

IMPACT OF DIGITIZED SALARY SYSTEMS ON PUBLIC ADMINISTRATION IN SANGKAT TA KHMAU

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ABSTRAK

Penelitian ini bertujuan untuk menyelidiki dampak digitalisasi sistem pembayaran gaji terhadap pengalaman dan persepsi pegawai negeri sipil di Sangkat Ta Khmau. Penelitian ini menggunakan pendekatan penelitian kualitatif dalam bentuk studi kasus. Pengumpulan data dilakukan melalui sumber primer, termasuk wawancara *purposive* dengan informan kunci, serta sumber sekunder yang mencakup laporan administrasi. Hasil penelitian menunjukkan bahwa efisiensi operasional telah meningkat secara signifikan; sebagai contoh, rata-rata waktu pemrosesan gaji berkurang dari 10-14 hari menjadi hanya 1-3 hari. Selain itu, tingkat kesalahan pembayaran berkurang dari 15% menjadi hanya 2%. Berdasarkan diskusi hasil penelitian, terlihat bahwa peningkatan transparansi sistem pembayaran gaji telah meningkatkan kepuasan kerja secara signifikan, dengan skor rata-rata 4,045/5. Hasil penelitian membuktikan bahwa digitalisasi sistem pembayaran gaji merupakan pencapaian besar dalam modernisasi administrasi Kamboja karena berhasil mengurangi risiko korupsi secara signifikan dan selaras dengan kebijakan nasional Pemerintah Kerajaan Kamboja mengenai implementasi Kebijakan Pemerintah Digital 2022-2035.

Kata Kunci: **Digitalisasi, Administrasi Publik, Sistem Pembayaran Gaji, Pegawai Negeri Sipil, Kamboja**

ABSTRACT

This research aims to investigate the effects of the digitization of the salary payment system on the experiences and perceptions of civil servants in Sangkat Ta Khmau. This research employed a qualitative research approach in the form of a case study. This research used primary sources of data collection, including purposive interviewing of key participants, and secondary sources of data collection, which included administrative reports. From the research results, it was evident that the efficiency of the operation had been enhanced significantly. For instance, the average time taken to process salaries was reduced from 10-14 days to only 1-3 days. Moreover, the error rate was reduced from 15% to only 2%. From the discussion of the research results, it was evident that the increased transparency of the salary payment system had enhanced job satisfaction significantly, averaging 4.045/5. From the research results, it was evident that the digitization of the salary payment system was a major milestone in the modernization of the Cambodian administration. This was because it had reduced the risk of corruption significantly and was in line with the national policy of the Royal Government of Cambodia on the implementation of the Digital Government Policy 2022-2035.

Keywords: *Digitization, Public Administration, Salary Payment System, Civil Servants, Cambodia*

INTRODUCTION

Public administration within Cambodia has faced various challenges, especially with respect to salary payment administration for civil servants. Currently, it appears that civil service salary payment administration within the country has mainly depended on antiquated procedures. Such procedures have contributed to various challenges, including loss of efficiency and accuracy within salary payment administration. Such losses within efficiency and accuracy provide an opportunity for graft and undermine confidence within public institutions. The civil service within Cambodia has traditionally faced various problems such as poor pay and administrative inefficiency. These problems have contributed to poor motivation and retained talent within civil service (Bun, 2015; Say, 2018).

The Royal Government of Cambodia has been aware of the aforementioned issues and has already launched a number of reforms with the goal of modernization in the public sector. The initiatives like the Digital Economy and Society Policy Framework for the year 2021-2035 and the Digital Government Policy for the year 2022-2035 have the goal of improving services and overcoming bureaucratic inefficiencies (Mono, 2021; Soeng & Kao, 2024; Vichana, 2023). The shift towards digital governance in Cambodia reflects similar trends in other countries in the region where e-government innovations have been noted to be effective in local administration and accessibility of services (Tui et al., 2021). In this regard, the digitization of salary payments would be a highly important move in the direction of maximizing the efficiency and accountability of governmental services.

