# Quality of Private Investment Licensing Services at the Investment and One-Stop Integrated Services Office in Bima City

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Abstract. The integrated investment and licensing agency office is a technical organization for licensing and nonlicensing services in South Sulawesi Province which was formed based on Bulukumba Regency regional regulations. This is done as a follow-up to improve the smooth running of general tasks in the field of licensing and more successful implementation of public services in practice. The One-Stop Investment and Licensing Agency or in short BPMPT BIMA CITY is a combination of the capital investment agency and the integrated licensing service office which was established in 2016. Reporting from the website www.lapor.go.id that there are unqualified services at the Bima City One-Stop Investment and Integrated Service Office related to managing trade business licenses, namely the length of the process of completing a Trade Business License (SIUP) for more than 2 months, even though the completion time is only 14 working days. In addition, it was reported from the website http://dpmptsp.pemkomedan.go.id that there are still those who take care of their trade business licenses through brokers or service bureaus, which means that it is difficult to take care of trade business licenses at the DPMPTSP of Bima City.

Keywords: Quality Of Private Investment Licensing Services.

## 1. INTRODUCTION

The regional autonomy policy set by the government through Law Number 32 of 2004 requires regional governments to make breakthroughs that provide positive value for the region itself, for the independence of its people. To realize this intention, the economic sector is one of the things that must be prioritized because developing investment and business is an activity to improve community welfare and at the same time increase regional revenue to finance development programs. Law of the Republic of Indonesia Number 33 of 2004 concerning the Financial Balance between the Central Government and Regional Governments, has regulated funding for regions that are still allocated by the central government in the form of General Allocation Funds (DAU), Special Allocation Funds (DAK) and so on. However, the allocation of funds provided is limited while on the other hand the regional needs for development are increasing with the amount of funds that cannot be fully prepared by the regional government, so that additional funds are needed from other sectors to help finance development in the region and one of them is the private sector, both foreign and domestic, in the form of Domestic Investment (PMDN) and Foreign Investment (PMA) for business sectors permitted by the government. (Agung. 2005: 115)

Regional autonomy can be interpreted as the authority given to autonomous regions to regulate and manage their own regional government affairs and the interests of the local community. The granting/transfer of such authority aims to improve the ability to carry out

tasks properly and the effectiveness of government administration in the context of serving the community and implementing development in accordance with laws and regulations. As a result of the increasingly diverse demands of society for public services, while the existing public services are very limited, both in quantity and quality. Thus, public administration strives to be able to answer various challenges from existing public service problems by taking various approaches.

One way that can be taken to answer the challenge is by conducting public administration reform. Public administration reform is carried out in various aspects that complement it. One of the most important aspects to be considered in the process of public administration reform is the aspect of service to the community or known as public service. Service is the key to success in various efforts or activities that are in the form of goods and services. Its role will be greater and will demand competence when in the activities in the community there is competition in an effort to capture the market or customers. With such competence, it has a positive impact on the organization/company, namely competing in service, through various ways, techniques and methods that can attract many people who use/consume services/products produced by the organization/company. (Moenir, AS2010: 221)

The government as a state apparatus must be able to provide good public services to the community. The government, which is also familiarly called the bureaucracy (including local governments), has tended to receive negative assessments from the community. Therefore, the community considers that public services provided by bureaucrats tend to be long, complicated, with complicated requirements and regulations that are not easy. So we can see that conditions like this are clearly not beneficial to the community. The bargaining position of the community tends to be weak, and they only receive government services without being able to provide direct opinions on the services provided by the government. So that the bureaucracy is not built only as a pseudo-building to serve itself but to serve the community and create conditions for every member of society who is prosperous and able to be creative with the service so that it ultimately improves the welfare of the community itself. As regulated in Law Number 23 of 2014 concerning Regional Government, namely to accelerate the realization of community welfare through improving services, empowerment, and community participation.

Decree of the Minister of State for Empowerment of State Apparatus 26/KEP/M.PAN/2/2004, namely: public service procedures must be simple, not complicated, easy to understand and easy to implement and manifested in a flow chart displayed in the

service room in improving its role and function in providing good service to the community. In order to improve the quality of public service delivery in the regions, especially in the field of licensing service administration, the government has attempted to take various policy steps, including through the regulation of one-stop integrated services and the regulation of the Minister of Home Affairs Law Number 20 of 2008 concerning Guidelines for the Organization and Work Procedures of Integrated Licensing Service Units in the Regions which requires provincial, district and city governments to form regional apparatus in the form of licensing service institutions as the organizers of one-stop integrated services (PTSP) in the regions.

