

The Effect of Apparatus Competence on Public Service Quality of Financial Agency in Gorontalo District

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Abstract

This research aim is to examine the effect of apparatus competence on public service quality of Financial Agency in Gorontalo District. It uses explanatory survey method with quantitative approach to analyze the effect of apparatus competence as independent latent construct (exogenous) on public service quality of financial agency as latent construct (endogen). The population of 100 respondents spread in offices of Gorontalo District Financial Agency and some Local Apparatus Work Unit (LAWU), and all population become samples. The data is analyzed by Partial Least Square (PLS) with SmartPLS. The research results show that the effect of apparatus competence on public service quality of financial agency has path coefficient of 0.521 (52.1%) with t value of 7.919. This value is greater than t table (1.96). Therefore, the apparatus competence has a direct positive and significant effect on Public Service Quality of financial agency in Gorontalo District. It can be said that apparatus competence increase the Public Service Quality of financial agency in Gorontalo District.

Keywords: apparatus Competence, Public Service Quality

INTRODUCTION

The government reform movement becomes a benchmark of goodwill to provide good public services. The government basis to gives high service quality to public is essential. It is based on legislation on services that have been applied by government in order to improve the service alignments to public. Therefore, the government has issued regulations Number 25 Year 2009 on Public Service, where the state is obliged to serve every citizen and resident to fulfill his basic rights and needs in framework of public service as mandate of 1945 Constitution of Indonesia Republic State.

Public services quality of financial agency in Gorontalo District Government have been awarded for the assessment of local government financial reports with an unqualified opinion status for 5 years. However, the implementation of local expenditure and revenue budget, especially the administration of regional financial expenditure is still not optimal for provision of funds, payment requests, orders, funds disbursement, to accountability of funds usage. These are proved at financial managers of Local Apparatus Work Unit (LAWU) administrative staff, PPTK (technical activity administration officials), PPK (financial administration official), Expenditure Treasurer, PPK (officer of commitment maker) and KPA / PA (authorized budget user / budget users) as well as provider of goods / services in preparing each billing, either requirement or file, billing verification, procedure to prepare bills up to procedure to prepare payment request letter and payment order letter at LAWU.

Gorontalo District Government gives Financial Agency a responsibility to provide public administrative services in financial field. This has been implemented and local government has provided services, but it still cannot satisfy the public. The phenomenon shows many public complain that government agencies services are not consistent with service quality expected. They complaint the mechanisms that inconsistent with service quality that reliable, secure, having physical evidences, empathetic and responsive.

The service quality at Gorontalo Financial Agency should be improved, especially the reliability, skills, mastery and experience the public officer. The public often addresses the service quality dimension as seen from assurance provided by various inputs, processes and outputs of service delivery.

Government bureaucracy has competent apparatus, professionals in the field and having a strong commitment to the job. However, the achievement of government performance still shows constraints or obstacles. It can be caused by several factors, both internal and external factors.

Based on above description, researchers are interested to make a research by the title "The Effect of Apparatus Competence on Public Service Quality of Financial Agency in Gorontalo District". We want to know the effect of officer competence on public service quality in financial field at Financial Agency of Gorontalo District.

THEORETICAL REVIEW

1. Public Service Quality.

The purpose of public services is to satisfy the public. It needs high public service quality based on the elements below.

- a. Transparency. Transparency means the service should open, easy and accessible to all parties and adequately and easily understood.

- b. **Accountability.** Accountability means the service can be accounted in accordance with provisions of legislation.
- c. **Conditional.** Conditional means the service should consistent with condition and ability of officer and recipient of service based on principle of efficiency and effectiveness.
- d. **Participation.** Participation means the service should encourage public participation in public services delivery by taking into account the aspirations, needs, and expectations of community.
- e. **Equal rights.** Equality rights means the service do not make discrimination based on tribe, race, religion, class, social status, and others.
- f. **Balance in rights and obligations.** The balance in rights and obligations means the service should considers the justice aspect between the officer and recipient of public services (Sinambela, 2007).

Parasuraman (2001: 133) suggested that a public service quality is determined by five factors as supporting and inhibiting factors. It is commonly known as quality service "RATER" (reliability, assurance, tangible, empathy and responsiveness). The RATER concept essentially shows all forms of service activities to satisfy the services receiver in accordance with HR reliability, assurance, tangible evidence that can be seen, empathy from people who provide services and responsiveness service complaints.

a. Reliability

The core of service reliability is employees should reliable. They know the detail of working procedures, working mechanisms, improve the deficiencies or irregularities that inconsistent with work procedures and can show and provide correct direction to every form of service that has not been understood by public. It can give a positive impact on service if the employee has understanding, knowledge, reliable, independent and professional to do their job description (Parasuraman, 2001).

