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Performance Evaluation of Public Service Mall (*Mall Pelayanan Publik*) in Indonesia using the Balanced Scorecard

Abstract

The provision of public services in various regions in Indonesia began to be integrated into the public service mall (PSM) or Mall Pelayanan Publik (MPP), an expansion of the Office of Investment and One-Stop Integrated Services (DPMPTSP). The evaluation of public services showed a significant increase in the public service achievement index (Kemenpan RB, 2021). However, this evaluation was based on the perspective of the public as service users, whilst other crucial perspectives, namely internal processes, employee learning, and growth, and finance, are yet to be considered. For the comprehensive performance evaluation, a Balanced Scorecard (BSC) was employed in this study. This study aims to measure the performances of 11 MPP using the scorecard, in which the scores can be used as a basis for improvement and reinforcement of MPP in the future. By using a mix method approach, the results found that two aspects, finance and employee learning and growth, experience the lowest score. Meanwhile, two other dimensions (service quality and internal processes) obtained optimum results. These findings bring a main recommendation to revisit the nomenclature of MPP: expected to adopt data and authority integration, improve management clarity, and enhance organization capacity and capability.

Keywords:

integrated public services; public service mall; balanced scorecard; performance evaluation

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Introduction

Organizational performance improvement is mandatory for an organization to increase its achievements. The trend shows that organizational performance improvement focuses on financial aspects or operational measurements. In a more comprehensive way, Kaplan and Norton (1992) introduced the Balanced Scorecard (BSC) to measure organizational performance, not only from the financial but also operational aspects and from the perspective of service users, internal processes, and organizational innovation to improve organizational performance. Kaplan and Norton (1992) also stressed that leaders should not rely on one set of measures to the exclusion of others. They must realize that no single measure can provide a clear performance target or focus attention on the critical areas of the business.

Despite its success, BSC faced criticism for its incompatibility with the public sector. Responding to this issue, Niven (2008) proposed a BSC for the public sector that underlines the importance of customer satisfaction. Using BSC in the public sector also appears in various studies, such as healthcare management, for example, Aidemark (2001); Radnor and Lovell (2003); and (Grigoroudis et al., 2012), in higher education institutions, for example, Chan (2007); Barndt (2011); Wu et al. (2011), in local government, for example, Palmer (1993); Ghobadian and Ashworth (1994); Kloot and Martin (2000); Askim (2004); and Nisson (2010), and improving quality of public services, for example, Lawrence and Sharma, 2002; Askim, 2004; Nisson, 2010; Grigoroudis et al., 2012).

BSC, which is attributed with New Public Management, focuses on the improvement of public sector performance. Regarding public sector performance, the concept of integrated governance (OECD, 2015) was initiated to realize good governance in public service policies and have its main objectives to establish the right policies and fulfill public satisfaction. International Federation of Accountants (IFAC, 2012) argued that good governance affects the entire organizational cycle, from strategic planning, resource utilization, value creation, accountability, to service assurance. To ensure good governance, a holistic approach, namely integrated governance in which all aspects of the organization are built-in, is required. Integrated governance is defined as a holistic approach taken by the government or government agencies, supported by professional accountants in business, to integrate organizational governance that drives the success and sustainability of policy processes and public services in general. The OECD (OECD, 2015) notes integrated governance has at least the following indicators: effective leadership by the center of the government; capability to identify and address internal and external challenges to implement strategy through enhanced

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evidence-based decision making and future strategy; capability to improve efficiency in integrated policy design and service delivery to meet external challenges; capability to mobilize organizational actors and resources as a booster for effective cross-government and public integration

Various research conducted by OECD in developing and rapidly emerging countries have discovered added value from implementing integrated governance, including various public service facilities being more open and fairer with better-quality infrastructure and human resources. In addition, service procedures are implemented correctly and in an integrated manner and indicate readiness for better service. The capacity of the governance structure also indicates better social accountability. These various elements of service quality improvement are added values of integrated governance and can help overcome the critical barriers between citizens and local governments that often arise in a narrower sector or traditional governance approach (Igrioglu et al., 2020).

Considering the development of discussion and practice of integrated government include in emerging countries, this study aims to add empirical evidence of how institutions in developing countries work together to increase the quality of services through a more integrative approach. The government's effort to develop an integrated public service is realized by providing various public services in one place or building (Tambouris, n.d.). Integration here means various public services originally in their respective agencies (at the regional and central levels) are co-located in the same building but are still managed by their respective service agencies. Co-location of agencies in the same building will at least make it easier for the public to obtain permits in more efficient, convenient, fast, easy, and secure ways.