The importance of the digitization of salary payment processes cannot be overemphasized. Digitization provides a way of improving salary payment processes by ensuring that civil servants receive their salaries. By implementing digitized processes, the government will be able to ensure transparency in the processes of financial transactions, thus reducing chances of corruption. Additionally, the use of automated processes will improve efficiency, thus enabling the government to effectively use resources by attending to the needs of civil servants (Bun, 2015; Kumar & TM, 2015; Tep, 2015).

Digitization is also an important factor in improving the level of accountability in the public service. In this manner, it will be much easier to track the disbursement of salaries through modern computer records, reducing inaccuracies in the financial transactions (Soeng & Kao, 2024). Needless to say, this is an improvement not just for

the public servants but also a step towards making the public administration in Cambodia modern (Vichana, 2023).

The proposed research would seek to determine the effects of the recently rolled out digital payment system for civil servants' salaries on the personal experiences and perceptions of civil servants living in Sangkat Ta Khmau. The proposed research would be guided by the need to evaluate the effectiveness of the digital payment system in increasing efficiency, transparency, and job satisfaction among civil servants. In addition to understanding the effectiveness of the digital payment system, the proposed research would assess the hurdles faced during the shift from manual to digital approaches to practicing public administration. The proposed research would be guided by its ability to provide useful and significant contributions to the debate about the use of digital arrangements in public administration practices in the Kingdom of Cambodia.

LITERATURE REVIEW

Overview of E-Governance

E-governance has presently received considerable attention as various governments have become keen to harness technology to improve service delivery and citizen engagement. E-governance, also known as electronic governance, pertains to using Information and Communication Technology (ICT) to facilitate interactions with various entities such as citizens and organizations. According to United Nation (2015), good e-governance is functional when it empowers citizens by offering greater access to information and services, thus ensuring that it is transparent and accountable.

There have been recent studies showing the change possible through the application of digital technology in the management of the public. For example, Kumar & TM (2015) indicates how e-governance can make the processes of the government faster along with a decrease in costs of operation. At the same time, when ICT changes the way the government delivers its services to the people, it ensures an innovation culture within the institutions of the government. It is further observable that the growth of e-governance relates to the utilization of technology within the digital transformation sector. Digital transformation refers to the implementation of technology to enable a change in the way an organization conducts its operations (Sultana, 2025).

Although there have been very promising developments in this area, some challenges have also been identified in the existing body of knowledge with regard to the implementation of e-governance. These include challenges that have arisen from inadequate infrastructural development, resistiveness to change among civil servants, and differing familiarity with digital technology among citizens (Kumar & TM, 2015). Thus, it has become indispensable to understand and explore the subtleties of e-governance from the perspective of developing countries such as Cambodia.

Challenges in Traditional Salary Systems

The conventional methods of paying salaries in public administration have been widely criticized over the years due to the inefficiencies that characterize this process. The delays that are normally experienced when using the conventional method can lead to errors in paying salaries as well as a lack of accountability. The inefficiencies also create dissatisfaction among employees, which ultimately leads to a negative culture in the work environment (Bun, 2015; Say, 2018; Tep, 2015).

Research has shown that the manual wage management systems are prone to various intolerances, such as the problem of "ghost workers" that receive salaries for jobs that do not exist. The inefficiencies present in the manual systems demoralize the civil servant and ensure that they have low morale and a high turnover percentage. Additionally, the complexity involved in processing the paperwork associated with the civil servant, such as working and wage history, ensures that the problem of delays and inaccuracies by the administrations in maintaining the payrolls of the civil servants persists (Bun, 2015; Say, 2018).

The move from conventional to digital salary processes is perceived as an important milestone towards the modernization of public services. Digital transformation in salary disbursements will ensure enhanced efficiency and accountability in the processes, which will have an indirect impact on improving the working environment for all civil servants (Milakovich, 2021). The journey towards digital transformation faces numerous difficulties, especially if they operate in an environment with inadequate technology resources or employees who resist change (Banga et al., 2020).

