
Effectiveness of Licensing Services at Public Service Mall of Semarang Regency

Jatu Cynthia Restu¹, Tri Yuniningsih²

Department of Public Administration, Universitas Diponegoro, Semarang, Indonesia

cynthia.han92@gmail.com¹, triyuniningsih67@yahoo.com²

Abstract

Public service is one of the government's important functions in realizing good governance. One form of public service delivery in Indonesia is the Public Service Mall, which is expected to provide convenience, speed, reach, comfort, and security of service to the public. However, in Semarang Regency, the achievements of the Investment Coordinating Board (BKPM) and the Ombudsman have not been fully reflected in the quality of service perceived by the public. The Public Satisfaction Index for Licensing Services from 2021 to 2023 experienced instability, with a value of 93.73 in 2021 to 92.75 in 2022, and only increasing by 0.25 to 93 in 2023. Furthermore, investment growth also showed inconsistent fluctuations. This study aims to analyze the effectiveness of licensing services at the Semarang Regency Public Service Mall (MPP) using Richard M. Steers' (1985) effectiveness theory with three models: goal optimization, system perspective, and behavioral pressure. A qualitative approach within descriptive research was employed while utilizing both primary and secondary data sources. This study's findings revealed that Semarang Regency MPP's licensing services are not yet fully effective. Several barriers remain including, a lack of alignment between organizational goals and outcomes, poor inter-agency collaboration, limited HR capacity, weak digital technology utilization and innovation, and a lack of adaptive responsiveness to external demands. Therefore, this study recommends strategic steps to improve the effectiveness and quality of licensing services at the Semarang Regency Public Service Mall by strengthening human resource capacity, optimizing inter-agency coordination, maximizing digital system utilization, developing proactive service innovations that are user-oriented to realize professional, integrated, innovative, user-satisfaction-oriented public services, and supporting the creation of good governance and a conducive investment climate.

Keywords: Effectiveness of Public Services; Licensing Services; Public Service mall.

INTRODUCTION

The 1945 Constitution of the Republic of Indonesia contains a concept that is embodied in the norm that the state is obliged to serve every citizen and citizen to fulfill their basic rights and needs within the framework of public services. Therefore, public services are one of the important functions of government. Public services provided by the government include community services and administrative services. These two aspects support each other in creating good governance. The implementation of bureaucracy in accordance with the principles of Good Governance in public services can increase public trust and support for government performance. Public service, according to Harbani Pasolong (2007:128), is every activity carried out by the government for a number of people who have every activity that benefits a group or unit, and offers satisfaction even though the results are not tied to a physical product.

One form of public service delivery in Indonesia is the Public Service Mall (MPP) located in all regencies/cities in Indonesia. The MPP establishment policy is part of the national strategy for public service reform, the implementation of which is decentralized to local governments, including in Semarang Regency. The Public Service Mall in Semarang Regency is organized by the Semarang Regency Investment and One-Stop Integrated Services Office. The Investment and One-Stop Integrated Services Office is tasked with coordinating service delivery and providing facilities at service outlets. This is stated in Regent Regulation Number 96 of 2022 concerning Guidelines for the Implementation of Public Service Malls.

The condition of licensing services at the Semarang Regency Public Service Mall shows continuously improving performance as reflected in the achievement indicators of the 2023 One-Stop Integrated Service (PTSP) and Business Implementation Acceleration (PPB) Performance Assessment of Regional Governments held by the Ministry of Investment or the Investment Coordinating Board, the Semarang Regency Investment and One-Stop Integrated Service Office was ranked 6th out of 415 regencies/cities in Indonesia. And based on the Decree of the Chairman of the Ombudsman of the Republic of Indonesia Number 418 of 2023 concerning the Results of the Compliance Assessment of Public Service Provision in 2023, the Semarang Regency DPMPTSP was ranked 12th with a score of 96.34 in category A.

Fig. 1.1.

Results of the 2023 Performance Assessment and Results of the 2023 Public Service Provision Compliance Assessment

KEMENTERIAN INVESTASI/ BKPM

Nomor : 151/B.3/A.7/2023
Sifat : Biasa
Lampiran : -
Hal : Informasi hasil Penilaian Kinerja Pelayanan Terpadu Satu Pintu dan Kinerja Percepatan Pelaksanaan Berusaha (PPB) Kabupaten Semarang Tahun 2023.

Jakarta, 23 November 2023

Kepada Yth.
Kepala Dinas Penanaman Modal dan Pelayanan Terpadu Satu Pintu Kabupaten Semarang di -
Tempat

Sehubungan dengan surat dari Kepala Dinas Penanaman Modal dan Pelayanan Terpadu Satu Pintu Kabupaten Semarang No. 786/676 tanggal 9 November 2023 perihal Hasil Penilaian Kinerja PTSP dan Percepatan Pertzinan Berusaha Tahun 2023, dengan ini kami menyampaikan informasi hasil Penilaian Kinerja Pemerintah Kabupaten Semarang pada Tahun 2023 sesuai hasil verifikasi dan validasi lapangan adalah sebagai berikut:

No.	Nama Daerah	Peringkat	Nilai Akhir	Kategori
1.	Kabupaten Semarang	6 dari 415 Kabupaten	93.434	Sangat Baik

Keterangan :
Kategori hasil Penilaian Kinerja:
1. Sangat Baik (80,00 s.d 100,00)
2. Baik (60,00 s.d 79,99)
3. Kurang Baik (Kurang dari 59,99)