This research focuses on Indonesia as a developing country that has been conducting bureaucratic reform since 1999; one reform area is public service quality improvement. In Law Number 25 of 2009 concerning Public Services and its derivative regulation (Government Regulation Number 96 of 2012 concerning the Implementation of Law Number 25 of 2009), The Ministry of State Apparatus Empowerment and Bureaucratic Reform issued the Regulation of the Minister of State Apparatus Empowerment and Bureaucratic Reform Number 23 of 2017 concerning Public Service Mall. Also, Presidential Regulation Number 89 of 2021 concerning the Implementation of Public Service Mall have become the spirit of implementing integrated governance (manifested in the form of a MPP). MPP brings various services provided by respective agencies in one place. MPP aims to provide convenience, fast, accessible, safe, comfortable, and reliable services. The emergence

of MPP has reduced people so they only need to come to one service center to fulfil various public service needs.

The development of MPP is quite massive. As of June 2021, 43 MPP have been developed in all regions in Indonesia (Kementerian PAN-RB, 2020). This is in accordance with the definition of Public Service Mall, which is the integration of public services provided by ministries, institutions, provincial and district/city governments, state-owned enterprises, municipally-owned corporations, and the private sector in one service center to increase agility, convenience, coverage, and security of their services (Presidential Regulation Number 89 of 2021, n.d.).

This study aims to analyze the performance of MPP using the BSC, which is considered a comprehensive performance measurement. The concept of BSC employed in this study was based on Niven's (2008) study, considering MPP as a public organization. In this context, public users become the main orientation while still paying attention to the balance of the scorecard of the four perspectives.

Balanced Scorecard (BSC)

The measurement of public sector performance oriented to perspectives other than finance has also been applied using the BSC. Initially, the BSC was recommended for measuring the performance of a business organization as measured by a balance between four perspectives, namely: 1) Finance, 2) Internal process, 3) Employee learning and growth, and 4) Customer. Balanced scorecard is widely implemented in business organizations with the main emphasis on the perspective of finance because business organizations are profit-oriented where all performance is directed at achieving profit. Public sector organizations are more concerned with the welfare of the people they serve. In public sector organizations, the balanced scorecard can also be applied. Niven (2008) recommends a balanced scorecard with a format that prioritizes the customer perspective, not the financial perspective, as in the format proposed by Kaplan and Norton (Niven, 2008). Therefore, if the public sector wants to measure their performance, the most important performance to measure is the performance according to customers or the public as service users (future performance). Then, the performance of internal processes (current performance), the performance of employee growth (future performance), and financial performance (past performance) can be measured.

The balanced scorecard was used because it is a measurement of organizational performance with an orientation to the balance of four perspectives, namely, customer, internal processes, employee learning and growth, and finance. Philosophically, the balanced scorecard is a measurement of financial and nonfinancial performance and internal and external performance. Most public organizations only pay attention to financial performance. Financial performance is considered past performance, meaning financial performance is measured after the expenditure, which is then accounted for. Financial performance is also considered classic performance. Most organizations, both public and private organizations, consider financial performance to be the main focus and target of organizational goals. According to (Kaplan & Norton, 1996), this is not entirely true. In the provision of services, financial performance depends highly on the quality of work from internal processes, employee loyalty and satisfaction, and customer satisfaction.

The next perspective is the internal process perspective. Internal processes are processes that ensure a mechanism for providing products and services to run quickly and securely and meet customer expectations. Agile processes are the main reference for service products and greatly

determine customer satisfaction. Services with a fast and inexpensive mechanism are highly favored by customers. The public sector works heavily with regulation so agile services are difficult to implement. Based on this, the internal service process becomes an important benchmark for performance and must be able to guarantee an agile and inexpensive service process.

In terms of another perspective, employees or human resources are also future organizational performance because employee job satisfaction will have a major influence on their loyalty. In private organizations, the performance of employee learning and growth is important. Employees in the private sector are developed through 3Ps (Performance-Payment-Promotion). How can employees have a good performance? They must undergo education and training, their job satisfaction must be guaranteed, and they must be provided with a conducive working atmosphere. Thus, employee learning and growth are organizational investment for the future and affect the trust and satisfaction of the public as customers.

Methods

This research is based on the pragmatism approach that employs a mixed method data collection (qualitative and quantitative). First, this study uses quantitative data collection where, deductively, the instruments are operationalized from the concept of public (customer) satisfaction, internal processes, and employee learning and growth (Niven, 2008). This study distributed a survey to employees of MPP and customers of MPP. Second, to explore the financial perspective, a qualitative method (several FGDs with the coordinators of MPPs, which were corroborated by secondary data) was also used.

