Analysis of Efficiency and Effectiveness of The Performance of Public Housing and Residential Area: The case of Palembang

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Abstract

Dinas Perumahan Rakyat dan Kawasan Permukiman (Pera KP) is an element of the Regional Apparatus Organization (OPD) of the regional government of Palembang City which operates in 4 (four) heads of fields, namely, the fields of Utilities, Environmental Sanitation, Housing and Environmental Roads. In 2018, there are several activities or programs that have not been realized but will be realized in 2019. This research identifies activities or programs in 2019 using the Efficiency and Effectiveness method. Based on the results obtained, the Pera KP Office is included in the Efficiency category. While the results of the questionnaire distributed using the Community Satisfaction Index, the effectiveness level was in the good category with a number of 68.5.

Keywords: Efficiency, Effectiveness, Pera KP

1. Introduction

With the rapid development at both the central and local government levels that have resulted in the emergence of public demands for programs managed by government agencies, the government can also reduce waste of funds and can detect programs that are not economically feasible to produce good performance. . Good performance for an organization is called achievement or the level of success achieved in realizing the goals, vision and mission of the organization. The high challenge for government performance is focused on measuring the performance of government agencies. Performance measurement is very important to do to assess agency management in producing better and more targeted public services.

Government performance does not merely show how public money has been spent but the ability to show how this money has been spent economically, efficiently and effectively. Mahmudi in his book *Public Sector Performance Management* (2019: 15) states performance measurement is carried out as a means of learning to improve performance in the future. This application in the long term aims to establish a culture of achievement in the organization. According to Mahmudi (2019: 83) Value for money performance measurement is a performance measurement to measure the economy, efficiency and effectiveness of an activity, program and organization. This performance measurement is a form of performance measurement that is specific and unique to the organization. The purpose of this study is to determine the performance of the PERA KP (Public Housing and Settlement) Office in 2019 as measured by using the Economic, Efficiency and Effectiveness approach.

2. Literature Review

Performance management is a systematic process, meaning that improving performance requires well-planned steps or stages. The performance improvement process is not a short-term work, but a long-term process. This performance-based management will ultimately have

an impact on improving the performance culture. Performance-based management is carried out in a sustainable and long-term manner which includes activities for setting strategic performance targets, measuring performance, collecting performance data, and reporting performance according to Mahmudi (2019).

Performance standards as described by Hamid, MSF 2015, Abdullah (2014) have an intermediate function as a benchmark to determine the success and failure of valuable performance. 2. Motivate employees to work harder to achieve standards. To make performance standards that can truly motivate employees, it is necessary to link rewards to the compensation system. 3. Provide direction for the implementation of work to be achieved, both in quantity and quality. 4. Provide guidance to employees regarding the work implementation process in order to achieve the set performance standards.

Performance indicators are a multidimensional and complex concept. In public sector organizations, such as the government, there is no single performance indicator that can be used for all work units (Mahmudi, 2019). Performance indicators are not only financial performance indicators, but also non-financial indicators. Financial indicators only emphasize indicators that are oriented towards input and output which are limited to the budget and its realization. Meanwhile, non-financial indicators, such as customer satisfaction, service quality, service coverage, service outcomes have not been widely accommodated.

Mahmudi (2019) Determination of performance indicators also needs to consider the following components (1) cost of service; (2) utilization rate; (3) Quality and service standards (quality and standards); (4) Service coverage and (5) Citizen satisfaction. According to Mahmudi (2019) Good performance measurement is the measurement of performance measured through the economic level, efficiency and effectiveness of an activity, program and organization.

Economics related to primary input in the form of financial resources (money/cash) becomes secondary input in the form of labor, materials, infrastructure, and capital goods consumed for the organization's operations. The economic concept is closely related to the concept of cost to obtain a unit of input.

Efficiency speaks of input and output. Efficiency is related to the relationship between output in the form of goods or services produced and the resources used to produce these outputs. An organization, program, or activity is said to be efficient if it is able to produce certain outputs with the lowest possible input, or with certain inputs it is able to produce the maximum output.

Effectiveness is related to the relationship between the expected results and the results actually achieved. Effectiveness is the relationship between output and objectives. The greater the contribution of output to the achievement of goals, the more effective the organization, program or activity is. If the economy focuses on inputs and efficiency on outputs, then effectiveness focuses on outcomes. An organization, program, or activity is considered effective if the resulting output can meet the expected objectives.