Reliability in service delivery can be seen from reliability to provide services in accordance with level of knowledge possessed, reliability in skilled in field of work applied, reliability to master the job in according to work experience and reliability to use technology. Sunyoto (2004: 59) explained that reliability of an individual organization to provide services is needed to face the job dynamics that continues to demand high quality services in according to reliability of individual employees. The reliability of an employee can be seen from:

- 1) reliability to provide services in accordance with the job description,
- 2) reliability to provide skilled services in accordance with skills level to implement efficient and effective service activities,
- 3) reliability to provide services in accordance with their work experience, the job description mastery can be done quickly, precisely, easily and having high quality based on experience,
- 4) reliability to apply the technological mastery to get accurate and satisfactory service based on technology usage output.

b. Assurance

To give a convincing service, each employee should demonstrate a service assurance based on satisfactory service provision, in accordance with organization's commitment and provide service assurance in accordance with the behaviors. Margaretha (2003: 75) explained that a work organization needs a trust in accordance with fact that organization can provide high guaranteed quality services that:

- 1) able to provide service satisfaction, each employee will provide services that quick, accurate, easy, smooth and high quality, and it becomes a concrete form to satisfy the recipient,
- 2) able to demonstrate high work commitment in accordance with work integrity, work ethic and work culture in accordance with application of vision and mission of an organization to provide services,
- 3) able to provide service certainty in accordance with behavior, so that people who get the service sure to employee behavior.

c. Tangible

The physical evidences to show high quality service to improve work performance are considerations in organizational management. Arisutha (2005: 125) explained that work performance shown by individual human resources is assessed by their work activities that can be measured from physical service.

Margaretha (2003: 85) explained the work world dynamics today should prioritize the fulfillment of public service needs, identification of quality physical services. It has an important role to show the physical conditions of these services. The identification of tangible service can be reflected from application of working environment in form of:

- 1) the ability to demonstrate service performance through tools and equipment work efficiently and effectively,
- 2) the ability to demonstrate the mastery of technology in various data access and inventory with work automation in accordance with dynamics and development of work world,
- 3) the ability to demonstrate personal integrity in accordance with appearances to show proficiency, dignity and work dedication.

d. Empathy

Empathy in a service is the presence of a concern, seriousness, sympathetic, understanding and involvement of parties concerned with services to develop and conduct service activities in accordance with level of understanding of each party. Margaretha (2003: 103) explained that empathy in quality service from people who give service to those who get the service must be realized in five things below:

- 1) ability to give attention to various forms of services provided to make the service receiver feel as important people,
- 2) ability to work seriously to provide services to give impression that the service providers address the desired service,
- 3) ability to show sympathy for services provided to make user felt to have the authority for the services,
- 4) ability to show a deep understanding of issues expressed to make user becomes relieved to perceived forms of service,
- 5) ability to show their involvement to provide services for various things done to help user solve various forms of service difficulty.

e. Responsiveness

Service demands show the various complaints of service. These become a positive affirmation of responsiveness of service providers and those services receiver. Service provider should provide services to help the people to understand the various requirements of procedures or mechanisms. They should be given a clear understanding wisely, authoritative and various alternatives to follow the terms of right service. The service provider should show impression to understand or responds to user desire.

Service responsiveness is provided with wise, detailed, constructive, directional and persuasive explanations. It clearly can be understood by user to make responsiveness service is considered successful, and this becomes a form of successful work performance.

2. Apparatus Competency.

Apparatus competence is state employees ability to comprehend holistically about the task and can exercise it responsibly in his position as a state servant as well as a public servant. Wibowo (2012: 324) argued that competence is an ability to perform a job or task based on skills and knowledge and supported by work attitude demanded by job.

Sutrisno (2011: 203) explains that competence in public and private organizations is needed, especially to answer the demands of organization, where the changes are very fast, development of complex and dynamic problems and future uncertainty in life of society. Competence is a skill-based knowledge supported by work attitude and its application to perform tasks at workplace, which refers to specified work requirements.