No	Pemerintah Kabupaten	Nilai	Zona	Kategori	Opini
1	Kabupaten Tuban	97,44	Hijau	A	Kualitas Tertinggi
2	Kabupaten Sukoharjo	97,41	Hijau	A	Kualitas Tertinggi
3	Kabupaten Nganjuk	97,29	Hijau	A	Kualitas Tertinggi
4	Kabupaten Jember	97,23	Hijau	A	Kualitas Tertinggi
5	Kabupaten Badung	97,22	Hijau	A	Kualitas Tertinggi
6	Kabupaten Bangka	97,13	Hijau	A	Kualitas Tertinggi
7	Kabupaten Banyumas	96,98	Hijau	A	Kualitas Tertinggi
8	Kabupaten Karanganyar	96,73	Hijau	A	Kualitas Tertinggi
9	Kabupaten Tabanan	96,62	Hijau	A	Kualitas Tertinggi
10	Kabupaten Cilacap	96,52	Hijau	A	Kualitas Tertinggi
11	Kabupaten Buleleng	96,38	Hijau	A	Kualitas Tertinggi
12	Kabupaten Semarang	96,34	Hijau	A	Kualitas Tertinggi
13	Kabupaten Bandung	96,16	Hijau	A	Kualitas Tertinggi
14	Kabupaten Bogor	96,15	Hijau	A	Kualitas Tertinggi

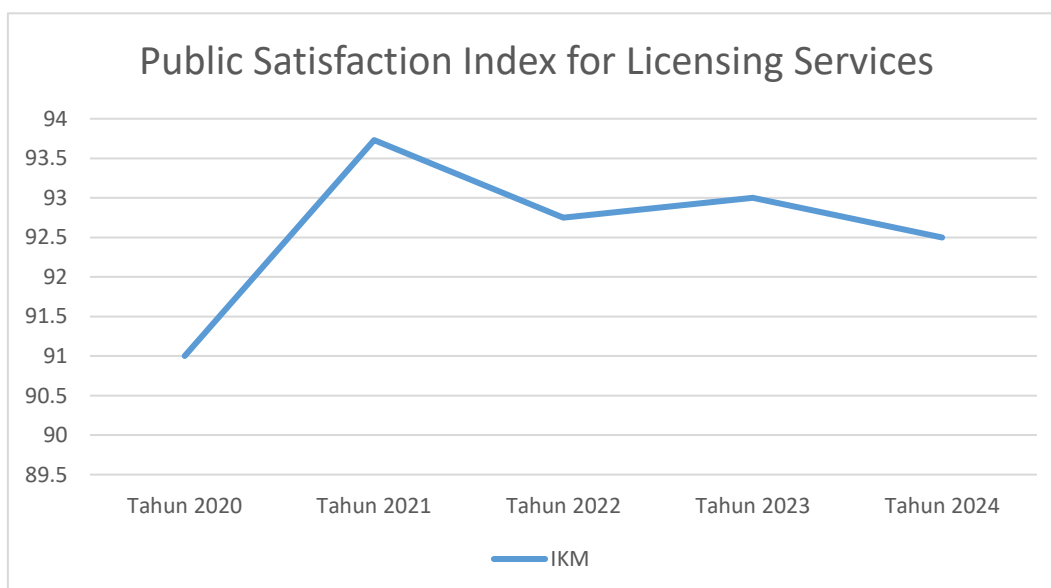
Source: BKPM, 2023
Results of the 2023 Performance Assessment

Source: Ombudsman, 2023
Results of the 2023 Public Service Provision Compliance Assessment

Although the 2023 Public Service Delivery Performance and Compliance Assessment results showed relatively good results, the Public Satisfaction Index fluctuated. This difference indicates that improvements in internal performance have not yet been fully felt by the public.

Therefore, the achievements of the Investment Coordinating Board (BKPM) and the Ombudsman do not reflect the quality of licensing services at the Semarang Regency Public Service Mall. According to (Ratminto & Winarsih, 2005), the quality of licensing services is strongly influenced by the implementation of a service system that prioritizes the interests of the public who use the services. Therefore, public services, especially licensing, can be considered good and successful if the public is satisfied with the services they receive. The actual condition of licensing services in Semarang Regency, when viewed from the Public Satisfaction Index for Licensing Services in 2021, was very high, reaching 93.73. However, in 2022, it decreased to 92.75 and then increased in 2023, but not significantly due to the existence of the Public Service Mall. It only increased by 0.25 to 93, not as good as the achievement in 2021. This can be seen in the following graph:

Fig. 1.2.
 Public Satisfaction Index for Licensing Services



Source: DPMPTSP Semarang Regency, 2024

The investment growth indicator shows a discrepancy with the public satisfaction index for licensing services. In 2021, investment growth in Semarang Regency experienced a slump, reaching -66.95%. In 2022, investment growth experienced a significant increase, reaching 225.09%. This was due to the introduction of face-to-face services. Then, in 2023, investment growth declined again. The investment growth indicator can be seen in the following graph:

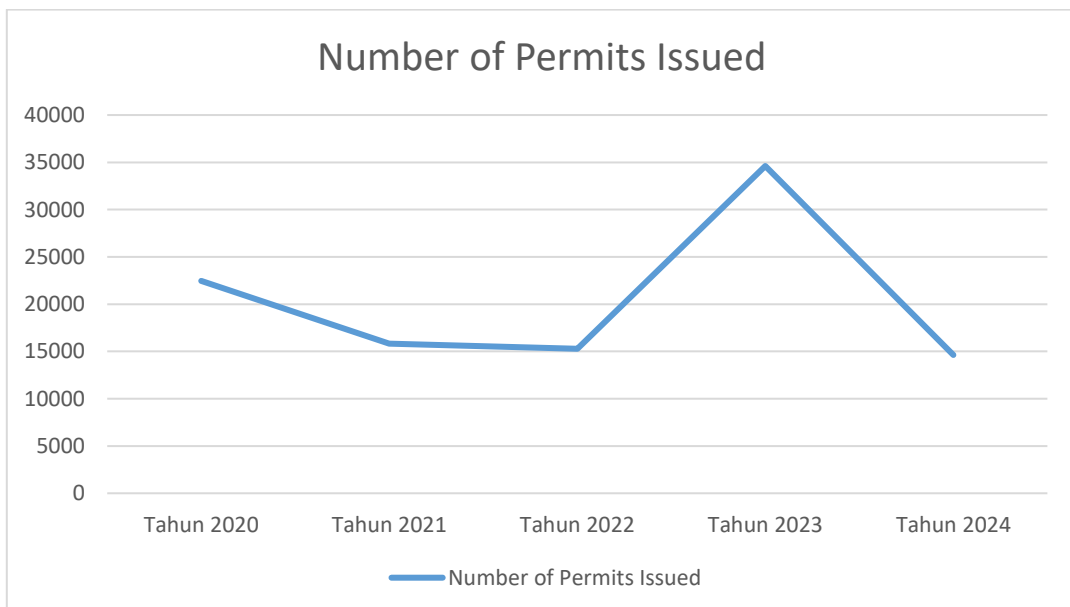
Fig. 1.3.
Investment Growth



Source: DPMPSTP Semarang Regency, 2024

The number of permits issued in 2021 decreased compared to 2020, and this decline continued in 2022, which was clearly out of balance with the significant increase in investment growth indicators. The number of permits issued increased in 2023, achieving a significant increase compared to previous years. This can be seen in the following graph:

Fig. 1.4.
Number of Permits Issued



Source: DPMPSTP Semarang Regency, 2024

The Public Service Mall is an integrated service center that integrates various government and public enterprise services in one location. The Public Service Mall is an initiative to ensure good governance in Indonesia by improving the standards of quality public services (Nurilawati et al., 2024).

The Semarang Regency Public Service Mall was inaugurated in 2022 with the aim of facilitating public access to various public services. This location is relevant for examining the effectiveness of licensing services because the licensing process is carried out at the Public Service Mall. This can provide input for improving the quality of service at the Semarang Regency Public Service Mall.

Previous research by (Indarja et al., 2023) showed that the Semarang City MPP was able to improve the quality of public services through service integration and innovation, but needed to strengthen human resources, disability-friendly infrastructure, and digitalization to support sustainable services.

From the description above, it is clear that there are several problems, including low levels of public satisfaction among recipients of licensing services, declining investment growth, and discrepancies with the results of the performance assessment by the Investment Coordinating Board (BKPM) and the Ombudsman's assessment of public service compliance.

Based on these data, the researcher is interested in analyzing the effectiveness of licensing services at the Semarang Regency Public Service Mall. This focus is based on the expectation that the MPP will provide convenience, speed, reach, comfort, and security of services to the public. However, the relatively high administrative performance has not been fully matched by a corresponding increase in the Public Satisfaction Index and increased investment growth. Based on this background, a more in-depth analysis is needed to determine the effectiveness of licensing services at the Semarang Regency Public Service Mall.

To obtain comprehensive and objective results regarding this phenomenon, the method used in this study is an approach that can describe the licensing service process factually based on the realities on site. The research method will be explained in the following section.

METHOD

The research method used in this study is a descriptive qualitative approach, aimed at obtaining comprehensive results regarding the effectiveness of licensing services at the Semarang Regency Public Service Mall. This method was chosen because it can describe factual conditions based on the knowledge of service implementers and providers, with the aim of presenting in-depth findings about the phenomenon under study, from the perspectives of informants and actual conditions.

This method is used in the research so that researchers can obtain comprehensive information about how the licensing service process is at the Public Service Mall, what

obstacles are being faced, and what efforts must be made to improve the quality of licensing services at the Semarang Regency Public Service Mall.

The informants in this study were those directly involved in the licensing service delivery process at the Semarang Regency Public Service Mall: Ms. Hetty Setiorini, S.H., M.M., Acting Head of the Investment and One-Stop Integrated Services Office; Mr. Prasetyo Tri Nugroho, S.E., M.M., Coordinator of One-Stop Integrated Services; Ms. Inung Nurul Aliyah, S.E., M.SE., Investment Coordinator; and Mega Rosiana, S.Pd. and Risma Umami, S.E., Front Office Officers.

The data sources for this research are all relevant information that can provide an overview of the object of study, using two types of data sources: primary data and secondary data. Primary data is data obtained directly from the object of study, namely the Public Service Mall, administered by the Semarang Regency Investment and One-Stop Integrated Service Office. This data includes information from observations and in-depth interviews with the informants who are the subjects of this research. Secondary data is obtained from data collected indirectly through intermediary media, such as documents, official reports, publications, or other written sources. Additionally, it can include literature, articles, journals, and relevant internet sites related to the research conducted on the Effectiveness of Licensing Services at the Semarang Regency Public Service Mall.