Endang Aprasari (2018) in this study entitled Analysis of Public Sector Organizational Performance with a Value For Money Approach. The results showed that the performance of the Public Works and Housing Office of Slamen Regency from all activities in 2016 showed economic performance, efficiency and the level of effectiveness as measured by the community decision index survey showed good results. Deni Aulia Arfan (2014) with the title Value For Money Analysis in measuring the performance of the Yogyakarta Special Region Agriculture Office. The results of this study are the improvement of farmers' welfare, food security and

marketing of agricultural products. From the economic and efficient elements that have been able to carry out all programs economically and efficiently. and the element of effectiveness is only able to implement two programs effectively with an effectiveness ratio of 100% and one less effective program, namely a program to increase farmer welfare with an effectiveness ratio of 99.29%.

3. Research Method

This research is a type of quantitative data with nominal and ordinal scales and qualitative data at the Palembang City Public Housing and Settlement Service, so that the results and conclusions drawn are only useful for the object under study (Fauzi, Dencik & Asiati, 2019).

This research was conducted at the Department of Public Housing and Settlements, which is located on Jl.Slamet Riyadi No.212, Kel. lawang kidul Kec. Ilir Timur Dua Palembang City. And the implementation time is from January 2020 to March 2020.

The data used are (1) general description of the Public Housing and Settlement Areas; (2) Activity Performance Measurement Report (PKK) 2019; (3) Public Satisfaction Index (IKM) Survey Data

In this study, data analysis was carried out using 3 (three) aspects including Economy, Efficiency and Effectiveness. While the indicators of these three aspects are divided into two parts, namely (1) indicators of cost allocation (economy and efficiency), and (2) indicators of service quality (effectiveness).

Economics related to primary input in the form of financial resources (money / cash) becomes secondary input in the form of labor, materials, infrastructure, and capital goods consumed for the organization's operations. The economic concept is closely related to the concept of cost to obtain a unit of input.

$$\text{Economic} = \frac{\text{Input}}{\text{Input Price(Rp)}} \times 100\%$$

The economic criteria according to Mahmud (2019) are:

- (x < 100%) means economy.
- (x = 100%) means the economy is balanced.
- (x > 100%) means not economic.

Efficiency concerns input and output. Efficiency is related to the relationship between output in the form of goods or services produced and the resources used to produce these outputs

$$\text{Efficiency} = \frac{\text{Output}}{\text{Input}} \times 100\%$$

The efficiency criteria according to Mahmud (2019) are:

- (x < 100%) means inefficient.
- (x = 100%) means balanced efficiency.
- (x > 100%) means efficient.

Effectiveness is related to the relationship between the expected results and the results actually achieved. Effectiveness is the relationship between output and objectives. The greater the

contribution of output to the achievement of goals, the more effective the organization, program or activity is.

$$\text{Effectiveness} = \frac{\text{Outcome}}{\text{Output}} \times 100\%$$

4. Findings and Discussions

4.1 Cost Allocation Indicators (Economy and Efficiency)

Based on the economic level in 2019, all activities of the Pera Kp Service can be seen in table 1:

Table 1. Economic Level in 2019

Year	Input	Input Price	Economic Level	Status
2019	309.112.243.351	405.538.230.917	76,22	Economic

The results of the calculations in table 1 for all activities in 2019 show a figure of 76.22%. This means that these activities fall into the economic category.

Based on the level of efficiency, a measurement between the percentage of results achieved in each activity (output) and the percentage of economic level (input). The greater the level of efficiency, the better, and vice versa.

Table 2. Efficiency Level in 2019

Year	Output	Input	Efficiency Level	Status
2019	5.770,00	4.323,41	133,45	Efficient

The result of calculating the level of efficiency in all activities in 2019 is 133.45%, which means that these activities are included in the efficiency category.

4.2 Service Quality Indicators

In the calculation of the Community Satisfaction Index, it is calculated using the "weighted average value" in the calculation of the IKM there are 14 question elements, each question element has the same weight as the following formula:

$$\text{Weighted average value} = \frac{\text{Total Weight}}{\text{Total Element}} = \frac{1}{14} = 0,071$$

To obtain the service unit IKM value, the weighted average value approach is used with the following formula:

$$\text{IKM} = \frac{(\text{The total of the perceived value per element})}{(\text{Total elements filled})} \times \text{Weighted value}$$

Analysis of measuring the level of effectiveness can be seen in table 3.