Hannon (in Abdussamad, 2014) stated that competence is a person's ability to utilize skills and knowledge to do the work responsibility. Competence in this research is government apparatus competence to provide financial service at Gorontalo District Office with following dimension; Knowledge, Skill, Self Concept and Personal Characteristics (Treat)

McClelland (in Mitrani, And Fit, 1994: 27-28) explained that competence can be analogous to "icebergs" where skill and knowledge become peak above water. The below surface is not visible to naked eye, but it becomes the foundation and having an effect to shape the peak. The social role and self-image are "conscious" part of a person, while the trait and motive the subconscious part.

Spencer and Spencer (1993: 11) divide competence in two levels, are visible and invisible. It likes icebergs where there is something below the surface invisible. Appearance competencies are knowledge and skill, while the invisible competencies are the values (social role), self-concept, (self-image), personal characteristics (traits) and motive.

a. Knowledge.

Spencer and Spencer (1993) explained knowledge as Analytical Thinking (AT), Conceptual Thinking and Expertise. Analytical Thinking is the ability to understand situation by elaborating into small parts, or see the implications of a situation in detail. In essence, this competency allows a person to think analytically or systematically toward something complex. Conceptual Thinking (CT) is to understand a situation or problem by placing each part into a single unit to get a bigger picture. It gives ability to identify patterns or relationships between situations that are not clearly related; identify the underlying or key issues in complex situations. CT is creative, conceptual or inductive. Expertise (Exp) includes knowledge of workable technical job, professional, or managerial as well as motivation to expand, to utilize, and distribute the knowledge.

b. Skill.

Skills are closely related to human resources. The Liang Gie (2003: 85) suggests as follows: the activity of mastering a skill with that should be accompanied by practice and repetition of a work. A person who understands all principles, methods, knowledge and theories and can perform practically is a skilled person.

Spencer and Spencer (1993) explained skills to include Concern for Order (CO), Initiative (Int), Impact and Effect (Imp) and Information Seeking (INFO). Concern for order (CO) is an impulse within a person to reduce

uncertainty around the environment, especially about work settings, instructions, information and data. Initiative (Int) is an impulse to act beyond what is required or demanded from worker, doing something without preempting orders first. This action is done to improve the work or avoid problems or creating new opportunities. Impact and Effect (IMP) is the in persuading, convincing, influencing or impressing to make others support the agenda. Information Seeking (INFO) is the amount of additional effort spent to gather more information.

c. Self Concept

Spencer and Spencer (1993) explained the self-concept includes six elements. First, Developing Other (DEV) is a special version of impact and effect, a willingness to develop others. The essence of this competence lies in a serious willingness to develop others. Second, Directiveness: Assertiveness and use of positional power (DIR) reflects the willingness to make others in tune with their desires. Third, Team Work and Corporation (TW) means willingness to work cooperatively with others, to become a part of a team, working together to become more cooperative. Fort, Team Leadership (TL) is willingness to act as team leader or other group, it is related to desire to lead others. Fifth, Interpersonal Understanding (IU) is the ability to understand and listen to things not expressed with words; it can be an understanding of feelings of desire or thoughts of others. Sixth, Costumer Service Orientation (CSO) is a desire to help or serve customers or others.

d. Personal Characteristics (Treat)

Personal characteristics refer to physical characteristics and consistency to responses the situations or information. Personality can affect the skills of managers and workers competencies, including in conflict resolution to show interpersonal awareness, teamwork, effect and relationship building. Fast-paced people may difficult to be strong in conflict resolution than those who easily manage their emotional responses (Michael Zwell, in Wibowo, 2007: 105).

Spencer-Spencer (1993) explained the personal characteristics include four elements. First, Self Control (SCT) is the ability to control self-emotion to prevent negative actions in times of trials, especially when facing challenges or rejection from others or while working under pressure. Second, Self Confidence (SCF) is one's belief in one's ability to accomplish a task or challenge. Third, Flexibility (Flx) is the ability to adapt and cooperate effectively in various situations, with different peers or groups; the ability to understand and appreciate the diverse and conflicting views of an issue. Forth, Organizational Commitment (OC) is a person's ability and willingness to relate to what is made to needs, priorities and goals of organization; to do something to promote the organization's goals or to meet the organization needs; and put the organization mission above the personal desires or his professional role.

e. Motive

Motives are something that people consistently think or want to cause the action. Motives encourage, direct and choose behaviors toward certain actions or goals. Motives are emotions, desires, needs, psychological, or other drives to trigger action. Spencer and Spencer (1993) explained the motives include three elements. First, Organizational Awareness (OA) is the ability to understand power relations or positions within an organization. Second, Relationship Building (RB) is an effort to establish and maintain social relations or network warmly and closely. Third, Achievement Orientation (ACH) is an employee concern to his work to improve the work or a degree of concern for standard.

