Performance of Bureaucracy in Implementing the Issuance of Trade Business License

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Abstract

This study discusses the bureaucratic performance of the Investment and One-stop Integrated Services (DPMPTSP) in Banyuwangi Regency in implementing the issuance of Trade Business License (SIUP). The result indicated that the performance as seen from the relevance aspect showed good performance, the bureaucracy consistently implemented organizational strategic planning based on the mission, objectives, and goals of the Regional Medium-term Development Plan (RPJMD) of Banyuwangi Regency, which is further elaborated in the annual work plan. The performance as seen from the efficiency aspect showed the lack of attention to inputs (facilities and infrastructure, human resources, budget, not meeting output targets/SIUP in a certain period of time). In order to obtain SIUP (output), service users had to go through the lowest structure of the government, lengthy processes, and even unpredictable costs. Another effectiveness aspect is that SIUP provided most of the benefits for meeting the socio-economic needs of the service users and contributed to local taxes for the local government. The performance of the SIUP service impacted on gender equality and ethnic groups, impact on increased value of business investment and awareness, especially medium and large enterprises which owned SIUP, and was of use as a business legality. The result reconstructed the theory by Pollitt and Bouchart which need to include the novelty of equity which bridged the socio-economic problems and the impacts.

Keywords

Performance, Bureaucracy in Implementing, The Issuance, Trade Business License.

Introduction

Since the Reformasi in Indonesia which began in 1998, the public demand on the performance of service bureaucracy has been increasing. On the other hand, the New
Public Management (NPM) since the 1980s has introduced the principles of performance measurement to encourage a more efficient, effective, and accountable public sector (Nuti et al., 2013). The driving force of the reform movement in terms of NPM strongly influence the performance measurement (DeGrof et al., 2010) and the performance measurement system can contribute to its effectiveness (Delaney, 2016) as well as play an important role (Wall et al., 2016). Performance measurement as a movement, industry, or culture shows an emphasis on the performance measurement of the current government (Blalock & Barnow, 2001; Gizzle, 2002; Schick, 2001 in DeGrof et al., 2010). However, the performance of the bureaucracy (public) in developing countries remains low; it is caused by too many bureaucrats employed and not properly trained, a hierarchical structure consisting of hierarchically structured civil servants (Sager et al, 2009), inefficiency and corruption (Siddiquee, 2006), and rare use of public performance information (Cepiku, 2017).

Measuring the performance of public sector organizations faces numerous difficulties in terms of defining the performance target, as stated by Bohte and Meier (2000); Popper and Wilson (2003); and Van Thiel and Leeuw (2002) (in Arnaboldi, 2010) that private companies adhere to the imperative values of profit which allow the companies to easily set target numbers, whereas it is more difficult for the public sector. On the other hand, Goh (2012) observes that the important factors which can make the performance measurement system of public sector organizations more effective are to create an evaluative culture and managerial policy support to achieve results.

Various studies show the importance of the performance of public sector organizations. Nuti et al., (2013) conduct a study of the effectiveness of the performance system in the public health care sector in the Tuscany region of Italy. The result shows that the critical factor in a successful performance is the visual reporting system, rewarding system, performance evaluation system, the involvement of employees and high leadership in the whole process, and political commitment. Adam and Hoque (2014) use a quantitative approach which focuses on measuring performance in terms of output, cost/process efficiency and quality measures, activities/processes, customer satisfaction, outcome, input (planned activities). Murgianto et. al., (2016) examine the effect of commitment, competence, motivation, and job satisfaction on employee performance. Bhansing et al., (2016) examine the perceptions of executive leaders on their organizational performance, and the driving factors of different perceptions on performance. Schmidberger (2009) conducts a one-year action research to develop a holistic performance measurement system for airport services.
Those previous studies did not examine the performance of the bureaucracy in detail using the efficiency, effectiveness, relevance, utility, and sustainability approach (Pollit and Bouckaert, 2000). However, the NPM bureaucracy performance model offered by Pollit and Bouckaert has weaknesses as seen from the good governance era perspective, namely how people obtain a sense of equity in meeting the socio-economic needs in terms of bureaucratic services. In the theory, Pollit and Bouckaert did not mention equity as an impact resulting from the performance of public sector organizations. To create a quality service bureaucracy performance means to guarantee equity; in other words, it is open to provide services to individuals or groups of people in the same circumstances without discrimination, be it of race, sex, or origin (Maxwell, 2000). The service bureaucracy users in meeting their needs naturally seek a sense of equity as a novelty.

