal consultant.

Alternative methods that can be used to select a provider of consultation services along with the message are the following (LKPP, Modul 2: Persiapan Pengadaan Barang/Jasa Pemerintah, 2010):

Table 1.1 Method of Consultation Service Providers Selection

The Method of Consultation Service Providers Selection		Selection Criteria
Selection	General Selection	The general selection principle of the selection of consultation service providers use this method, unless it meets the criteria to be able to use the method of the other consultation provider's selection.
	Simple Selection	- Simple nature; and - Maximum Value is Rp. 200.000.000,00 (2 hundred million rupiah)
Direct Appointment		- Specific Circumstances; (PERPRES RI no 54 of 2010 act 44)
Direct Procurement		- Maximum value is Rp. 50.000.000,00 (Fifty million rupiah) - Is the operational needs of K/L/D/I
Competition		- Is the process and the result of the ideas, creativity, innovation and specific implementation methods; and - Cannot be set on the basis of unit

	price

d. Accountability

Accountability is the embodiment of the duty to account for success or failure of the implementation of the organization's mission in achieving the goals and objectives that have been set through a media accountability carried out in periodic (Qori Lusi Pratiwi, Choirul Saleh, Abdul Wahid, 2014). Meanwhile, Aprizal said the public service accountability in e-procurement implementation is seen to be based on six dimensions, namely efficiency, effectiveness, fairness, transparency, openness and competitiveness and accountability (Aprizal, 2013). Aprizal (2013) further argued that accountability in the procurement is the responsibility of the procurement implementation to its stakeholders and society based on ethics, norms and the provisions of the applicable legislation (Aprizal, 2013).

In addition, Kumorotomo (2002) emphasized that accountability is a measure which shows what the public bureaucracy activities are performed by the government that are already appropriated with norms. Accountability also the public needs assesses accommodated by public service what the public service can accommodate the public needs (Udoyono, 2012). Another definition from UNDP described accountability to be the obligation to demonstrate that work has been conducted in accordance with agreed rules and standards, and report fairly and accurately on performance results vis-à-vis mandated roles and/or plans (UNDP,

In addition, procurement has principles that must be implemented, and these are (Lubis, 2014) :

1. Efficiency. Means in procurements it must use limited budget and resources to achieve the target in the shortest time possible.

2. Effectiveness. Means that procurement with the available resources has high advantages.

3. Openness and competitiveness. Means that procurement must be open for all of providers who fulfill the requirements and it is done by fair competition based on transparent procedure.

4. Transparency. Means that giving complete information to all of potential participants using information media.

5. Non-discriminatory. Means achieving fair competition that do not lead to giving advantages to certain parties for any reason.

6. Accountability. Means the procurement in achieving the target must be accordance with the procurement principles.

Furthermore, according to Elwood (2003) in (Nurbarokah, 2016)there are four accountability dimensions which must be filled by public sector organization (legal department), which is:

1. Honest accountability and legal accountability

   Honest accountability is related to the prevention of abuse of power, while legal accountability is related to the guarantee of adherence to law and regulations that are required in utilizing public budget resource.

2. Process accountability

Process accountability is related to did the procedure already implemented in accountancy information system, management information system and administration procedure. This accountability is manifested by public service that is faster, responsive and cheap.

3. Program accountability

Program accountability is related with the consideration of the purpose decision that are attainable or not attainable and the program alternative which give optimal result and minimum budget requirement.

4. Policy accountability

Policy accountability is related to the responsibility of adviser, administrator and supervisor to the policies that are already taken. There are several terms of accountability in public sector:

1. Upward accountability shows the existence of obligation of the of high leader in certain sectors to report to the executive leader, which is the director general of the ministry.

2. Outward accountability, means that the task leader must report, consults and respond to the client groups and stakeholders in the society.

3. Downward accountability shows that each leader in various levels must always communicate and socialize all policies to the subordinate because the success of any policy learns to the understanding and implementation

F. Conceptual Definition

The following are some definitions that can support and used in research:

a. E-Procurement

E-procurement is the government procurement process of using and utilizing information technologies electronically in order to realize the principles of good governance such as accountability, transparency, fairness, competitiveness, powerful, responsiveness, effectiveness and efficiency.

b. Consultation Service of Business Agency

Consultation service of business agency is one of the government procurement categories. This category demands the provider to have special skills possessed by professional services in the areas of science that requires a brain ware.

c. Provider Accountability

Provider accountability can be interpreted as a liability of the company or provider as the executor of the project of government procurement to the relevant parties (both government and society). Surely provider accountability, must also be realized the principles of efficiency, effectiveness, transparency, openness, non-discriminatory, competitiveness and accountability.