The unit of analysis of this research was MPPs in 11 regencies or cities, selected by the following criteria: 1) regional representation, (2) number of services provided, and (3) year of MPP establishment. The online surveys collected (1) a survey of 635 customers to measure the quality of services and (2) a survey of 618 employees to explore internal processes, learning, and growth. To explore more comprehensive findings, 11 FGDs were conducted, involving 3 - 15 participants from

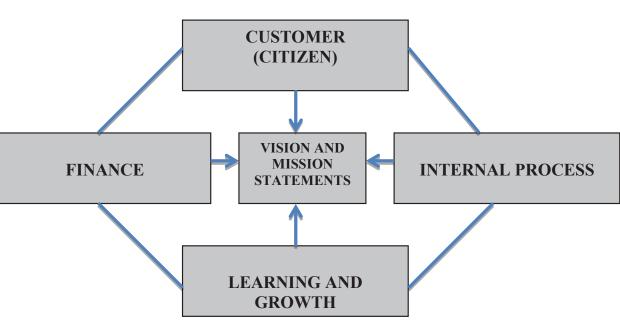


Figure 1.
Balanced Scorecard Model for Public Sector

Source: modified from BSC by Niven, 2002

various units and institutions of selected MPP. The following table depicts the reason for sample selection. The name of the MPP is anonymized to protect participants' privacy.

Table 1.
Samples of Public Service Malls (MPPs)

| NO | PUBLIC SERVICE MALL | CONSIDERATION | | | | |
|----------|---------------------------|--|--|--|--|--|
| Region I | | | | | | |
| 1 | MPP 1 | Representation of Sumatera Region with the characteristics of an urban area and a large number of services (461); established since 2018 | | | | |
| 2 | MPP 2 | Representation of the Sumatera Region with the characteristics of an urban area and a large number of services (373); established since 2020 | | | | |
| 3 | MPP 3 | Representation of the Java Region, with the characteristics of an urban area and a large number of services (229); established since 2020 | | | | |
| 4 | MPP 4 | Representation of the Java Region, with the characteristics of an urban area and a large number of services (215); established since 2020 | | | | |
| Regi | on II | | | | | |
| 5 | MPP 5 | Representation of the Java Region with the characteristics of an urban area and a large number of services (329); established since 2017 (pilot project) | | | | |
| 6 | MPP 6 | Representation of the Kalimantan Region with the characteristics of an urban area and a large number of services (155); established since 2019 | | | | |
| 7 | MPP 7 | Representation of the Java Region with the characteristics of a regency and a fairly large number of services (272); established since 2017 (pilot project) | | | | |
| Regi | on III | | | | | |
| 8 | MPP 8 | Representation of the Sulawesi Region with the characteristics of an urban area and a large number of services (233); established since 2018 | | | | |
| 9 | MPP 9 | Representation of the Bali Region with the characteristics of a regency and a large number of services (146); established since 2018 | | | | |
| 10 | MPP 10 | Representation of the Sulawesi Region with the characteristics of an urban area and a large number of services (112); established since 2019 | | | | |
| 11 | MPP 11 | Representation of the Sulawesi Region with the characteristics of a regency and a large number of services (119); established since 2020 | | | | |

Source: Own Research, 2021

The next step was the operationalization of the balanced scorecard concept to measure the performance of the four perspectives of the balanced scorecard using appropriate data collection methods (Creswell & Miller, 2000), as summarized in the following table.

The survey instrument uses a Likert scale with four criteria: strongly agree, agree, disagree, and strongly disagree. Each criteria have a 1 score; the most positive answer gets the highest score, and vice versa. Once the quantitative data was collected, the data was processed by using SPSS 18. Reliability and validity tests were first conducted to ensure instrument quality. Survey instrument of users/public showed 0.966 for Alpha Cronbach and 0.863 for KMO. Thus, the instrument was both reliable and valid. The reliability and validity test for employee's instrument shows a similar result. For the instrument of internal process, the Alpha Cronbach score is 0.88, which is reliable, and the KMO score is 0.897 which is valid. For the instrument of learning and growth, the Alpha Cronbach score is 0.763, which is reliable, and the KMO score is 0.742, which is valid. Later, the quantitative data was analyzed by using a central tendency measure, which is Mean, to categorize variables into four criteria: outstanding, good, average, poor. Meanwhile, the qualitative analysis was conducted inductively using NVivo software to FGD transcription. The researcher coded the discussion based on balance scorecard perspective and quoted relevant statements for analysis. The result of coding was presented to another researcher to maintain quality control.

Results and Discussion

Following are the results of the study findings and analysis. First, the results of a survey of service users at 11 MPPs are presented, followed by the results of a survey of internal processes performed by service providers at 11 MPPs, the results of a survey on learning and growth at 11 MPPs, and the results of FGD and in-depth interviews with officials of 11 MPPs.