This study examines the dynamic aspects of the interaction between the public and the state civil apparatus regarding governance in public sectors (as conducted by Hinna et al. 2010). This study aims to analyze the performance of service bureaucracy in organizing the SIUP issuance using the approach of efficiency, effectiveness, relevance, utility, sustainability and equity (as novelty) in the service performance of public bureaucracy. It is due to the fact that the service performance of the SIUP issuance in DPMPTSP in Banyuwangi Regency is not properly conducted, such as lack of service, lack of clarity on service costs, many complaints, no service targets, long chain of bureaucratic structure starting from the lowest (RT/RW and kelurahan).

**Literature Review**

**Performance Measurement**

Performance measurement is the essence of New Public Management aiming to control an organization, set rules of organizational behavior, expand a culture of accountability (Arnaboldi, et al., 2010), monitor processes, use objective indicators, emphasize on results and efficiency (DeGroff et al., 2010). Moreover, organizational performance measurement of “internal” production service (maintenance, training, and auditing) by Holzer and Kloby (2005) is a prerequisite for contributing to efficient and effective output. The output can be measured in the quantity and quality of services provided (amount of people and service units).

To understand the performance of the SIUP issuance in the DPMPTSP Banyuwangi Regency which is the location of the study, several indicators proposed by Pollit and Bouckaert (2000) are used, namely efficiency, effectiveness, relevance, usability, and sustainability. The description of each indicator is as follows.
1. Effectiveness is the compatibility between objectives, results, and impacts;
2. Efficiency is the ratio between output or outcome with the cost incurred. In this model, efficiency is measured by making a comparison between input and output;
3. Relevance is measuring the relevance between needs and goals formulated by public organizations. The indicator is whether or not the program proposed to be implemented is in accordance with the objectives, needs, or socio-economic problems faced by the public;
4. Utility and sustainability measure between needs and impacts. The indicator of sustainability is of the result achieved, whether or not the socio-economic needs of the community are achieved sustainably;
5. However, the theory of Pollit and Bouckaert remains incomplete in terms of how people perceive a sense of equity in meeting their socio-economic needs (bureaucratic services). In the input-output theory by Pollit and Bouckaert, it did not mention equity as the output/product generating from a public sector service. The theory needs to be reconstructed in terms of the final outcome, in this case equity. Equity is a novel element to measure one of the impacts of the performance of the public service bureaucracy.

**Equity in Public Service**

Quality performance of service bureaucracy can guarantee a sense of equity meaning that it is open in providing service to individuals or groups of people without discrimination, be it of race, sex, origin, and other identities (Maxwell, 2000). In the good governance era, the equity element is important in measuring the performance of service bureaucracy, since it is next to impossible to achieve good performance without equity. Equity theory focuses on the input-output ratio in organizations. It suggests that people will feel satisfied as long as they perceive a sense of equity. The importance of equity in organizing government bureaucracy related to public service is that every public bureaucrat must be committed to social equity, be it as an ethical foundation, objectives, and source of thought (Frederickson, 1997).

**Research Method**

The research location is in Banyuwangi Regency, located at the easternmost tip of East Java, close to Bali. Banyuwangi people have heterogeneous characteristics of various ethnicities, religions, indigenous people as well as migrants. The development of tourism, fisheries, agro-based business and industry, economic and trade centers in the location is rapid. This study used a qualitative approach. The data analysis technique used interactive model analysis with three important components and three activities which occur
simultaneously, namely data condensation, data display, and conclusions: drawing/verification (Miles & Huberman, 2014). The informants were chosen using the purposive sampling technique. Furthermore, the informants were divided into two quota-based categories: (1) the apparatus including management, service staff, and officials; (2) the recipient or service user including individual brokers/notary staff and entrepreneurs in various business fields who request SIUP themselves. The data collection techniques used the triangulation, interviews, observation, and documentation methods.

The focus of this study is measured based on several indicators as follows.

a) Relevance which emphasizes on: 1) strategic planning including goals, objectives, and means to achieve goals and objectives (policy strategies, programs); 2) work plan of One-stop Integrated Services (DPMPTSP) including objectives, targets, programs, and activities;

b) Efficiency which emphasizes on: (1) inputs including facilities and infrastructure, Human Resources and budget for programs/activities; (2) outputs including achievement targets predetermined on the performance of organizational goals (including SIUP) and the realization of the performance achievement of service goals to customers. In other words, the output is divided into two achievement targets, namely 1) quantity (physical), the number of SIUP issued in each year; 2) quality of service (non-physical), one of the objectives of the indicator in organization performance; and 3) benefits of SIUP;

c) Effectiveness of which indicators include: (a) the level of conformity between objectives and intermediate outcomes (results) including programs to improve licensing services which emphasize on acceleration and certainty of the SIUP services, coordination (banking and related office/agency), an increase in local tax/regional retribution; and (b) final outcomes/impacts: equity of the service including gender equity, and equity of ethnic groups;

d) Utility and sustainability including (a) utility which emphasizes on business investment (b) sustainability which emphasizes on increasing SIUP registration.