G. Operational Definition

This research uses the following operational definitions as follow:

a. E-Procurement

Procurement regulation.

The regulation is the SOP, local regulation or public order as the additional basis of procurement implementation in LPSE West Java which requires the achievement of accountability.

b. Consultation Service of Business Agency

Professional services.

This an indicator used analyze the professional service category of the items and contracts which are already auctioned by LPSE West Java.

c. Provider Accountability

1. The vendor in the progress of completing a target project is on schedule (Effective).

2. There is no corruption or any frauds (Transparent).

3. Vendor quality in achieving the process accountability.

H. Research Method

a. Type of The Research

This research uses qualitative research methods to obtain data and information. Jane Richie (2000) states qualitative research is an attempt to present the social world and perspective on the world, in terms of concept, behavior, perception and the questions of human research (Aghisna, 2016). This method

includes the descriptive method in presenting and explaining the gathered data and information.

b. Research Location

This research is located in West Java with the case on provider accountability in consultation service of business agency. The research involved LPSE West Java and some providers as the research object. The reason for choosing this location of West Java is because the region achieved the top 10 rank of Public Disclosure Board (*Sistem Keterbukaan Informasi*). The researcher is interested to know if the achievement is suitable in reality looking into the accountability principles.

c. Analysis Unit

In this research, the researcher obtained information or data source from:

1. The head or the representative of independent e-procurement unit (LPSE West Java).

2. The head or the representative of procurement service unit (ULP West Java).

3. Two providers who won in consultation service of business agency in the year 2014.

4. Two departments who had a project in consultation service of business agency in the year 2014.

d. Data Collection Technique

Data collection technique which used in this research are the following:

1. In-depth Interview

Interview data collection technique is directly done orally by asking questions that are answered verbally. Interview in this research are expected to get results that are more accurate and detailed information related to existing problems. The interview was conducted in LPSE West Javato the officers who held direct the auction in e-procurement.

This interview includes the head of independent e-procurement (LPSE) West Java, the head of procurement service unit (ULP) and also several providers which won the auction. The officer explained how the provider won for several times and also explained the data which can support the accountability of the provider. Another interview involved the providers who won once or several times in consultation service of business agency category. It involved the provider actor who holds an important position in the provider category.

2. Documentation

Documentation technique is a way of data collection which includes archives, books and information on related issues and theory to solve problems. In this research method, documentation technique is used as the main tool in data collection.

The data collecting in LPSE West Java was done prior to the interview. The data from LPSE West Java revealed the provider

accountability in consultation service of business agency in the year 2014.

The data and document would be the most valuable support to the findings

and answers of the hypothesis in this research. Then, documents were also

collected from the provider won once or several times in consultation

service of business agency in the year 2014.

e. Data Classification

In this research, the writer uses the primary and secondary data classification.

The primary data is the data that are directly gathered from the field. And then,

secondary data is the data that are quoted from main sources and are not directly

collected from the main source of study. The secondary data were collected from

various sources such as books, journals, documents, interview and so on.

Table 1.3 Data Classification

No.	Data	Primary	Secondary	Source
1.	The report of monitoring and evaluation from LPSE West Java in consultation service of business agency		√	Archive
2	Accountability which related to achieve the provider accountability	√	√	Books, Journals and Interview
3	E-procurement implementation in achieving accountability		√	Interview, Books and Journals
4	Performance of professional service on tender execution in consultation service of business agency	√		Interview

f. Data Analysis Technique

The researcher uses data analysis technique such as of library research in collecting data from books, academic journal, article, interview and archive data that are relevant to this research. The process of data analysis in this research includes collecting data, analyzing data and then making a conclusion to the analyzed data. There are four steps in qualitative data analysis. *First* is the compilation of data which includes obtaining relevant data to the research. *Second* is data classification what of data is useful and what's not. *Third* is data processing which involves interpreting the data for qualitative data analysis. *Forth* is the making of the research conclusion from the gathered and analyzed data.

g. The Systematic of Writing

The systematic of writing and an understanding, the researcher make a systematic writing as follows:

CHAPTER I, Introduction, consists of: background, research question, objectives and benefit of the research, literature review, theoretical framework, conceptual definition, operational definition, type of the research, research location, data collection technique, data classification, and data analysis technique.

CHAPTER II Research Object Description, West Java and LPSE West Java Province

CHAPTER III, Data Interpretation and Analysis