Table 2.
Operationalization of the Balanced Scorecard Concept and Data Collection Method

| CONCEPT | VARIABLE/ PERSPECTIVE | INDICATOR | DATA COLLECTION METHOD | |
|---------------------------------------|--|--|--|--|
| Balanced Scorecard (Niven 2008) | Customer (public as service users) (Zaithaml, Parasuraman, Berry, 1998) | 1.Tangibility Availability of adequate information Availability of adequate waiting room facilities High-standard of tidiness in the appearance of the staff | Respondent: Service users at 11 MPPs Data Collection Method: Online survey/ questionnaire | |
| | | 2. Reliability Number of services available Availability of options for online and offline services Willingness to provide information without being asked Affordable fee | Scale: Interval /Likert | |
| | | 3. Responsiveness Service agility Understanding what customers need 4. Empathy Friendly staffs Polite staffs | | |
| | | 5. Assurance Availability of a complaint mechanism Complaint being followed up | | |
| | Internal Process (Participant Structure, Askim et al., 2011) | Vertical coordination between parent agency and agencies assigned to MPP Horizontal coordination between agencies at MPP Number of agencies involved The characteristic of agency involvement in handling licensing and non-licensing services Integration in the use of shared data Integration in service socialization | Respondent: Service providers at 11 MPPs Data Collection Method: Online survey/ questionnaire Scale: Interval /Likert | |
| | Employee Learning and Growth | Availability of budget for training Employee satisfaction due to the provision of employee welfare benefits Employee satisfaction with the supervisory mechanism Employee satisfaction with rewards | Respondent: Service providers at 11 MPPs Data Collection Method: Online survey/ questionnaire | |
| | Finance (Niven, 2008) | Improvement and usefulness of domestic investment whose licensing and non-licensing services related to it are provided at MPP Availability of secondary data on increasing investment at MPP Increasing number of state revenues from MPPs | Scale: Interval /Likert Respondent: Service providers at 11 MPPs Data Collection Method: FGDs and online in-depth interview Secondary data | |

Source: Operationalization of the balanced scorecard concept by the research team, 2021

Public as Users of Services Provided by MPP

The NPM and NPS paradigms (Denhardt & Denhardt, 2015) emphasize public services are provided for the welfare of the people or citizens. Therefore, performance from the perspective of

the public as service users is the main concern or focus in public services. The performance of service user satisfaction was measured using the service quality form (A. Dion. P et al., 1998), which consists of 5 perspectives. The **first** perspective is tangibility or visible indicators, such as the

comfort in the waiting room, the availability of clear information, and the staff who are equipped with proof of identity, such as uniform and identification card. The **second** perspective is empathy, which is the dedication of service providers to customer needs with a friendly and supportive attitude. The **third** perspective is reliability, namely, the reliability of the staff as indicated by their professionalism and ability to serve customers. The **fourth** is responsiveness, which is the extent to which service providers are responsive to public needs quickly, both in terms of service time and service quality. The fifth is assurance, which means the provision of services such as public services must avoid errors, and if an error occurs, there must be a means to accommodate complaints, which will then be seriously followed up. The results of the survey on the perspective of service quality according to the point of view of the public as service users revealed an outstanding score. The following Table 3 displays the average performance score of MPP according to the public as service users.

Table 3.
The Average Performance Score of MPP
According to The Public as Users

| Perspective | Average Score | Description | | | |
|-------------------|---------------|-------------|--|--|--|
| 1. Tangibility | 3.47 | Outstanding | | | |
| 2. Empathy | 3.43 | Outstanding | | | |
| 3. Reliability | 3.43 | Outstanding | | | |
| 4. Responsiveness | 3.37 | Outstanding | | | |
| 5. Assurance | 3.34 | Outstanding | | | |

Source: Own Data Processing, 2021

Based on a 4-point Likert scale, a score of more than 3 is the best measure. Almost all indicators of tangibility (the visible physical elements of the service) scored 3.47, indicating public users perceive that the information displayed in the service area and waiting room are very helpful. The waiting room facilities are also at the level of a shopping mall, equipped with air conditioning, waiting chairs, and other elements of hospitality. Tangibly, the staff in neat uniforms

make the public as users more confident that the services provided by MPP are very good.

Neat and clean appearance and the availability of adequate information, complemented by the empathetic attitude of the staff at 11 MPP, scored 3.43. The staff were considered by the respondents to be very friendly and polite. This is the initial capital for public service providers to become like service providers in the private sector, who are empathetic in order to attract customers and to eliminate the stereotype that service providers in the public sector are generally rude and unfriendly.