Benefits of Digitization

Digitization of public service delivery, especially in terms of wage payment services, provides many advantages that have already been identified and reported by previous literature. One of the main advantages that come with adopting digital wage payment systems in governments can be seen in terms of efficiency and speed. This means that it takes digital payment systems far faster than can be done by manually processed payment systems, which in return ensures that civil servants are able to receive payments faster (Ul et al., 2017). In addition, digitization increases efficiency and accountability in public service delivery in terms of payments. This means that through digital payment channels, governments are in a position to track payments much more easily (Kumar & TM, 2015). Moreover, recent studies emphasize that digital transformation projects, especially those that include automated record-keeping systems, are crucial in eliminating data inconsistencies and achieving accuracy in administrative outputs (Winantoro & Choiriyah, 2025). This means that it becomes more difficult for civil servants to doubt the delivery of payments and at the same time reduces instances of malnutrition.

It is also supported that digitalization of salary could increase job satisfaction among civil servants. According to Milakovich (2021), timely and appropriate payment

of salaries is one of the influential factors on employee morale and motivation. Secondly, integration of easy-to-use technology will allow the civil servants to have partial control over their financial transactions, thus increasing ownership feelings and commitments to work as reported by Sarker et al. (2018).

RESEARCH METHODS

Research Design

This research study uses a descriptive model along with a qualitative approach in order to understand the implications and possibilities in the modernization process of the salary system among the country's civil servants in the Kingdom of Cambodia, which includes digitizing the system. This approach is applied with the primary aim of reaching effective inferences through a comprehensive understanding encompassing various viewpoints on the matter under discussion. This qualitative approach to research is also appropriate in the Kingdom of Cambodia, taking into consideration the influence of political, historical, and socio-cultural contexts on the public administration system. This research also uses a case study approach, which is an efficient procedure to examine government-backed e-governance projects.

Data Collection

The gathering of data in this study uses both primary and secondary sources. The primary sources are obtained from intensive interviewing of key participants in the process of the implementation of the e-government projects. The participants are targeted heads of communes, chiefs of financial and accounting offices, cashiers, and all other relevant officials. The aim of the strategy is to use purposive sampling to get adequate, specific, and related data from participants who are well-informed about the historical, political, and cultural dimensions of modernization and digitized payments.

In collecting primary data, the collection of secondary data involves a thorough examination of government wage scales and reports, as well as a reading of literature and press releases. This allows the collection of a level of supplementary data that adds meaningful context to the examination of the research findings. Administrative statistics, specifically those associated with the establishment of electronic infrastructure supporting the provision of online services, would be gathered from the head of the Sangkat if need be. The goal of gathering this varied data is to improve the quality of research findings and to develop a balanced perspective of the questions at issue.

Analysis Techniques

The analysis of data has a systematic methodology that helps in ascertaining the validity and reliability of the results. In the case of the analysis of the non-numerical data, thematic analysis has been conducted. The thematic analysis has the aim of determining the themes and emerging patterns with respect to the data gathered from the interviews. The thematic analysis has numerous stages that include the initial processing

of the data, clustering of the responses on similar issues, and the emergence of the themes.

Quantitative data gathered from surveys is analyzed statistically to determine the relationship between variables. Descriptive statistics are employed to create a summary of major variables, which may consist of calculating means, standard deviations, and correlation coefficients. Tests and procedures like Cronbach's alpha are conducted to determine if scales utilized in surveys possess reliability and validity, ensuring that variables are measured properly.

In general, the combined approach between qualitative and quantitative methods provides an opportunity for a complete analysis of the digitization of the civil servant salary payment process, ensuring that civil servants' experiences and perceptions in Sangkat Ta Khmau can be understood in a complex manner. The approach seeks to offer practical information that can aid policymakers and practitioners in improving public administration in Cambodia.