**Result and Discussion**

**Relevance**

**1. Strategic Planning and Work Plan**

Based on the strategic plan, the DPMTPSP of Banyuwangi Regency shows a relatively good performance, since it has a five-year strategic plan (2010-2015 and 2016-2021) in
achieving organizational goals and objectives, as well as means to achieve the goals and objectives of the organization. The strategic plan is based on the Regional Medium-term Development Plan (RPJMD) of Banyuwangi Regency. The work plan which is elaborated annually highlights two points; they are service organization goals and organizational goals. In achieving the strategic plan (5-year plan), it has been given a description in achieving its annual target. There are two objectives to be achieved in the work plan, namely the realization of quality service based on the Community Satisfaction Survey (SKM) indicators and increasing investment potential and opportunities. In realizing the first objective, the target of the service organization is the realization of public satisfaction and increased regional investment based on the SKM indicator and the value of regional investment. In achieving the target, the SKM indicator shows a good performance and meets the target (101.10%), while the realization of regional investment lacks in performance, since it only meets 39.76% of the target.

2. Service Programs and Activities

The programs and activities in the form of licensing services can be measured with an outcome indicator, the percentage of business licenses completed within the allotted time. In terms of the licensing service program, the performance is poor because it does not meet the target of only 89.91%. It means there are still delays in service. The target for business licensing is made as a whole, not compartmentalized based on business sectors. The bureaucracy of SIUP issuance does not have a target to be completed within a certain timeframe. Whereas, a performance target is important in the NPM era; the driving force for performance measurement is the New Public Management (NPM), an influential reform movement that emerged in the late 1980s (in DeGrof et al., 2010) to date especially in the transparency era.

In programming the development, managing investment promotion, monitoring, and evaluation, the DPMPTSP of Banyuwangi Regency indicates poor performance, as well. Overall, it does not meet the predetermined targets, such as value of Foreign Investment (PMA) and Domestic Investment (PMDN) only achieves 39.76% of the target in 2015, and the years thereafter also do not meet the target. It is supported by Goh (2012) and McCahery et al. (2012). Goh (2012) states that public sector organizations need to make performance measurement systems more effective; the process should involve investors, and strengthen evaluative culture. In this case, the involvement of investors is important. McCahery et al., (2012) show that principally investors are able to arrange investments according to their own preferences. For some classes, investors can predict various governance problems and risks that can potentially be dangerous.
Efficiency

1. Input Indicators

In this study, the input indicators include facilities and infrastructure, human resources, and the budget used by the organization. The input in the form of facilities and infrastructure is not yet complete. There are facilities and infrastructure that are not in good condition, such as parking in the highway, narrow parking for motorcycles, toilet being too far from the office. The service information board is incomplete, the procedures and requirements for SIUP are unclear, the completion time and service fees are not mentioned. The queuing machine is broken and manual queuing number is not provided by the employees. The service runs without queuing number that oftentimes it turns chaotic. The services rely only on IT (Information Technology). The service facilities and infrastructure require a combination of modern information technology (internet) and manual one.

Input from the human resources is inadequate because there are only 22 employees consisting of 9 structural officials and 13 staff. The competence needs to be improved because there is not any specific training. The staff learn IT (information technology) independently (self-taught). Structurally, the leadership of the organization does not have the budget authority to provide training for employees, such as communication training, etc. The result of this study contradicts the result of studies by Lewis (2011) and Lo (2008). Lewis (2011) states that implementation of the service bureaucracy requires training, selection, supervision, and quality staff. Furthermore, Lo (2008) emphasizes that it is necessary to develop quality human resources with the support of complete facilities and service quality to make useful innovations. It is also related to Carmeli (2009) stating that the elimination of leadership risk and concentration on oneself is significantly associated with a decrease in organizational quality.