Furthermore, the data collection techniques used in this study were in-depth interviews with informants and observations at the research site. The data collected by the researcher will be analyzed descriptively to identify patterns, themes, and relationships that emerge from the information obtained.

RESULTS AND DISCUSSION

Effectiveness Based on the Steers Model

The Semarang Regency Public Service Mall is a form of public service delivery that is expected to simplify and expedite the public service process, including licensing services. The Public Service Mall is organized by the Semarang Regency Investment and One-Stop Integrated Services Agency (DPMPTSP) and includes various cross-sectoral agencies in one location. The purpose of establishing the Public Service Mall is stated in Regent Regulation Number 96 of 2022 concerning Guidelines for the Implementation of Public Service Malls: to integrate services to increase speed, ease, reach, comfort, and security of services, as well as to enhance competitiveness and provide ease of doing business.

Organizational effectiveness can be defined as a benchmark for measuring the extent to which organizational goals are achieved (Septiana et al., 2024). Therefore, an activity is considered effective if the results achieved align with the stated objectives.

Effectiveness is a crucial indicator in achieving established goals or objectives within an organization. It can be concluded that the concept of effectiveness measures the

extent to which the expected results of an organization's objectives align with the actual results achieved.

The level of effectiveness of licensing services at the Semarang Regency Public Service Mall is influenced by the level of public satisfaction in Semarang Regency which can be seen in the Public Satisfaction Index value. This level of effectiveness can be measured using Richard M. Steers' theory (1985:208-209), which classifies effectiveness into three models that can be used to analyze the effectiveness of licensing services at the Semarang Regency Public Service Mall:

1. Goal Optimization Model

The goal optimization model for analyzing organizational effectiveness recognizes that each organization has different goals. Therefore, the level of effectiveness of an organization is relative and must be assessed based on the extent to which the results achieved align with the goals set by the organization in assessing the success or failure of the activity. In this case, organizational effectiveness is measured not only by administrative achievements but also by the alignment between the institution's goals and the actual results experienced by the community as service users.

Based on documents and secondary data collected by researchers, the purpose of the Semarang Regency Public Service Mall is to integrate services to improve the speed, ease, reach, comfort, and security of services and to increase competitiveness and provide ease of doing business as stated in Regent Regulation Number 96 of 2022. The purpose of organizing the Public Service Mall is in line with the vision of the DPMPTSP, namely Excellent in Service, Accurate, Easy, and Fast. This is evident in the achievements of the 2023 PTSP Performance Assessment by the BKPM with the results of Semarang Regency being ranked 6th nationally. And in the public service compliance assessment conducted by the Indonesian Ombudsman, it received a score of 96.34, ranking 12th nationally. This indicates that, administratively and institutionally, the performance of the Public Service Mall has achieved a relatively high national standard.

However, when compared to the Public Satisfaction Index, a gap is evident between formal institutional achievements and user perceptions. The Public Satisfaction Index actually decreased in 2022, when the Public Service Mall was inaugurated, with a score of 92.75, and only increased by 0.25 in 2023, with a score of 93. This factual situation indicates that although the Public Service Mall has achieved good institutional and compliance results, these have not yet been fully felt directly by the public as service users. Public perceptions of the quality of services rendered contrast with the gaps in service achievements.

From the site observations of the researchers, the gaps mentioned were due to the following site obstacles. First, the one-stop shop concept is not optimal because not all the technical services are present physically at the Public Service

Mall. Secondly, lack of optimal integration of the information systems leads to excessive waiting times during the permit verification stage. These are barriers that determine the quality of the permit services and thus affect the Public Satisfaction Index.

Inconsistency in investment growth also affects the external aspect of the quality of licensing services. In 2022, there was a 225.09% increase in investments in Semarang Regency, but 2023 experienced a stark contrast with a substantial drop. This indicates that the Public Service Mall in Semarang Regency has not fundamentally changed the regional investment climate positively or resulted in long-term changes. While there are some improvements in the institutional services, other areas such as the technical licensing processes, infrastructure, and the pace of service delivery are still considerable barriers for investors.

This is consistent with results from previous research in China by Shi et al. (2023), where Public Service Provision (PSP) across 35 major cities from 2011 to 2018 was examined. The research documented an improvement in the efficiency of public services; however, this efficiency did not result in an improvement in subjective well-being. The research illustrated that the public institutional performance from the view of the service providers does not correspond to the view of the recipients and the satisfaction thereof. In Semarang Regency, the same situation is described in the licensing services where the satisfaction of the licensing service users is disproportionate to the levels of administrative success which is recognized at the national scale.

The rationale for the continued partial effectiveness of the objective optimization model is evident. There is a need for the consolidation of licensing service delivery, interregional agency cooperation, and the standards for service delivery to be formalized in such a way that success at the facility level contributes to service delivery with an explicit focus on public satisfaction and investment.

2. Systems Perspective

An understanding of the systems perspective advanced by the system theory of an organization posits that success is determined by the correlation of the constituent parts of the organization's external and internal systems. An open system is one that has the capacity to attune and translate adaptive patterns, coordination, and interaction with its environment. The interaction of both of these systems simultaneously steers and drives the varying levels of effectiveness of the organization. An organization is understood to be effective when there is the uninterrupted carrying-on of internal and external systems of the organization with respect to the achievements of its goals.