RESEARCH RESULTS AND DISCUSSION

Key Results

The application of the digital salary payment system in the Ta Khmau commune has brought efficiencies in various facets of civil services. The shift from the manual processing of salaries to the digital platform has improved the efficiency of the salary services, as well as impacted the transparency and satisfaction levels of the civil officers.

Transparency

Among the prominent results of this digital salary payment system is that it has amplified transparency in the means of salary distribution. Under the old manual system, delays and inaccuracies had frequently plagued civil servants in receiving their pay and thus had minimal confidence in the administration. The new digital system processing their salaries via Aceda Bank has brought in an element of clarity and accountability that has not existed previously.

Civil servants indicated that they can now easily track their salary payments through the real-time update and detailed transaction history the bank app provides. This they said has reduced the mystery shrouding allocations. For example, one civil servant explained, "The transparency of how salaries have been utilized has greatly increased my motivation," reflecting a general perspective of respondents on the clarity brought about in the distribution of salaries.

Job Satisfaction

The new digitized salary payment system has also resulted in job satisfaction among civil servants. The mean score for statements on job satisfaction, which relates to the new system, was 4.045, which indicates positive responses. The timely and correct

processing of salaries has made the civil servants feel important and appreciated in their work.

Response or feedback obtained from the respondents stressed that transparency has significantly improved their job satisfaction. One of the civil servants commented, "The fairness of the new salary allocation scale inspires us to work even better," which means that the perceived equity in the salary distribution has succeeded in motivating the employees.

Efficiency

Regarding efficiency in operations, the technology has greatly impacted the speed and reliability of salary processing. The number of days it takes for salaries to be processed has greatly been reduced, with civil servants indicating that salaries are now paid on time, contrary to a period when salaries were often delayed before being paid. The efficiency gained can be reflected in how salaries are now processed automatically with negligible errors, having previously taken a cycle that included several check and balance processes.

Table 1 below summarizes the key findings related to efficiency improvements:

<i>Aspect</i>	<i>Before Digitization</i>	<i>After Digitization</i>	<i>Improvement</i>
<i>Average Processing Time</i>	10-14 days	1-3 days	70-90% faster
<i>Error Rate in Salary Payments</i>	15%	2%	87% reduction
<i>Civil Servant Satisfaction Score</i>	3.5/5	4.045/5	15.7% increase

Statistical Data

The quantitative findings obtained from the survey are further supported by the findings obtained in this study. A total of 40 valid responses were collected, and the findings showed a strong link between the efficiency of the digital salary payment system and increased transparency and job satisfaction. The correlation coefficients were as follows:

- Effect of Modernized Salary System and Trust & Satisfaction: $r = 0.747$
- Effect of Modernized Salary System and Technological Capabilities: $r = 0.745$

These statistics indicate that with improved perceptions of the digitized salary system by civil servants, their levels of trust and satisfaction accordingly increase.

Qualitative feedback given by the respondents allowed further understanding regarding the sentiments of the respondent regarding the experiences they had with the new system in place. Feedback such as, "The new technologies that we have are very useful," and "Our ability to make use of the technologies that we have for greater advantage exists," indicates the appreciation shown by the organization regarding the

advantageous effects that resulted from the digital transformation experienced by the organization.

Interpretation of Findings

The results obtained from this research indicate major breakthroughs and progress within the digitization of the payment of salary services for the civil servants of Sangkat Ta Khmau regarding the importance of e-governance for upgrading and enhancing the functioning of the general affairs of the administration of the mentioned area. It has not only modernized the payment of salary services for the said civil servants but also helped to develop high levels of satisfaction and effectiveness within their performance as well as within their roles and levels of activity.

As cited by Kumar & TM (2015), the application of Information and Communication Technology (ICT) within the workings of the government can bring forth drastic transformations in the realm of service delivery. In this study, it can be seen that the online salary processing system has successfully eliminated the problems brought forth by the manual approach, including the delay in processing, errors, as well as the transparency involved. The mean satisfaction level brought forth by the study can be seen through the average satisfaction score given by the respondents with a value of 4.045.