In the reliability perspective, the reliability of MPP was also considered very good, with a score of 3.43, because the number of types of services available is increasing over time. The highest number of types of services is 461 at MPP 1, while the lowest number is 112 types of services at MPP 2. The reliability of MPP was also assessed from the fact that some services are available online, although people prefer offline services. This is a challenge that, in the future, online services must be an unavoidable option. The problem is, training must be provided to the public and service providers. An indicator that complements the reliability of MPP is the affordable cost of services. This is important because a good public service adheres to the principle of "cheaper, faster, and better" (Grönroos, 2001).

The next perspective is responsiveness, which obtained a score of 3.37. The performance of service agility and understanding the needs of the public as users are the trends in public services that are most expected by the public today (Neo & Chen, 2007). It indicates that service providers are at a high level of work culture. It is suspected that this culture arose because, inadvertently, the merger of various service agencies in malls has fostered healthy competition. The last perspective is assurance, with the score given by the public as a user being 3.34, the lowest score compared to those of other perspectives.

The availability of the complaint function was considered insufficient because complaints were often slow to be followed up, indicating there was no good complaint management. Situations like this often occur in public service agencies. The reason is poor knowledge on how to manage complaints and utilize them. From these findings, the lowest score was indeed the score of assurance variable, especially the complaint management aspect. In the performance of the public sector, the issue of complaint management does need serious attention. It often happens that the complaint mechanism is not fully managed. There are means to file a complaint, but often complaints are not followed up. There may also be a means to file complaints and complaints are followed up, but complaints and feedback are not used as a basis for service improvement.

2. Internal Process

There were six crucial indicators measured in the internal process, namely, vertical coordination between parent agencies (public office or regional apparatus organization) and units assigned to MPP, horizontal coordination between agencies that provide services at MPP, number of agencies involved, characteristic of agency involvement in handling licensing and nonlicensing services, integration in the use of shared data, and integration in service socialization. The **first** indicator was the vertical coordination between the parent agency (public office or regional apparatus organization where the service is originally provided) and the unit assigned to MPP. It showed that 98.1% of respondents from service providers at MPP stated there was no coordination problem and the coordination was good by utilizing various available media. However, there were still a remaining 1.9% who stated coordination had not gone well because the distance between MPP and the main office is quite far.

The second indicator, horizontal coordination between agencies that provide services at MPP, obtained a score of 97.7%. It was convincing that horizontal coordination was good, but there were still 2.3% of respondents who felt that coordination was not good because their types of services were not technically connected, let alone connected through a system. The third indicator was the number of agencies involved, which were diverse, but at least there are elements of regional apparatus organizations, municipally owned corporations, state-owned enterprises, banks, and especially the Office of Investment and One-Stop Integrated Services. The fourth indicator, the characteristics of agency involvement in handling licensing and non-licensing services, showed service staff were given the authority to exercise discretion and provide feedback to the parent agency. The percentage score was also convincing, 92.1%, while the remaining 7.9% did not dare to exercise discretion and still had to coordinate with the parent agency.

The score of the **fifth** indicator, integration in the use of shared data, was not as high as those of other indicators, only at 55.8%, and 37.7% of respondents did not even know about this matter. Data integration is a characteristic of integrated services as referred to in integrated governance according to the OECD (2015). Service integration will be excellent if there is a system that can store and distribute basic information and data obtained from the public as users. At the 11 MPP surveyed, this integration is not yet available, except at the Office of Investment and One-Stop Integrated Services. Merged agencies, such as state-owned enterprises, municipally owned corporations, banks, Healthcare and Social Security Agency, still stored and processed their respective data separately. The last indicator, integration in service socialization, also obtained a good score of 86.3%. Currently, MPP are limited to managing the integrated socialization of all information about

MPP offline in the form of brochures, pamphlets, and various other service standards.

Based on observations in the field, it can be said that, since its establishment in 2017, MPP has been limited to the form of integration of various public service agencies (integrated government) and has not realized integrated governance, indicated by the institution of MPP that has not been enacted and the positioning of the officials of the Office of Investment and One-Stop Integrated Services as mere coordinators who manage orderliness and facilities at the malls. Another indicator is that the decision-making process and authority are still in each agency that joins the MPP. In the future, it is expected that, with effective institutional planning and design, MPP will be able to become an agency that truly realizes integrated governance so its usefulness will be much greater and have an impact on public trust and improve welfare and the economy. The following is a chart of scores for the internal process perspective at 11 MPPs.'

From Chart 1 above, it can be seen that MPP 9 obtained the best score, 3.41, compared to the others, although almost all MPPs obtained a

relatively good score because the average score was more than 3, except for the Palembang Public Service Mall. Internal process is an overview of current performance; therefore, the scorecard for internal process performance must be maintained because, if internal processes are not good, it will affect public satisfaction (Kaplan and Norton, 2008; Niven 2008). The indicator that needs to be considered in the internal process is the integration of shared data, which is currently not available. Data integration is crucial because it will facilitate the coordination of services and problem solving. The main requirement is that the organizational structure and nomenclature of MPP must be clear and have absolute authority to integrate all data at MPP.