In terms of internal elements, the local government coordinates the provision of licensing services at the Public Service Mall in Semarang Regency through DPMPSTP (the Services and Investment Agency) and with several sectoral

agencies in a collaborative fashion to streamline public service access. Yet in practical implementation, not every regional service technical agency's services were physically present at the Public Service Mall, causing temporal delays in the verification process. This condition reflects a lack of harmonious integration of internal components. In the case of Sidoarjo, Public Service Mall received the appropriate recognition for adequate service provision and, as highlighted in previous research, (Febrianto & Wibawani, 2021) improvements in service quality are necessary to optimize customer satisfaction.

Moreover, the dynamics regarding the number of permits issued in Semarang Regency show, from an external perspective, that the relationship between the organization and its environment has not been wholly optimized. The decreases in the number of permits issued in 2022, after the inauguration of the Public Service Mall, suggest that the Public Service Mall was not functioning optimally as a service center in the initial stages of its operation. The Public Service Mall's licensing service and its efficiency are also impacted by external factors such as infrastructure and the ease of doing business in the region.

Apart from the institutional dimension, the observations and in-depth interviews I conducted provided valuable insights into the dynamics of the human resources factor, which is essential for the delivery of licensing services. The enthusiasm among the front office staff is certainly commendable as it reflects a desire to assist clients. Yet, underdeveloped employees' skills, which is the result of an absence of consistent employee training, creates service delivery gaps due to operational fatigue. In this regard, it is noted that the service system is not adequately supported by a proportionate human resource.

The challenge from the viewpoint of the public as service users would be the use of technology. The level of implementation of digitalization in Public Service Malls, like online information systems and applications for electronic licensing, is especially low among vulnerable groups lacking digital skills. Consequently, the anticipated benefits of digitizing services to streamline and expedite the licensing procedure have not been fully realized. This indicates that the service system is not yet fully adaptive to the social characteristics of service users, which should be an integral part of a modern public service system.

This suggests that the existence of Public Service Malls has not yet fully influenced the investment climate consistently. Therefore, from a systems perspective, it can be concluded that the effectiveness of licensing services in Public Service Malls is still hampered by the suboptimal relationship between the organization's internal and external components. Relationships between work units are not well integrated, information technology synergy is still weak, and community involvement is not optimal. Therefore, the success of the Public Service Mall as an integrated service system has not been fully achieved, because the

balance between the organization's internal structure, external environmental support, and service user readiness is still not aligned.

3. Behavioral Emphasis

In this model, organizational effectiveness is seen from the relationship between what the organization expects. The behavioral pressure model views organizational effectiveness as the result of the alignment between organizational goals and the behavior of individuals within it. According to Richard M. Steers (1985), effectiveness will be high when there is harmony between organizational expectations and the actual actions of its members in carrying out their duties. Conversely, if there is a mismatch between institutional expectations and operational behavior, organizational performance will be hampered. Therefore, this model positions people as the key element bridging organizational goals with actual work results in the field.

Based on observations and interviews with researchers, front office staff demonstrated a strong sense of service and a high level of commitment. Service providers strive to provide friendly and responsive service to the public. However, the effectiveness of this service is limited by the high workload and limited staff capacity.

Furthermore, the lack of regular technical training results in inconsistent service quality. This also contributes to the quality of service provided by staff to users, as each officer's competency varies. This competency gap leads to inconsistencies in service delivery, ultimately impacting public perception of the quality of licensing services at the Semarang Regency Public Service Mall.

When comparing organizational goals with the behavior of implementers on-site, they do not fully support the achievement of the organization's goal of fast, easy, and transparent service. Although facilities and infrastructure are complete, the competence of service implementers remains limited. The discrepancy between organizational goals and implementer behavior at the Public Service Mall indicates that pressure on implementer behavior has not been well managed.

It can be concluded that the effectiveness of licensing services at the Semarang Regency Public Service Mall is still hampered by a misalignment between organizational goals and individual implementer behavior. This reinforces Steers' (1985) argument that a misalignment between organizational goals and implementer behavior will impact organizational effectiveness. The following data demonstrates that implementer behavior is one of the obstacles to implementing licensing services at the Semarang Regency Public Service Mall.

Table 3.1.
 Follow-up to the Public Satisfaction Survey

TABEL TINDAK LANJUT SKM
SUB UPP DPMPTSP, UPP DPMPTSP, Dinas Penanaman Modal dan Pelayanan Terpadu Satu Pintu

No.	Unsur Pelayanan	Rekomendasi	Tindak Lanjut
1	Persyaratan	-	-
2	Prosedur	Perubahan SOP	Telah dilaksanakan Rapat Revisi Standar Operasional Prosedur (SOP) pada Tanggal 6 Agustus 2024, 12 Agustus 2024, 13 Agustus 2024, 15 September 2024 dan 20 September 2024
3	Waktu Pelayanan	Perubahan SOP	Telah dilaksanakan Rapat Revisi Standar Operasional Prosedur (SOP) pada Tanggal 12 Agustus 2024, 13 Agustus 2024 dan 15 September 2024
4	Biaya	-	-
5	Produk Spesifikasi Jenis Pelayanan	-	-
6	Kompetensi Pelaksana	-	-
7	Perilaku Pelaksana	Penguatan Kualitas Layanan	Telah dilakukan Rapat Koordinasi Monitoring dan Evaluasi Mal Pelayanan Publik Semester I Tahun 2025
8	Penanganan Pengaduan, Saran dan Masukan	Sarana Pengaduan	Telah tersedia sarana pengaduan online melalui Sistem Pelayanan Informasi dan Pengaduan (SIANIDA).
9	Kelengkapan Sarana dan Prasarana	Rencana penambahan kanopi di area parkir MPP.	Telah dianggarkan pada Tahun 2025 dan direalisasikan pada Triwulan IV
JUMLAH	9	5	5