The research hypothesis is based on relevant theory to prove the empirical facts. Therefore, the hypothesis is "It is alleged that apparatus competence affect on the Public Service Quality of Financial Agency in Gorontalo District".

METHODOLOGY

Partial Least Square (PLS) processed with SmartPLS 3.0 is used to analyze the effect of apparatus competence as independent latent construct (exogenous) on public service quality of financial agency as latent construct (endogen). Therefore, this research uses quantitative research design with explanatory survey method. The population of 100 respondents spread in offices of Gorontalo District Financial Agency and some Local Apparatus Work Unit (LAWU), and all population become samples.

RESEARCH RESULT AND DISCUSSION

1. Research Results.

Inner-reflective model is analyzed for the first order construct and second order construct. The second order construct consists of service policy, apparatus competence, and public service quality of financial which is reflected through several first order constructs. The table 1 below explains the reflective level of first order construct to second order construct based on the value.

Table 1. Inner Reflective Model

	Original Sample (O)
KA → KPBK	0.521
KA → Personal Characteristics	0.900
KA → Skills 0.607	0.607
KA → Self Concept	0.846
KA → Motive	0.799
KA → Knowledge	0.597
KPBK → Physical Evidence	0.924
KPBK → Power Response	0.877
KPBK → Empathy	0.732
KPBK → Reliability	0.897
KPBK → Certainty	0.669

- KA = Apparatus Competency
- KPBK = Public Service Quality of Financial Agency

The apparatus competence is reflected through the first order construct of knowledge, skills, self-concept, personal characteristics and motives. The results of this second order research indicate that personal characteristics have the biggest interrelation reflection with loading factor value of 0.900. It is followed by self-concept (0.846), motive (0.799), skill (0.607), and knowledge (0.597). This means that personal characteristics in terms of self-control, confidence to implement tasks, flexibility to implement work procedures, and officials integrity to organization at Financial Agency of Gorontalo District refers to physical characteristics and consistency to responses the situation or information. Personality can affect the skills of managers and workers in a number of competencies, including in conflict resolution to show interpersonal awareness, teamwork, effect and relationship building.

It is understood that officers to provide probadut financial services show personal characteristics in tasks execution although lack of adequate knowledge to provide financial services. This study indicates that some apparatus still lack attention to knowledge aspect, because the relevance of education to scope of financial work, relevance of authenticity to scope of financial work, relevance of working period to scope of financial work is still less relevant, as shown in table 2 below.

Table 2. R-Square of Apparatus competence and Public Service Quality of Financial Agency

	AVE	Composite Reliability	R Square
KA	0.470	0.923	0.481
KPBK	0.489	0.940	0.785

Table 2 shows that public service quality of financial agency is affected positively by apparatus competence at R-Square of 0.481. The contribution of Probadut Service Policy on apparatus competence is 48.1% and rest of 51.9% is affected by other factors outside the research. Ghozali (2006) stated that the R-Square of 0.67, 0.33 and 0.19 for endogenous latent constructs in structural models indicate the models are "good", "moderate", and "weak", respectively. Therefore, these are moderate model.

Hypothesis is analyzed by bootstrapping on coefficients path, by comparing t-count value with t-table. If the t-value is greater than the t-table of 1.960 then the hypothesis formulation is accepted. The results of path coefficients analysis can be seen in in table 3 below.

Table 3. Coefficients Value of Path Analysis

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistic ((O/STDEV))	P Values
KA->KPBK	0.521	0.527	0.066	7.919	0.000

Table 3 shows the effect of apparatus competence (KA) on Public Service Quality of Financial Agency (KPBK) has path coefficient value of 0.521 (52.1%) with t count value of 7.919, greater than t table (1.96). The p-value of 0.000 is lower than alpha value of 0.05, therefore Ho is rejected. It means that apparatus competence directly has a positive and significant effect on Public Service Quality of Financial Agency, consistent with research hypothesis that apparatus competence affects the Public Service Quality of Financial Agency. This means the Hypothesis is accepted.