In addition, the budget input used by the organization is not sufficient to accommodate all services, as there is not any budget to increase or develop the capacity of human resources to improve their communication skills. The lack of collaboration and integration among institutional leaders in the Banyuwangi Regency government in terms of funding for human resource capacity development has led to an unresponsive service performance. Intellectuals and training are the social capital for performance. It is supported by Pucci et al., (2015) stating that there is a positive direct relationship between the value of intellectual capital of a company and its performance. It is due to the fact that the leader of
the institution/bureaucracy is not given the authority to manage finances to provide training for employees. Hoglund et al., (2013) and Ramadass et al (2018) also emphasize that funding influences governance functions, structures, and practices at the organizational level, and internal actors, such as managers perform public sector governance functions, transformational leadership influences governance and impacts the relational cooperation, interdependence, relational capital, and collaboration outcomes.

2. Output Indicators

There are 3 output indicators in the form of performance targets, namely the quantity of the SIUP issued, the quality of service, and the benefits of SIUP. As seen from the quantity of the output, it is considered to perform poorly because there is not any target to be met within a certain period of time. The lack of SIUP targets is related to the absence of budget to conduct training for employees. Such a result is supported by Holzer and Kloby (2005) analyzing that training is a prerequisite needed for output production in measuring organizational performance.

As seen from the service, it is based on the amount of people coming and need the service, yet there is not any predetermined target. The result of this study contradicts Holzer and Kloby (2005) that output can be measured in terms of its quantity and quality as well as the amount of clients served and the service units delivered. In contrast, the output indicator of service quality is measured based on SKM. SKM has a predetermined target of 86% and the result is 86.95% (101.10% of the target). It is considered that the organizational performance as seen from the SKM is good because it meets the target. Such an achievement certainly cannot be separated from the motivation of the employees as stated by Murgianto, et.al (2016) regarding motivation and job satisfaction on employee performance. Jin et al., (2013) also show the effect of public satisfaction towards behavioral intentions of service employees.

The organization as seen from the output indicator of the benefits of SIUP indicates well performance. Those owning SIUP perceive the benefits, namely legality, access to banking as a condition of project tenders from the government. The micro and small entrepreneurs are yet to perceive the benefits of SIUP, although it can be used to obtain program assistance from the government. By far, the capital assistance programs have not been perceived to be significant for their businesses.
Effectiveness

1. Intermediate Outcome (Results)

There are two points in the intermediate outcome (results), namely the acceleration and certainty of SIUP services and an increase in local tax/regional retribution (PAD); a) intermediate outcome (results) in terms of acceleration and certainty of the license issuance is of poor performance. There are still delays in the service and no certainty on the completion time of the service. If it is necessary to obtain the Certificate of Business Domicile (SKDU) from the village/kelurahan, the cost can hardly be determined, as it can be of high price. In addition, there is not anytime certainty regarding the issuance of SKDU from the village/kelurahan which requires the signature from RT/RW, the lowest government bureaucratic structure. This result is relatively similar to what happened in Australia in the 1970s, the findings of Williams (2001) state that the main issues faced by the Australian government includes a rigid organizational structure and convoluted procedures; b) in terms of local tax, the SIUP issuance has increased the local tax, even met the set target because the procedure of SIUP issuance must attach the IMB and HO (if needed). In managing the IMB and HO, service users must pay in which include retribution (local tax); its annual realization exceeds the targeted average of 150%. In 2015, the realization of retribution by the DPMPTSP of Banyuwangi Regency is 270.23%; In 2016, it is above an average of 200%. The result of this study is supported by Lewis (2011) that selection of programs based on facts will produce financial value.

2. Final Outcome/Impacts

The measurement of bureaucratic performance in providing services cannot only be measured in terms of its quantity as in the NPM (New Public Management) paradigm, but in the good governance era it must also be measured in terms of service impacts. Measuring environmental performance as one of the impacts of organizational performance is an important component in achieving sustainable development (Lundberg & Folkeson, 2009), especially the impact of service performance on a sense of equity for everyone who needs services be it male, female, rich, poor, young, old, as well as a sense of equity towards certain ethnic groups. The impact of equity affects the fulfillment of their socio-economic needs in terms of service.