Table 3. Level of Effectiveness

No	Element questions	Total Perception Value Per Element	Weighted Value	Weighted Average Per Element
1	There is convenience between the conditions that must be met in getting service (Terdapat kemudahan antara syarat yang harus dipenuhi dalam mendapatkan pelayanan)	162	0,071	0,23
2	Services received are in accordance with the Pera KP Office procedures (Pelayanan yang diterima sesuai dengan prosedur Dinas Pera KP)	164		0,23
3	Field results received by the community of Kertapati and Plaju sub-districts are in accordance with the provisions set by the Pera KP Office (Hasil lapangan yang diterima oleh masyarakat kecamatan kertapati dan plaju sesuai dengan ketentuan yang telah ditetapkan oleh Dinas Pera KP)	154		0,21
4	The construction of street lighting carried out by officials of the Pera KP Office greatly helped the community in Kertapati and Plaju sub-districts (Pembangunan penerangan jalan yang dilakukan pegawai Dinas Pera KP sangat membantu masyarakat di kecamatan kertapati dan plaju)	166		0,23
5	Great sense of responsibility for the work done in the field (Rasa bertanggung jawab besar terhadap pekerjaan yang dilakukan saat dilapangan)	164		0,23
6	There are employees who are extortionate while on duty in the field (Adanya pegawai yang pungli saat bertugas dilapangan)	70		0,09

7	Employees who are consistent while on duty in the field (Pegawai yang konsisten saat sedang bertugas dilapangan)	154		0,21
8	Lack of officers in the field (Kurangunya petugas saat dilapangan)	90		0,12
9	Often there are employee delays when on duty in the field (Sering terjadi keterlambatan pegawai saat bertugas dilapangan)	95		0,13
10	Employees of the Pera KP Office provide full services to the community in Kertapati and Plaju districts (Pegawai Dinas Pera KP memberikan pelayanan penuh terhadap masyarakat di kecamatan kertapati dan plaju)	161		0,22
11	The time needed to get service is in accordance with the specified service time standards (Waktu yang diperlukan untuk mendapatkan pelayanan sesuai dengan standar waktu pelayanan yang ditetapkan)	156		0,22
12	Give pocket money to field officers (Memberi uang saku untuk petugas lapangan)	136		0,19
13	You are satisfied with the services of the Pera KP Office employees (Saudara/i merasa puas terhadap jasa pegawai Dinas Pera KP)	165		0,23
14	Officer certainty when to do street lighting construction (Kepastian petugas kapan harus pembangunan penerangan jalan dikerjakan)	147		0,20
TOTAL				2,74

Based on table 3 above, it shows the overall results of each question element perception where the results obtained are 2.74. The Community Satisfaction Index contains 14 Question Elements which are reviewed using the formula:

$$IKM = \text{Service Unit} \times 25$$

When viewed through the value of the Community Satisfaction Index is

$$2,74 \times 25 = 68,5$$

Based on the results of the value of the Community Satisfaction Index, the Performance Effectiveness Level of the Pera KP Office is in the "GOOD" category with a score of 68.5. Where the overall results of the question elements indicate that the quality of the performance of the Pera KP Office that is felt by the community is said to be good. With the following criteria:

Table 4. Community Satisfaction Index Criteria

No	Interval	IKM conversion	Service Quality	Service Unit Performance
1	1,00 - 1,75	25 – 43,75	D	Tidak Baik
2	1,75 - 2,50	43,75 – 62,50	C	Kurang Baik
3	2,50 - 3,25	62,50 – 81,25	B	Baik
4	3,25 - 4,00	81,25 – 100,00	A	Sangat Baik

Source : Hariany, Zulfida, dan A.Rahim Matondang, 2014.

5. Conclusion

The economic level of all activities in the Pera KP Office in 2019 is included in the economic category with a yield of 76.22%, so it can be said to be Economic. This means that the Pera KP Office is able to manage finances well. It is expected that the Pera Kp Office will include the outcome of each activity to calculate the level of effectiveness so that the calculation is more complete.

The efficiency level of all activities in the Pera KP Office in 2019 is included in the efficiency category. Based on the overall calculation of the performance of the Pera KP Office, the results were 133.45%. This means that the Pera KP Office is able to manage resources properly to produce maximum performance. So it is hoped that the Pera Kp Office will be able to plan and implement activities / programs better in order to produce efficient activities.

The level of effectiveness calculated based on the Community Satisfaction Index with 14 Question Elements of the Pera KP Office in 2019 is in the "GOOD" category. With a value of 68.5% from the results of this calculation, it is concluded that the quality of work of the Pera KP Office that is felt by the community is good.

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