3. Learning and Growth

In the perspective of employee learning and growth, there are four indicators, namely, the availability of a budget for training, employee satisfaction due to employee welfare benefits, employee satisfaction with the supervisory mechanism, and employee satisfaction with rewards. Regarding the first indicator, the majority

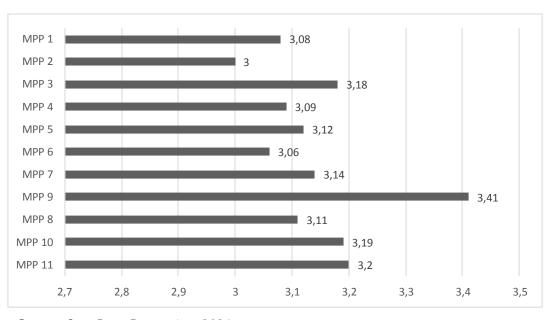


Figure 2.
Comparison of Scores for Internal Process Perspective at 11 MPPs

of respondents (56.3%) admitted they had never received training at MPP. This is because MPP does not yet have an independent organizational structure and budgeting; therefore, training is still being provided by their respective agencies. Conceptually, employee development is obtained through empowerment in the form of appropriate trainings (Brown & Posner, 2001) because the routines undertaken by employees will cause boredom and, in turn, will reduce their work productivity (Jones & Jones, 2013)

The second indicator, employee satisfaction due to welfare benefits, got a positive score. At least 56.3% were satisfied, while 37.7% said they were dissatisfied because the benefits they received at MPP, according to them, should be greater than what they received at their respective institutions. The head of the Badung Regency Office of Investment and One-Stop Integrated Services stated the dissatisfaction was reasonable because MPPs are at the forefront of licensing services, especially those related to increasing regional investment through the improvement of the quality of licensing services. Regarding the

third indicator, employee satisfaction with the supervisory mechanism, 95% of respondents were satisfied with the supervisory system that was considered not to put employees under pressure. Supervision emphasized aspects of self-discipline and attendance. However, several MPPs explained that, if there was a disciplinary violation or employee's absence, it would be difficult to reprimand the employees because there was no MPP official with the authority to do so. Once again, it indicates MPP needs to become an organization with a clear structure and has the authority to regulate all the services it provides, rather than just being a group of service providers who become a kind of 'tenant' at MPP as it is today.

The fourth indicator, employee satisfaction due to the reward mechanism, received a score of 66.1%. Some of the rewards received were in the form of uniform, lunches, and initial training when they served at MPP. As many as 20% of respondents stated they did not agree those things were rewards from MPP. According to them, those were rewards from their respective agencies. It shows that MPP is not yet a regional

MPP 1 MPP 2 3,04 MPP 3 3,01 MPP 4 3,13 MPP 5 3,04 MPP 6 3,15 MPP 7 MPP 9 3,26 MPP 8 **MPP 10** MPP 11 2,6 3 2,7 2,8 2,9 3,1 3,2 3,3

Figure 3.
Comparison of The Average Scores of The Perspective of Learning and Growth

organizational structure that has full authority in providing services. The following is Figure 3 that presents a comparison of the average scores of the perspective of learning and growth.

The Figure above shows quality improvement is still needed from the aspect of learning and growth. (Kaplan & Norton, 1992) emphasize that 'learning' is more than 'training'; it also includes things like mentors and tutors within the organization, as well as that ease of communication among workers that allows them to get help on a problem when it is needed. It also includes technological tools, what the Baldrige criteria call "high performance work systems." The learning and growth of state apparatus in Indonesia is in line with the Medium-Term Development Plan and Grand Design of Bureaucratic Reform.

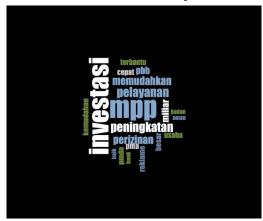
4. Financial Perspective

The performance of the financial perspective was specifically measured by conducting FGD and weighting the results obtained from the FGD. FGD participants were representatives of the Office of Investment and One-Stop Integrated Services and the representatives of agencies providing various services at MPP, such as state-owned enterprises, municipally-owned corporations, banks, Healthcare and Social Security Agency, Immigration Office, and a number of other service providers who joined MPP. **First**, the results of the assessment of financial performance of MPP related to the impact of MPP on increasing investment through FGD showed the representatives of agencies providing various services and the representatives of the Office of Investment and One-Stop Integrated Services agreed MPPs have increased investment. This is shown in Figure 4 below about the discourse that was dominated by the word 'investment'.