Source: DPMPTSP Semarang Regency, 2025

Therefore, to increase the effectiveness of licensing services, a strategy is needed to strengthen work behavior through regular training to improve service quality and increase digital literacy among the public as service users. This strategic step is taken to ensure that the behavior of implementers aligns with the organization's strategic goals and objectives, thus optimally achieving the effectiveness of licensing services.

Table 3.2.

Summary of the Relationship between Steers' Theory of Effectiveness (1985) and Empirical Findings in the MPP of Semarang Regency

Effectiveness Model (Steers, 1985)	Theoretical Indicators	Empirical Findings at the Semarang Regency MPP	Implications
Goal Optimization	Congruence between organizational goals and actual results	The goal of simple and fast service delivery has been achieved administratively (high national ranking), but the Public Satisfaction Index has declined	Formal achievements do not align with public perception; effectiveness is partial
Systems Perspective	Alignment between internal and external organizational components	Technical services are not yet fully available at the MPP; the digital system is not yet optimal; investment fluctuates	Institutions are not fully integrated; cross-agency synergy and infrastructure support are needed
Emphasis on Behavior	Congruence between organizational goals and individual behavior	Front office staff are highly committed but lack human resources; digital competency is not evenly distributed	Continuous training and workload management are needed to ensure work behavior aligns with the vision of fast and transparent service

Based on the analysis of the three effectiveness models (Steers, 1985), it can be concluded that the effectiveness of licensing services at the Semarang Regency Public Service Mall has demonstrated success in administrative and institutional systems aspects, but still faces challenges in the dimensions of implementer behavior and cross-sector coordination. The relatively high formal performance does not fully reflect the substantive effectiveness perceived by the community using the service.

To improve the effectiveness of licensing services comprehensively, it is necessary to strengthen collaboration between agencies, increase the capacity of human resources as service providers and improve the digital literacy of the community.

Barriers to the Effectiveness of Licensing Services in Public Service Malls

In organizing the Semarang Regency Public Service Mall, the local government has strived to provide licensing services that are fast, easy, transparent, integrated, and

responsive to the needs of the community. Although normatively, various formal achievements have been obtained by the Semarang Regency Public Service Mall very well, the actual conditions at the location still face several obstacles in its implementation. The results of the analysis using the theory of organizational effectiveness according to Richard M. Steers (1985), found that there are several inhibiting factors that affect the achievement of the effectiveness of licensing services at the Semarang Regency Public Service Mall, including:

Table 3.3.
 Factors Inhibiting the Effectiveness of Licensing Services at the Semarang Regency MPP

Barrier Categories	Brief Description
Strategic	Service objectives have not been fully achieved
Structural	Coordination between agencies is not optimal
Human Resources (HR)	Shortage of staff and inadequate training
Technology	Digital systems are not yet optimal
Innovation	Lack of proactive innovation
Environment	Response to external needs is still weak

1. Organizational Goals Misalign with Achieved Results (Strategic Barrier)

The purpose of establishing the Public Service Mall is to provide integrated, fast, and transparent services, thereby facilitating the public. However, the Public Satisfaction Index (PSI) declined in 2022 to 92.75 upon the Mall's inauguration, and only increased by 0.25 in 2023. These public assessments do not fully reflect the achievement of the organization's goals. This is despite the fact that administrative performance has demonstrated relatively high national performance.

Semarang Regency has obtained a rank of 6th nationally and a score of 96.34 from the Ombudsman of the Republic of Indonesia. Considering the latter, it has earned a rank of 12th in public service compliance nationally. This has been assessed in the 2023 PTSP Performance Assessment of Investment Coordinating Board (BKPM).

Improvements in compliance from within the institution and the administration aspects have demonstrated to have little to no impact on increasing public perception of the positive administrative service perception in the public sphere. There are, therefore, cognitive dissonance and a gap that needs attention, primarily from the organization in question.

This explains the organization and public service sphere disjoint gap of latter purported public service provided by the Public Service Mall It underscores the urgent need of positively reformulating Service strategies to ensure that the Public

Service Mall can serve the purposes of the community and public service clients it is expected to serve.

2. Inter-Agency Coordination Is Less Than Optimal (Structural Barriers)

The systems perspective model highlights the significance of the inter-relations of the various parts of an organization in attaining total effectiveness. The basic idea of this model is that public organizations operate as a system made up of parts that are interrelated. The inability of any one part to carry out its obligations and functions will affect the overall effectiveness of the organization.

In practice, the collaboration between agencies within the Public Service Mall is less than fully optimal because the technical services are not fully accessible on-site. This lack of physical and systemic integration of the service process is inconsistent with the objective of the Public Service Mall, which is to consolidate and unify all services from different government agencies within a single location. In practice, however, this integration of services has not fully realized its intended aim. Consequently, this means that the objective of establishing an integrated service system that facilitates the public to access various licensing services from a single location has not been achieved.