1. Gender Equity: the issuance of SIUP by the DPMPTSP of Banyuwangi Regency has indicated a sense of equity for the public who needs the service. The SIUP service is
well-performed due to the equal treatment towards women and men without discrimination;

2. Equity of Ethnic Groups: the issuance of SIUP by the DPMPTSP of Banyuwangi Regency has indicated a sense of equity towards ethnic groups. Equity of ethnic groups is important in the service bureaucracy. One of the benchmarks of good service is the equal treatment on ethnic groups. In providing the service, the organization provide equal treatments without discrimination to all ethnic groups, be it Javanese, Osing, Madurese, Balinese, Arabs, Chinese. Likewise, the service does not discriminate religions, be it Muslim, Christian, Catholic, Hindu, Buddhist, and Confucianism. The result of this study is supported by Lisi (2015) stating that environmental performance measurement positively affects economic performance indirectly through performance. This environmental performance can be in the form of socioeconomic, such as social groups (gender, religion, or ethnicity), or community economic groups. Moreover, such a result is also supported by Rosenthal (2006) and Andrews et al (2014). Rosenthal (2006) finds that the majority of awareness and agreement among employees of the public sector in the Job centre context in the area customer-oriented.

3. Utility and Sustainability

Utility emphasizes on business investment. The DPMPTSP of Banyuwangi Regency in organizing the SIUP issuance in terms of business investment performs well. Those who own SIUP perceive that they can increase their business investment to the bank/or by obtaining a project from the local government. The result of this study is supported by Lisi (2015) showing that environmental performance measurement positively affects economic performance. The service provided by public bureaucracy in organizing the SIUP issuance has provided economic benefits for the SIUP owners.

Sustainability emphasizes on increasing the SIUP registration. As seen from the increase, the SIUP service performs well due to the fact that the number of large and medium-sized enterprises managing to obtain the SIUP increases yearly. On the other hand, many of micro and small-sized enterprises have not owned SIUP. The result is supported by Preyag et al., (2013) stating that satisfaction relates positively with intention. It can be interpreted as to which extent the service can provide satisfaction to service users. If the service does not generate satisfaction, there will be fewer people coming the service bureaucracy, and vice versa.
### Table 1: Focus, performance indicator, and output performance

<table>
<thead>
<tr>
<th>No</th>
<th>Focus and Input Performance Indicator</th>
<th>Results of Performance Output</th>
</tr>
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<tbody>
<tr>
<td>A</td>
<td>Relevance</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1. Strategic plan: goals, targets, means to achieve objectives (policy strategy, programs).</td>
<td>Sufficient performance, has a five-year strategic plan to achieve organizational goals and objectives, and has means of achieving organizational goals</td>
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<td></td>
<td>2. Work plan:</td>
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<tr>
<td></td>
<td>a. Goals: quality service (SKM/Community Satisfaction Survey) and increasing investment potential and opportunities.</td>
<td>Good performance, has met the SKM target; the number of investors and regional investments, investment growth and performance is of poor performance, has not met the target</td>
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<tr>
<td></td>
<td>b. Targets: community satisfaction and increasing the realization of regional investment (using SKM indicators and regional investment)</td>
<td>SKM performs well, exceeding the determined target. The realization of regional investment performs poorly, does not meet the specified target, only 39.76% in 2015; likewise in 2016 and years afterwards.</td>
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<td></td>
<td>c. Programs and activities:</td>
<td></td>
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<tr>
<td></td>
<td>1) Licensing service program, outcome indicator: percentage of business license issuance completed within the allotted time</td>
<td>Poor performance, no target of SIUP issuance to be completed within a year</td>
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<td></td>
<td>2) Investment promotion, monitoring &amp; evaluation development program</td>
<td>Good performance, development of investment promotion, monitoring &amp; evaluation have been prepared</td>
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<td></td>
<td>3) Data monitoring management and investment evaluation</td>
<td>Sufficient performance for data monitoring management and investment evaluation</td>
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<tr>
<td>B</td>
<td>Efficiency:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>a. Input Indicators</td>
<td></td>
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<tr>
<td></td>
<td>1. Facilities and infrastructure</td>
<td>Incomplete facilities and infrastructure, causing service disarray, only rely on IT (internet).</td>
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<td></td>
<td>2. Human resources</td>
<td>Lack quantity of human resources, the competency of human resources needs improvement by training that functions to support the main service tasks for frontline staff</td>
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<td></td>
<td>3. Budget</td>
<td>Insufficient budget for the public service, no budget to improve the capacity of communicative and responsive HR services</td>
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<td></td>
<td>b. Output indicator: achievement target</td>
<td>Poor performance, no target to be completed within certain period of time</td>
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<tr>
<td></td>
<td>1. Quantity of SIUP</td>
<td>Good performance as seen from SKM</td>
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<td></td>
<td>2. Service quality</td>
<td>Good performance, SIUP owners have legal certainty, SIUP is useful for developing their business, access to banking/project tender from the government. Micro and small-sized enterprises have not perceived many benefits, although it can be used to obtain program assistance from the government. By far, there has not been any program assistance in the form of significant capital for their business.</td>
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<td></td>
<td>3. Benefits of SIUP</td>
<td>Good performance, delayed service, uncertain completion time, and no cost provisions. There are many costs incurred by service users, especially in managing SKDU. In addition, there is no time certainty in managing SKDU from the village/kelurahan which requires the signature of RT/RW</td>
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<tr>
<td>C</td>
<td>Effectiveness</td>
<td></td>
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<tr>
<td></td>
<td>1. Intermediate outcome (results),</td>
<td></td>
</tr>
<tr>
<td></td>
<td>a. Acceleration and certainty of SIUP issuance, coordination (banking and related service/agency)</td>
<td>Poor performance, delayed service, uncertain completion time, and no cost provisions. There are many costs incurred by service users, especially in managing SKDU. In addition, there is no time certainty in managing SKDU from the village/kelurahan which requires the signature of RT/RW</td>
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<td></td>
<td>b. Increase in local tax/regional retribution (PAD)</td>
<td>Good performance, PAD has increased from year to year in accordance with predetermined targets, because in arranging SIUP, IMB and HO must be attached. In managing IMB and HO service users must pay.</td>
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<td>2. Final outcomes/impacts:</td>
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<tr>
<td></td>
<td>1. Gender equity</td>
<td>Good performance, no service discrimination for both men and women</td>
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<td></td>
<td>2. Equity of ethnic groups</td>
<td>Good performance, equal treatment</td>
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<td></td>
<td>Utility and sustainability</td>
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<tr>
<td></td>
<td>1. Utility emphasizing on business investment</td>
<td>Public perceives benefits of SIUP, especially for medium and large-sized enterprises which can improve and facilitate business investment, as a requirement of bank loan. Micro and small-sized enterprises have not perceived benefits of SIUP to obtain assistance from central and local governments</td>
</tr>
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<td></td>
<td>2. Sustainability emphasizing on increasing SIUP register</td>
<td>Increase register from medium and large-sized enterprises, not significant from micro and small-sized enterprises.</td>
</tr>
</tbody>
</table>