Second, although the majority of FGD participants stated there was an increase in domestic and foreign investment, there were still 7

Figure 4. Benefits Derived from the Establishment of MPP

(The 20 Most Frequently Appearing Words in Focus Group Discussions about the Benefits of MPP)



Source: Own Data Processing, 2021

MPPs that had not been able to present secondary data on the trend of increasing investment. This can be seen in the data collection process. There are 7 MPPs that do not submit data regarding the trend of increasing investment. Most explained the availability of the data was still scattered in various government regional agencies. There were several MPPs that were able to show secondary data in the form of data on the trend of increasing investment, namely, MPP 7, MPP 5, MPP 1, and MPP 2.

Third, the representatives in the FGD, regarding the increase in state revenue, also agreed that, in general, the establishment of MPP is believed to improve services for business and investment licensing that, in turn, will also increase state revenue at the local level. However, once again, this study has not been able to collect secondary data from the 11 MPPs. It can be concluded that the management of data on the increase in investment and regional revenue at the 7 MPPs has not been done in an integrated and systematic system.

The weighting of the results obtained from the FGD showed that each MPP had a different final score. The score was obtained from multiplying the

weight with the ranking. There were six indicators determined by weight and ranking, namely: 1) Services at MPP that support the convenience of the public in doing business, 2) Increasing growth in the number of services in each service unit, 3) Increasing growth in investment whose licensing and non-licensing matters are assisted by MPP, 4)

Increasing number of MSMEs assisted by MPP, 5) Increasing investment growth in the region, and 6) Increasing number of national revenues from services provided at MPP. It is described in more detail in Table 4 as follows.

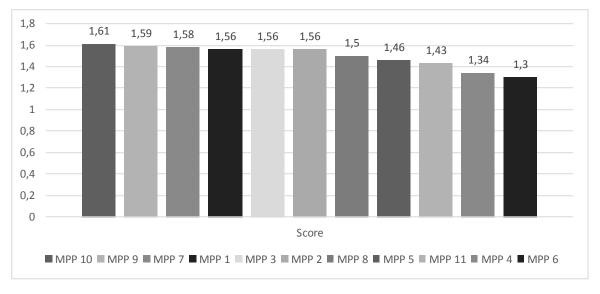
The auxiliary score of weight is the perception score of the managers of MPPs on

Table 4. Example of a Weighting and Ranking Table

| No | Indicator | Calculation of Auxiliary Parameter for Weight | Weight (Total 1) | Ranking (1-10) | Score |
|----|---|--|---------------------|-------------------|-------|
| 1 | Services at MPP support convenience for the public to do business | 6 | 0.2 | 9 | 1.8 |
| 2 | Increasing growth in the number of services in each service unit | 4 | 0.93 | 7 | 0.93 |
| 3 | Increasing growth in investment whose licensing and non-licensing matters are assisted by MPP | 4 | 0.93 | 7 | 0.93 |
| 4 | Increasing number of MSMEs assisted by MPP | 6 | 0.2 | 10 | 2 |
| 5 | Increasing investment growth in the region | 4 | 0.13 | 7 | 0.93 |
| 6 | Increasing number of national revenues from the services provided in MPP | 6 | 0.2 | 10 | 2 |
| | | 30 | 1 | - | 1.43 |

Source: Own Data Processing, 2021

Figure 5. Chart of Scores of Weighting for MPP



the significance of various aspects that affect MPP, which is then quantified in the form of scores with a range of 1-6. Score 1 indicates the least significant score, while score 6 is the most significant score. Meanwhile, the ranking indicates which indicators are prioritized by MPP, with a score of 10 for the most prioritized and so on. The findings that can be concluded from the weighting results are presented in the following chart:

Based on the chart in Figure 5 above, it can be interpreted that MPP 10 obtained the highest score, with a score of 1.61. Meanwhile, MPP with the lowest score was MPP 6 with a score of 1.30. Based on these calculations, it can be interpreted that the management of MPP 10 perceives the various financial and investment indicators tested have a significant influence on MPP 10 and vice versa. MPP 10 has a fairly large significance in influencing various financial and investment indicators in its region. Meanwhile, the management of MPP 6 perceives that the various financial and investment indicators tested have not had a significant influence on MPP 6 and does not yet have sufficient significance to influence

various financial and investment indicators in its region. Meanwhile, other MPPs had various distributions of scores with a range that was not too far from each other. So, if it is illustrated in an integrated chart, the distribution of scores of weighting for each MPP is as follows:

The upper rightmost area is the area for the MPP with a relatively large score. The further to the right and up a MPP is, it can be ascertained that the MPP has the highest score. Based on the chart above, it can be interpreted that MPP 10 is located on the far-right area (with the highest score). The overview in the chart above is also in accordance with the analysis in the previous chart that shows MPP 6 obtained the lowest final score so that, in the chart above, it can be seen that MPP 6 is in the lower left quadrant area.