The office of the integrated investment and licensing agency is a technical organization for licensing and non-licensing services in South Sulawesi Province which was formed based on the regional regulation of Bulukumba Regency. This is done as a follow-up to improve the smoothness of general tasks in the licensing sector and to make the implementation of public services more successful in practice. The One-Stop Investment and Licensing Agency or abbreviated as BPMPT KOTA BIMA is a combination of an investment agency and an integrated licensing service office established in 2016.

Reported from the website <u>www.lapor.go.id</u> that there is poor quality service at the Investment and Integrated One-Stop Service Office of Bima City related to processing trade business permits, namely the length of the process of completing the Trade Business Permit (SIUP) for more than 2 months, even though the completion time is only 14 working days. In addition, as reported on the website <u>http://dpmptsp.pemkomedan.go.id</u> that there are still those who process their trade business permits through brokers or service bureaus, which means that it is difficult to process trade business permits at the DPMPTSP of Bima City.

Related to the above problems, it can be seen that the quality of trade business permit services at the Investment and One-Stop Integrated Service Office of Bima City is not qualified in accordance with Law Number 25 of 2009 concerning Public Services which is based on timeliness, speed, and convenience. In Law Number 25 of 2009 it is stated that the Organizer is obliged to conduct selection and promotion of implementers in a transparent, non-discriminatory, and fair manner in accordance with laws and regulations. The Organizer is obliged to provide awards to implementers who have work achievements. This is caused by the indiscipline of employees in carrying out their duties.

## 2. METHODS

The type of research used in this study is a qualitative type, Key informants are people who understand the problems being studied. The key informants in this study were the head of the department, secretary, community leaders, education leaders, youth leaders, and the community as many as 10 people. The supporting informants in the implementation of this study were residents of Bima City. Technique Collection Data used, a) Observation technique is a data collection tool that is carried out by systematically observing and recording the symptoms being investigated, b) *Interview* technique is a way to obtain data by asking direct questions to respondents, and c) Documentation technique is a data collection tool by making direct records through documents, archives, daily reports and so on. The location of this research is the Investment and One-Stop Integrated Service Office in Bima City.

## 3. RESULTS AND DISCUSSION

## **Quality of Service**

The level of customer satisfaction needs to be known as one form of evaluation of the institution's performance in an effort to improve the quality of performance. Service quality is assessed based on five dimensions of service quality, namely physical evidence, reliability, responsiveness, assurance, and empathy. The results of the analysis of service quality research at the One-Stop Integrated Investment and Licensing Agency in Bima City are in the satisfactory category, as shown by the number of respondents who answered the most in the satisfactory category of 65% or 65 respondents. Then the number of respondents who answered in the very satisfactory category was 32% or 32 respondents. While in the less satisfactory category it was 3% or 3 respondents. Furthermore, there were no respondents who answered in the unsatisfactory category. The data shows that overall the community of permit applicants are satisfied with the service at the One-Stop Integrated Investment and Licensing Agency in Bima City is the result of an analysis of five dimensions of service quality. The classification of the five dimensions can be explained as follows.

## Physical (Tangible) Evidence

Security and comfort are one of the determinants of public satisfaction. In accordance with Law Number 25 of 2009 Article 15, public service providers are obliged to provide facilities, infrastructure, and/or public service facilities that support the creation of an adequate service climate. In line with Number 63 of 2003 that "the service environment must be orderly, organized, provided with a comfortable, clean, tidy waiting room, a beautiful and healthy

environment and equipped with supporting service facilities, such as parking, toilets, places of worship and others". The quality of service at the One-Stop Integrated Investment and Licensing Agency in Bima City based on the physical evidence dimension is described in 8 statements. Based on the research conducted, the quality of service at the One-Stop Integrated Investment and Licensing Agency in Bima City reviewed from the physical evidence dimension is included in the less than satisfactory category, indicated by the respondents who chose the most in the less than satisfactory category of 38% or 38 people.

Based on the research results, there are still several shortcomings, including the lack of parking space. The existing parking space only uses the front yard of the office. In addition, there are no security officers in the parking lot. The archive room is also not yet available properly, only 106 partitions next to the parking lot used for employee parking. The condition of the building in unit two also has several shortcomings, namely cracked walls and damaged ceilings. The 2011-2016 Strategic Plan (Renstra) also explains that "the condition of the facilities and infrastructure is partly in good condition". Providing toilet facilities in good and clean conditions and providing a place of worship for the community receiving public service activities. Other supporting facilities for service activities in Bima City include, a service room that uses air conditioning and has a television, drinking water, and a smoking area located at the back of the office. Another problem faced by BPMPT Bima City according to the 2011-2016 Renstra Bima City is the unrepresentativeness of work facilities and infrastructure (service rooms, survey cars, work rooms, nameplates, and directional plaques).