Furthermore, the results seem to show that the increased transparency brought by the digital system has also impacted the trust in the government by the public servants. Indeed, this finding is in line with the theories advanced by Androniceanu (2021) who assert that transparency is integral to the concept of effective governance. In effect, the transparency brought by the digital transformation in the processing of salaries means that there are fewer fears of corruption or maladministration.

Significance of the Digital System

The salary payment system in the digital form constitutes a major move in the modernization of the administration of the Cambodian government. The technology enables timely salary payments, leading to an increased quality of salary disbursement. This shift towards a 'service-first' digital model is consistent with the idea of 'excellent service' (*pelayanan prima*), which aims to achieve the best performance through the use of technology-based support systems (Arif et al., 2015). The findings show raised levels of employee satisfaction with the salaries in the civil service, leading to employee motivation.

Moreover, the application process for this system fits into the digital transformation plan reflected in the Digital Economy & Society Policy Framework 2021, 2035 and the Digital Government Policy 2022-2035 set down by the Royal Government of Cambodia. The application of technology in the salary payment system in Cambodia can thus act as a precedent in other e-governance projects in the country in

improving public administration. The success in implementing the digital salary payment system in Cambodia can thus act as a precedent in other e-governance projects in the country.

Comparison with Previous Literature

While comparing the results of this research work with the past research done in the area of e-governance, it has been found that certain points of similarity and difference arise. The efficiency and transparency developed in an organization because of digital technology is given equal importance in past research work. For example, Kumar & TM (2015) has explained that cost reduction and effective working can be achieved by the implementation of e-government.

However, one exception is the specific case in Cambodia. Since the application of digital technology is still in the phase of developments within this state, the current research differs in its focus. Most research papers, including studies by Milakovich (2021), Omweri (2024), e.g., study the application of e-governance in the more advanced environments. In this study, it can be concluded that the application of the electronic salary payments scheme has been received very well but needs the constant support for fully developing the potential.

Furthermore, the study shows that the role of the culture in the acceptance of the digital system is complex. While the importance of having a supportive culture to help the adoption of technology has been widely stressed in the literature (Say, 2018), what has been found here is that even though the supportive culture factor had been recognized by the civil servants, it had little effect on the degree of trust and satisfaction that they had towards the system. This indicates that there could be more to the study of the effects of culture on technological change.

CONCLUSION

This paper has discussed the digitization process in the salary payment system for civil servants in Sangkat Ta khmau, which showed a positive impact on transparency, efficacy, and the level of satisfaction among civil servants with a result of 4.045 in average satisfaction. To conclude, this discussion highlights the key points relating to organizational culture, trust, and capability, but also addresses the weaknesses in technical skills.

In an attempt to improve the efficiency of the digital payment system for salaries, the following actions should be a priority of policymakers. Initially, it would be a great move to invest in training civil servants on how to fully benefit from the new technology. Secondly, it would be valuable to ensure an organizational culture that involves civil servants in decision-making. This would boost ownership of the digital payment system. Another action would be conducting assessments of the digital payment system to ensure that problems, if any, are rectified and the system works well.

The issue of data security would also be a significant aspect that should be strengthened. Another technology that may improve efficiency in the process of salaries would be blockchain.

There are some fields of research that should be taken into consideration in order for further research to lead effectively based on this result. There can be some research on how civil servant satisfaction and performance have been influenced in the long-term impact of the digital salary system on civil servants. There can be research on some comparative studies, and this can be related to different municipalities that can shed some perspectives on different elements that can decide on how effective a system can be realized and implemented in each location, specifically related to different rural municipalities. There can be some research on barriers of implementation, specifically related to rural municipalities, and this can lead on how further improvements can be achieved on improving digital literacy on civil servants.

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