Source: primary and secondary data.
Theoretical Implications

The result of this study supports the theory of Pollit and Bouckaert (2000) who reveal that the performance of the public service bureaucracy can be seen from the extent to which socio-economic problems can be overcome through government institutions and programs to meet certain socio-economic needs. Those needs have been arranged in the organization/program goals to provide input and process it into output. Furthermore, the output produced interacts with the environment to generate results which are transformed into an impact/final outcome in the long run (Pollit and Bouckaert, 2000). Based on result from the theoretical implications, the theory of Pollit and Bouckaert needs to be reconstructed by including equity (as novelty) on gender equity, equity of ethnic groups, and equity of the others as a basic element of the final outcome in overcoming social-economic problems. The element of equity is important, an integral part in creating a balance in implementing the principles of good governance. Equity is needed as a basis for measuring the performance of the service bureaucracy in the public sector in providing protection for human rights in obtaining services. The reconstruction of the input-output approach by Pollit & Boukaert is as follows.

Conclusions

The performance of the DPMPTSP of Banyuwangi Regency in SIUP issuance can be concluded as follows; 1) the performance in terms of relevance has good performance because the organization has consistently implemented organizational strategic planning based on the missions, goals, and objectives of the RPJMD (Regional Medium-term Development Plan) of Banyuwangi Regency, further elaborated as work plan in achieving organizational performance; 2) the performance in terms of efficiency lacks in paying attention to inputs, facilities and infrastructure, meeting the needs of human resources services and service targets; 3) the service procedure involves the lowest government structure (RT/RW, kelurahan/village) to obtain SKDU resulting in lengthy service. Also, service costs can be unpredictable; 4) the effectiveness aspect shows that SIUP has provided benefits for meeting the needs of service users in the economic field and meeting the financial needs (PAD) for local governments; 5) service performance affects equity on gender and ethnic groups, as well as other groups. The service bureaucracy in the SIUP issuance has been useful for entrepreneurs to obtain legality of their business, and has an impact on increasing the value of business investment and awareness in the long run, especially for medium and large-sized enterprises; 6) to obtain SKDU as one of the conditions for the SIUP issuance should go through the lowest administrative structure of RT/RW, kelurahan/village.
References