Difficulty in finding an office in Bima City was felt by one of the service recipients because the office sign was unclear. Service activities are also still in the same room as the workspace of all Bima City employees so that the public can be disturbed by the sounds of conversations between employees. One of the programs in Bima City in the 2011-2016 Bima City Strategic Plan is Program 107 to Improve the Quality of Public Services. The problem of not realizing excellent service at BPMPT Bima City is caused by inhibiting factors which are also challenges for the distribution of Bima City assistance to realize excellent public services. The problem faced by BPMPT Bima City is the suboptimal network of the Electronic Investment Information and Licensing Service System (SPIPISE). In relation to various things faced by BPMPT Bima City, the quality of service reviewed from the physical evidence dimension still does not provide satisfaction for some people.

#### Reliability

Reliability is the ability to provide services accurately and reliably as promised to customers. Reliability is closely related to service standards and standard operating procedures

owned and implemented by institutions or service units. The quality of service at the One-Stop Integrated Investment and Licensing Agency in Bima City based on the reliability dimension is described in 9 statements. Based on the research conducted, the quality of service at the One-Stop Integrated Investment and Licensing Agency in Bima City in terms of the reliability dimension is included in the satisfactory category, indicated by the number of respondents who chose the most in the satisfactory category of 52% or 52 people. 108 The public can come directly to the One-Stop Integrated Investment and Licensing Agency in Bima City to apply for a permit after completing the file requirements that can be obtained directly by coming to the One-Stop Integrated Investment and Licensing Agency in Bima City or by downloading it on the One-Stop Integrated Investment and Licensing Agency website in Bima City. However, the utilization of this technology network is not optimal, which is still less than 10%. Some of the things that cause the low utilization of this network are that there are still few people who are open to science and technology, while people who are open to science and technology do not have the interest to make permits and there are still some people who do not know the BPMPT Kota Bima website even though since 2009 BPMPT Kota Bima has held a socialization of licensing services.

Standard Operating Procedures (SOP) or licensing mechanism charts have been installed at the Bima City BPMPT office, but in general for 61 types of permits due to the limitations of the Bima City BPMPT office, it is not possible to install all licensing mechanism charts. Meanwhile, all service mechanism information for each type of permit can be accessed through the Bima City BPMPT website. For some people who are less open to the progress of science and technology, it will certainly be difficult to obtain licensing information. 109 Public complaint reports at the Bima City BPMPT office indicate that some people object to the nuisance permit fees that they must pay. Some people consider that the licensing fees (IMB, HO, Advertising, Routes) are still relatively high for the community, although in determining the licensing fees several members of the community have been involved. Some people can understand the increase in costs due to changes in the regulations, but for people who cannot afford to pay, they can apply for relief through a letter addressed to the Bima Regent. Some of the obstacles above are certainly inhibiting factors in creating excellent service to the community.

However, seen from the dimension of reliability, the research results showed satisfactory results because of the competence of service officers in providing explanations regarding standard operating procedures and the ability to implement service standards, and in line with Kulon Progo Regency Regional Regulation Number 7 of 2012 concerning the

Implementation of Disturbance Permits, which explains that in granting permits, they must be carried out completely, clearly, measurably, rationally, and openly, and provide services to permit applicants fairly, certainly, and non-discriminatorily. Complete, clear, measurable, rationally, and openly means listing costs clearly, certainly, and openly in granting permits. Meanwhile, what is meant by fair, certain, and non-discriminatory is providing 110 services without discriminating against permit applicants and the certainty of rules regarding requirements, time, levies, and Standard Operating Procedures.

#### Responsiveness

Responsiveness is the willingness and ability of service personnel to assist and provide immediate service to customers. This dimension relates to the ability to provide fast, precise, accurate service, and in accordance with the service completion period in order to provide customer satisfaction, as well as the willingness to listen and respond to customer complaints. The quality of service at the Investment and Integrated Licensing Agency of Bima City in terms of the responsiveness dimension is described in 9 statements. Based on the research conducted, the quality of service at the Investment and Integrated Licensing Agency of Kulon Progo Regency in terms of the responsiveness dimension is included in the satisfactory category, indicated by the respondents who chose the most in the satisfactory category of 50% or 50 respondents. When people come to the BPMPT of Bima City, service officers are always in the service room. Officers are always ready to welcome and provide services to the public so that service activities can be completed on time. They are also able to listen to complaints and complaints from the public well, and quickly try to respond to public complaints. For example, complaints and grievances from the public regarding excessively high permit fees, officers immediately provide a solution by submitting a letter of request for a reduction in permit fees addressed to the Regent of Bima.