The limited coordination among multiple government units leads to inefficient service streams and uneven delays during permit verification relative to other applicants in the queue. This is a consequence of permit processing delays that occur due to the agency information systems not being fused within a single service point. The service system feedback loop is poor and the public perception is worse. The public encounters the same bureaucratic barriers and are frustrated by the long service times and perceive the Public Service Mall as a service improvement system. Thus, while the Public Service Mall has achieved de jure seamless integration of multiple government units within one physical space by deploying integrated Standard Operating Procedures (SOPs), this integration has not been seamless in terms of service delivery.

Vertical and horizontal barriers to inter-agency operational coordination in the Semarang Regency Public Service Mall represent performance gaps that lack initiative to resolve massive cross-sector collaboration opportunities. The inter-agency integrated Standard Operating Procedures (SOPs) outline the steps that the Public Service Mall staff take in implementing the permit service offer through a sequence of steps that interleave file reception, document verification, and permit completion. This series of steps is divided among the individual technical units.

Consequently, the DPMPTSP needs to take action to enhance the efficiency of licensing services, particularly in the execution and oversight of compliance with SOPs (Standard Operating Procedures). This will ensure that the licensing services within the Semarang Regency Public Service Mall operate correctly and optimally, and the system of services can be delivered in line with the objectives of the

organization, which are integration, coordination, efficiency, effectiveness, and customer satisfaction.

3. Limited Human Resource (HR) Capacity

The scarcity of human resources in public services, whether in terms of the quantity or the quality of the personnel, constitutes one of the primary challenges in the delivery of services. Given the fact that human resources are the service personnel, they will determine to a considerable extent the efficiency with which the licensing services operate in the Semarang Regency Public Service Mall. The service demand on the front office staff is disproportionate and not all staff receive periodic training, which in turn leads to varying competencies, thus jeopardizing service consistency. Furthermore, the limited staff capacity directly accelerates the pace of service for the clientele, especially in situations of over extended service queues. Staff are likely to accelerate service to the point of compromising the customer service aspect of the service delivery interaction.

Moreover, the disparity between what leadership expects and what is operationally possible may lead to psychological strain and dampen the willingness of personnel to perform their functions effectively. According to Steers' behavioral pressure model, the gap between what an organization expects and what employees do is a drag on the organization's effectiveness, resulting in the accumulation of uncompleted work and ultimately lower the disengagement of employees.

This is why the effectiveness of licensing services at the Semarang Regency Public Service Mall is accompanied by a comprehensive approach in planning the development of the service provision human resources infrastructure by expanding staff numbers and providing continual in-service technical training. This is in accord with the need to prevent service provision from being reliant on the individual dedication of the staff to innovate, and rather, to base it on the system of provision of human resources that is competent and professionally trained.

4. Digital Technology Not Yet Fully Optimized (Technological Barriers)

Technology that is not digital in nature is one of the primary challenges to the effectiveness of licensing services at the Semarang Regency Public Service Mall. A limited digital information service system has been developed to expedite and simplify the licensing procedures, enabling the public to access the service online. However, information gathered during the fieldwork suggests that the potential of digital technology to transform service provision has not been fully realized.

Most individuals prefer on-site service delivery at the Public Service Mall over self-service channels available through the internet. This partly stems from differences in digital literacy, especially for under-served populations. People also report challenges and restrictions in accessing and using fully digital service systems, revealing that fully reaching all members of society through digitization, as well as disparities among users, are still important issues.

Consequently, the use of digital technology at the Semarang Regency Public Service Mall is not yet matched by the users' technological readiness. Inevitably, strategic initiatives to enhance the effectiveness of public service by targeting digital literacy initiatives to the most economically and socially vulnerable service users are critical. In this regard, digitization is not merely an automated tool for administrative tasks, but is also responsive to the realities of contemporary public service licensing, which includes rapid, convenient, and streamlined service delivery.

5. Lack of Proactive Service Innovation (Innovation Barriers)

As obstacles go, a lack of proactive service innovations, is arguably one of the most important factors undermining public services at the Semarang Regency Public Service Mall. A Public Service Mall should not only be a place for service consolidation between agencies, but also a locus of public service innovation that anticipates the evolving community demands and contemporary developments. Nevertheless, evidence suggests that innovations in services at the Semarang Regency Public Service Mall continue to be only marginally responsive to community expectations.

Prior research (Muksin & Avianto, 2021) also corroborates this, demonstrating that the implementation of digital service governance within the One Stop Integrated Service (PTSP) framework, which has experienced digital bureaucratic transformation in services design, is a means of improving service deliver and public satisfaction. Innovations in this area encompass not only the provision of digital services, but also the public oversight of services and the innovation ecosystem, thereby allowing citizens to perform the 'serving' user role and become coparticipants in the framework of service delivery.

In the case of the service system development, the incorporation of digital service features entails users' status permit notifications, feedback tracking systems, follow-up satisfaction surveys, and the interactivity of chatbots that guide users through complex or vague service systems. Innovations within the service system framework are required if modern public administration hopes to maintain public services. Otherwise, the public services will lose value and trust.

Consequently, the Semarang Regency Public Service Mall implements no innovations, strategically, through the innovation systems of the public service system. Thus, the Public Service Mall, in addition to servering as a service center will be a public innovation center that is dynamic and inclusive and which innovation service approaches community satisfaction.