2. Discussion

The apparatus competence is the general knowledge, skills and attitudes capability that must be possessed by

apparatus in carrying out their duties, responsibilities and authority in accordance with the competency standards. The hypothesis testing result shows that the effect of apparatus competence (KA) on Public Service Quality of Financial Agency (KPBK) has path coefficient value of 52,1% with t-count of 7.919 greater than t-table (1.96) at 5% significance level. The p-value value is 0.000 lower than alpha value of 0.05. Partially, it can be said that apparatus competence directly has a positive and significant effect on Public Service Quality of Financial Agency in Gorontalo District.

Public Service Quality of Financial Agency in Gorontalo District significantly is affected by apparatus competence, and within good category (Guilford category in Mulyadi, 2011: 189). This condition can be used as an illustration that apparatus competence still needs to be improved through various education and training programs. The employees routine work perform their routine work quickly and consistent with various policies and regulations. They need required knowledge and attitude in accordance with their duty and responsibility.

The personal characteristics indicators have the highest average score of 4.51 compared with motives, self-concept, knowledge, and skills indicators. The smallest average value is skills indicator. Similarly, results of research for this second order construct indicate that personal characteristics have the biggest level of reflection interrelation with loading factor value of 0.900, followed by self-concept (0.846), motive (0.799), skill (0.607), and knowledge (0.597). This means that officers who manage the "Probadut" financial services have high level of self-control and confidence. Similarly, they have flexibility to implement work procedures and organization integrity, although lack of skills and knowledge. It is understood that officers to provide probadut services put forward personal characteristics in execution of tasks although lack of adequate knowledge and skills to provide financial services. It indicates that some of apparatus still lack attention to knowledge aspect, because the relevance of education to scope of financial work, relevance of authenticity to financial work scope, relevance of working period to financial work scope is still less relevant.

The apparatus need sustainable competency-based education and training to have the expected competence, primarily for prospective apparatus the Candidate of civil servant until the retirement. The civil servant education and training play a very important role to improve the competence that includes integrity, responsibility, leadership, cooperation and flexibility in tasks implementation.

This finding is consistent with Spencer's (1993) opinion that human resource factors are the most valuable asset. This is in accordance with argumentation of treasurers in Office of Communications and Informatics in Gorontalo District (Boby Djau):

"In order to provide good service to customers, I think, among other things, the required minimum standard of service should be done through the creation of skills and a professional level of knowledge" (Interview Thursday, October 12, 2017).

The staff and apparatus have different competence, so the employees work performance becomes different. The average education level of respondents only 6% people have Master Program (S2) education level, the scholar level (S1) of 49% people and 31% have high school education level. The employees with better competence give better financial services. This is consistent Spencer & Spencer (1993), that employees competence can predict the apparatus work performance, because the competence is the underlying characteristic of a person to show a good work performance in the work, role and situation certain. This opinion is also consistent with Munro's (1994) opinion that competence is an organizational enabling factor to build competitive advantage by providing human resources sharp direction to activities to build knowledge and skills. Therefore, Greene (1995) said that accumulation of competencies in an organization can be directed to be a competitive advantage factor for an organization.

The apparatus competence improvement of financial agency in Gorontalo District can be done through education and training program. It can improve the technical capability related to task and function as well as managerial competence and interpersonal relationship skill.

The positive and significant effect of apparatus competence variable on public service quality of financial agency in Gorontalo District has good category. It proves that human resource role is strategic to improve financial public service of Financial Agency in Gorontalo District. This effect optimization should be supported with other dimensions of organizational structure and leadership

These two factors greatly affect the probadut service policy program. The right organizational structure, division of tasks, range of controls, delegation of authority and clear coordination mechanism and direction can encourage employees to perform their work efficiently and effectively. The effect of leadership can encourage employee and staff motivation to work harder, create a pleasant working atmosphere and encourage the better work.

CONCLUSION AND SUGGESTION

1. Conclusion.

The Public Service Quality is affected by apparatus competence through 5 dimensions of knowledge, skills, self-concept, personal characteristics and motives

2. Suggestions.

Knowledge and skill indicators have the lowest value of apparatus competence variables. It is advisable to financial manager to increase human resources through human resource development program based on job training and off the job training for apparatus who serve this program. In addition, this research only examine apparatus competence. Future researchers can uses additional variables affecting the Public Service Quality.

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