#### Assurance

Assurance relates to the knowledge, courtesy, and ability of service personnel to foster customer trust. This dimension includes several components, including communication, credibility, security, competence, and courtesy. The quality of service at the One-Stop Integrated Investment and Licensing Agency in Bima City, reviewed from the assurance dimension, is described in 4 statements. Based on the research conducted, the quality of service at the One-Stop Integrated Investment and Licensing Agency in Bima City, reviewed from the assurance dimension, is included in the very satisfactory category, indicated by the respondents who chose the most in the very satisfactory category, which was 64% or 64 respondents. The BPMPT Bima City standards in providing services are based on laws, government/ministerial

regulations at both the central and regional levels, and decisions of the head of the agency and the head of the region. The standards used are stated in the Renstra, so that the BPMPT Bima City can provide security and legality guarantees for the 112 permits it issues. Service personnel have expertise, knowledge, and courtesy in providing services and communicating with the public, thereby fostering public trust in the BPMPT Bima City.

## Empathy

Empathy is giving sincere attention to customers by trying to understand their desires. This dimension can be demonstrated through a friendly, non-discriminatory attitude, and giving attention to customers according to their needs. Service officers must always prioritize the interests of the community by providing sincere service and respecting each customer. The quality of service at the One-Stop Integrated Investment and Licensing Agency in Bima City, reviewed from the empathy dimension, is described in 4 statements. Based on the research conducted, the quality of service at the One-Stop Integrated Investment and Licensing Agency in Bima City, reviewed from the empathy dimension, is described in 4 statement and Licensing Agency in Bima City, reviewed from the empathy dimension, is included in the very satisfying category, indicated by the respondents who chose the most in the very satisfying category, which was 54% or 54 respondents.

Service officers at the One-Stop Integrated Investment and Licensing Agency in Bima City are always friendly and do not discriminate against each community in providing services. Service officers will provide special treatment for people with special needs according to their needs. This attitude shows that service officers are able to respect each community and are able to act fairly according to the needs of the community. The quality of service is also influenced by the high and low expectations of the community towards the services they will receive. The community will use their expectations as a standard in evaluating the success of service activities. Therefore, the high and low levels of customer expectations greatly determine the good and bad perceptions of the community towards the implementation of services. If the services provided can meet or exceed the expectations of the community, then the image of the institution or government apparatus will get a good perception from the community. The suitability between the quality of service at the One-Stop Integrated Investment and Licensing Agency in Bima City and community expectations is described in 5 statements.

Based on the research conducted, the suitability between the quality of service at the One-Stop Integrated Investment and Licensing Agency in Bima City and public expectations is included in the satisfactory category, indicated by the respondents who chose the most in the satisfactory category of 54% or as many as 54 respondents, thus indicating that service officers are able to meet the level of service quality expected by the public in Bima City. The suitability

between the quality of service at the One-Stop Integrated Investment and Licensing Agency in Bima City and customer expectations is reviewed through five dimensions of service quality, namely physical evidence, reliability, responsiveness, assurance, and empathy. other people do not feel disturbed. The appearance of officers is the first impression that can be assessed by the public. Based on the results of the study, the appearance of officers obtained the highest average score compared to other indicators in the physical evidence dimension. Service officers at the One-Stop Integrated Investment and Licensing Agency in Bima City wear uniforms that look neat and polite when serving. The discipline of service officers and the comfort of the service room and service waiting room are ranked second and third with the same average score.

## 4. CONCLUSION

Ease of obtaining information shows an average score of 115 low research results. One of the tasks of the One-Stop Integrated Investment and Licensing Agency in Bima City is as an organizer of public service activities, information related to the operational hours of service activities is primary information that should be provided, but based on observations this information is not yet available. Based on the results of the study, it shows that overall the quality of the One-Stop Integrated Investment and Licensing Agency in Bima City is in the satisfactory category and can meet community expectations. Limited facilities and less supportive conditions of facilities at the One-Stop Integrated Investment and Licensing Agency in Bima City do not affect the performance of officers at the One-Stop Integrated Investment and Licensing Agency in Bima City in Bima City in providing services. For this reason, the performance of service officers and government officials at the One-Stop Integrated Investment and Licensing Agency in Bima City can be used as an example in realizing excellent service to the public

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