6. Limited Response to the External Environment (Environmental Barriers)

The external environment is the most important dimension that continues to affect the consistency and quality of service licensing to improve the investment climate in Semarang Regency. However, the investment data for Semarang

Regency shows that the investment growth does not remain stable. This is evidenced by the high growth of investment in 2022, reaching 225.09% during the initial operation of the Public Service Mall, and then a significant decline in realization throughout 2023. Likewise, the external environment, which includes infrastructure development and the ease of doing business, impacts the Public Service Mall's licensing services. This includes a decrease in the number of permits issued in 2022 after the Public Service Mall was inaugurated, which indicates that the Public Service Mall is not fully operational as a service center. The Public Service Mall is unlikely to have sufficiently positioned itself to support the confidence and interest of prospective investors.

Examining the available data, the current situation is marked by an imbalance internally within the Public Service Mall's functions and externally within the Public Service Mall's function as a provider of licensing services. While Public Service Mall does provide licensing services, these services being provided does not alleviate the major challenges outside the Public Service Mall and Semarang Regency. This shows the defensibility of licensing services without environmental readiness outside the Public Service Mall.

The theory of organizational effectiveness can explain the situation as the environmental adaptation perspective of organizational theory. An organization should adjust its structure, policies, and operations to align with changes within its external environment to achieve organizational purpose. This means that if an organization does not respond to environmental changes or pressures, that organization will lead to an imbalance. This means that the organization will not utilize its resources effectively due to a gap or mismatch between what is available within the organization and what is needed externally.

Consequently, the Semarang Regency Public Service Mall's inability to adapt to external environmental changes and dynamics poses a barrier to enhancing the effectivity of the licensing services. Hence, it is recommended that strategic investments and investments promotion collaborations with cross-sector potentials be strengthened based on the region's investment potential mapped within the region. In addition, the Public Service Mall's role as an investor Service Facilitator be boosted. Hence, the Public Service Mall will serve as the Service Center and will also strategically function as a responsive, commercially oriented engine for the regional economy in capturing the attention of investors.

CONCLUSION

Based on the research and analysis above, using Richard M. Steers' (1985) organizational effectiveness theory, it can be concluded that licensing services at the Semarang Regency Public Service Mall are not yet fully effective. Although the administrative achievements of the Investment Coordinating Board (BKPM) and the

Ombudsman show relatively high results nationally, this is not in line with the public satisfaction index, which actually fluctuates.

There is a lack of synchronization between organizational goals and the licensing services received by the public, weak coordination between technical agencies at the Public Service Mall, and limited human resource capacity. Furthermore, digital technology and public service innovation have not been optimally utilized, primarily due to limited digital literacy among service applicants. Services are also not fully adaptive and responsive to external needs such as the demands of the business world and investment.

Overall, this phenomenon reflects a gap in Steers' three effectiveness models: goal optimization, systems perspective, and behavioral pressure, which cumulatively impact the organization's effectiveness in providing excellent licensing services to service users.

Based on the analysis of several inhibiting factors in the implementation of licensing services at the Semarang Regency Public Service Mall, strategic steps are needed to improve the effectiveness and quality of services across the board. The following recommendations are made to relevant parties, particularly the Semarang Regency Investment and One-Stop Integrated Services Office, so that the Public Service Mall can become a fast, transparent, integrated, and responsive service center to the needs of the community and the business world, in accordance with its purpose.

In the implementation of licensing services, a key aspect that needs to be addressed is improving the capacity of human resources as service providers. The quantity and competence of officers are not commensurate with the workload, resulting in inconsistent service quality. Therefore, the Semarang Regency government needs to increase the number of officers providing services and conduct periodic technical training to improve their competency. These competency-building efforts not only ensure the accuracy of technical services but also foster a friendly, communicative, and customer-centric work culture.

Furthermore, the effectiveness of licensing services at the Public Service Mall also depends on inter-agency collaboration to strengthen service integration in accordance with Standard Operating Procedures (SOPs). Several technical agencies have not yet actively provided technical services at the Public Service Mall, which has become a barrier to the integration of services received by the public. This contributes to the lengthy licensing verification process. To address this, stronger cross-sectoral coordination mechanisms and oversight of the implementation of integrated SOPs are needed to ensure a more effective service process.

From a technological perspective, the implemented digital systems need to be optimized to support service efficiency at the Public Service Mall. The use of the digital licensing system remains suboptimal due to limited digital literacy among the public, particularly among vulnerable groups. Therefore, the Department of Public Works and Public Housing (DPMPTSP) needs to improve and expand the socialization of the use of

digital-based systems by engaging with licensing services. This approach will ensure that technology becomes not only an administrative tool but also contributes to the provision of licensing services that are fast, easy, transparent, and adaptable to changing times.

From an innovation perspective, the Semarang Regency Public Service Mall needs greater efforts to encourage the development of creative ideas among its staff that are more proactive and focused on public needs. For example, innovations such as automatic permit status notifications and a digital feedback system aim to expedite and simplify the licensing process. Strengthening the culture of innovation within the organization ensures that the Public Service Mall not only carries out routine tasks and functions but also continually adapts to current developments and meets public needs.

By implementing these strategic steps to overcome the obstacles mentioned above, it is hoped that this will increase the effectiveness of the implementation of licensing services, increase public trust, and make Semarang Regency an investment-friendly area.

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