5. Evaluation of MPPs based on the Balanced Scorecard

The results of the analysis using the balanced scorecard based on the analysis of the four perspectives of performance at the eleven MPPs studied can be described in Figure 7.

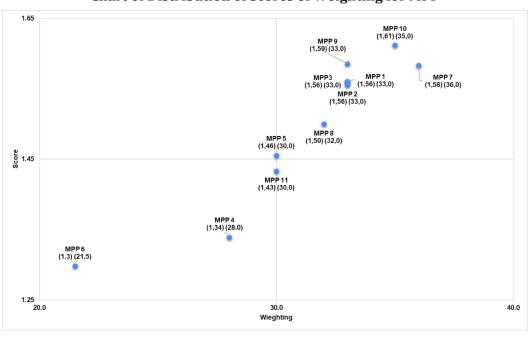
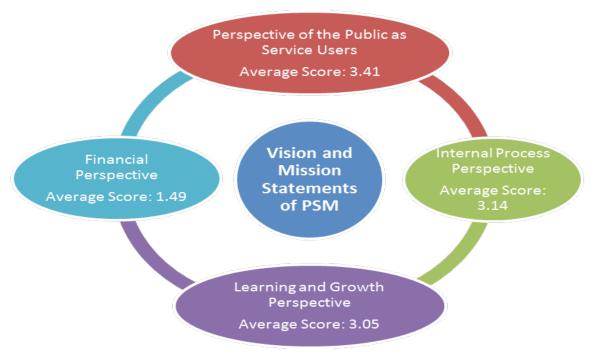


Figure 6. Chart of Distribution of Scores of Weighting for MPP

Figure 7.
Performance of 11 MPPs According to the Balanced Scorecard



Source: Own Data Processing, 2021

Figure 7 above illustrates that the average scores of the four perspectives on the Balanced Scorecard, namely, 1) Perspective of the public as service users, 2) Internal process perspective, 3) Learning and growth perspective, and 4) Financial Perspective, varied. The first perspective, the perspective of the public as service users, obtained an average score of 3.41, which was included in the 'very good' category. Meanwhile, the second perspective, the internal process perspective, obtained an average score of 3.14, which was included in the 'good' category. The third perspective, the perspective of learning and growth, obtained an average score of 3.05, which was also included in the 'good' category. The fourth perspective was the financial perspective with an average score of 1.49; therefore, several aspects in this perspective still require more attention and evaluation, for example, the availability of data in each MPP that has not been optimized and the impact of MPP on increasing investment in the service area of each MPP that also still needs to be reviewed. Overall,

the average scores for the first, second, and third perspectives were in the 'good' category, but the fourth perspective is a perspective that needs to be reviewed and improved by each MPP.

Conclusion

Based on the analysis of the four perspectives in the balanced scorecard framework, namely, 1) The perspective of the public as service users, 2) The internal process perspective, 3) The employee growth and learning perspective, and 4) The financial perspective, the first two obtained a good score. Meanwhile, the other two perspectives obtained a low score. It can be seen from the role of each MPP in the 11 regions that has not been significant in encouraging investment in the regions. However, each MPP got the highest score on certain perspectives. Interesting findings in the analysis of each perspective showed MPP 9 obtained the highest score for almost all perspectives, namely, the perspective of the public as service users (perspectives of tangibility, empathy, reliability, responsiveness, and assurance), internal process

perspective, and employee growth and learning perspective. Nevertheless, the financial perspective of all MPPs obtained a low score because MPPs have not been able to provide data on investment trends and increasing regional revenue. Thus, it is not clear how significant the role of MPP is in encouraging investment in their respective regions. Overall, it can be concluded that the scores that describe the four perspectives of the balanced scorecard are declared unbalanced.

There are several recommendations proposed based on the results of the analysis and conclusions above. First, based on the results of the analysis using the balanced scorecard, MPP needs to be strengthened on the institutional aspects, structural clarity, and leadership. Second, in accordance with the concept of integrated public service (OECD, 2015), institutional clarity will facilitate the integration of services, data, and the system as a whole. It can be started with the easiest to integrate first. Third, there is a need for a balance on the financial perspective and availability of data on investment trend to depict MPP's significance in enhancing investment performance of a region. **Fourth**, it is necessary for each MPP to strengthen the perspective of employee growth and learning by increasing employees' capacity in an integrated manner in the digital field and data management, especially data collection on financial aspects.

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