Public Services of the Malang City Government in the Community Perspective (Study In Cooperative and Micro Enterprises Agency of Malang City by using the Importance and Performance Analysis (IPA))

Juliana Makadolang[1]; Abdul Kadir Usri[2]; Wiyarni Wiyarni[3]
[1, 2, 3] Post Graduate Malangkucecwara School of Economics, Malang, Indonesia

Abstract:- The purpose of this study is to analyze the conformity level between the service performance of the Malang City Cooperative and Micro Enterprises Agency with user's expectations (importance level) the community service, by using the Importance Performance Analysis (IPA) method. The results showed that in average the overall conformity level between Interests (Expectations) of the Community and the Service Performance of the Cooperative and Micro Enterprises Agency of Malang City had only reached 90.14%. The measurement results of conformity level according to service indicators is ranging from 87.35 to 90.84. This shows that there is gap between the community expectations and the services performance provided, in other words, the services provided cannot meet the expectations of service user community. Some of priority service items that should be improved are (1) service must be fast and timely, (2) customer problems can be handled properly and (3) officers can provide information clearly and easily understood by service users. Whereas there are 7 service items that need to be maintained, namely: (1) the officers appearance are always neat, (2) the officers are always willing to help, (3) the understanding of staff is very good about cooperatives and Micro Enterprises, (4) the officers always friendly and courteous, (5) the officers can be trusted, (6) the officers understand the needs of service users and (7) the officer always put first the interests of service users.

Keywords:- *Public services, Importance and Performance Analysis.*

I. INTRODUCTION

In economies of many countries, service industries play increasingly important role. In the era of global competition, providing of high-quality service regarded as important strategy to achieve success and maintain survivability (Parasuraman et al., 1985; Reichheld and Sasser, 1990; Zeithaml et al., 1990). Even organizations in the public sector are under increasing pressure to provide quality services (Randall and Senior, 1994) and improve efficiency (Robinson, 2003). In fact, the services of organizations in the public sector have been considered in the level of low quality and is often worsened by the difficulty in measuring its outcomes, greater scrutiny from the public and the press, as well as the lack freedom to act on their own and must make decisions based on the rule of law (Teicher et al., 2002).

In Indonesia, public services improvement program is important agenda in the bureaucracy reform. The public services quality becomes one of the main indicators in good governance, starting from the central government to the regional government. Through Ministry of State Apparatus Empowerment and Bureaucracy Reform (PANRB), the government of Indonesia encourages the improvement of the public services quality by giving awards to government agencies that carry out public service development and innovation. However, the implementation of public services in Indonesia, in general, provides under optimal results that indicated by various complaints from the community as service users.

Among others, several complaints are (a) the service procedure is too long and convoluted, (b) the service requirement considered too complicated, as a heavy burden to the service users (c) the service personnel ability is still low. These problems have a bad impact on the performance of the government as the executor of public services. To overcome these problems, the Government then issued Act No. 25 of 2009 on Public Services Standards that guide the implementation of public services in all relevant ministries and institutions. According to this law, public service is an activity or series of activities in order to fulfill service needs in accordance with the laws and regulations for every citizen and resident for goods, services, and / or administrative services provided by public service providers.

In Act No. 25 Year 2009, the new paradigm of public service is to put the interests of service users as customer driven. Consequently, the government performance is measured from its ability to provide responsive, efficient, effective and accountable public services that can satisfy all citizens, especially the poor and disadvantaged. The Malang City Cooperative and Micro Enterprises Agency is one of the government organizations that implement public services for Malang city people. Public services are carried out by these organizations include (a) facilitating the formation and dissolution of cooperatives, (b) facilitating the ratification cooperative legal entities, (c) providing consultation and counseling of cooperatives, (d)

cooperative health certification, (e) facilitating the cooperative problem solving, (f) facilitating the maintenance of legality of micro, (g) facilitating the standardization of micro, (h) facilitating the Micro Enterprises' product marketing, and (i) as a clinic of Micro Enterprises.

Vision of Cooperatives and Micro Enterprises Agency of Malang City is the establishment of cooperatives and Micro Enterprises as healthy, competitive, resilient, autonomous enterprises and has role in the regional economy. While its mission is enhancing the quantity and quality and empower cooperatives and micro enterprises as economic actor competitiveness (Strategic Plan for Cooperatives and Micro Enterprises of Malang City 2013-2018). To support the realization of this vision and mission, the Cooperative and Micro Enterprises Agency seeks to provide the best public services for Cooperatives and Micro Enterprises as service users. This research aims to analyze the conformity level between the service performance that has been carried out by the Department of Cooperatives and Micro Enterprises of the City of Malang with the importance level (expectation) of the service user community, namely cooperatives and Micro Enterprises, using the Importance Performance Analysis (IPA) method. The conformity level is the result of a comparison between the performance score and the expected score, so that this conformity level will determine the scale of priorities that will be used in handling public services carried out by the Malang City Cooperative and Micro Enterprises Agency.

This study is expected to provide some recommendations to the Cooperatives and Micro Enterprises Agency of Malang City in providing the best services and facilities that need to be repaired or upgraded as well as strategies that can be used to improve the service quality in an effort to realize its vision and mission. Practically, this research is expected to be able to provide valuable contributions to the Malang City Cooperative and Micro Enterprises Agency in preparing the strategic plan for Cooperative development and Micro in Malang, provide recommendation for Malang government to design a strategic policy development of cooperatives and micro in Malang in order to increase local revenue, and provide inputs to guide the cooperatives and micro enterprises agency of Malang City

II. THEORETICAL REVIEW

A. *Public Service*
According to Lewis and Gilman (2005), public service is public trust. Therefore, Citizens hope so that public public services can be carried out with higher ethical standards and can be accounted to the public. Ratminto and Atik Septi Winarsih (2006) stated that public services are all forms of service, both in the form of public goods and public services which in principle are the responsibility and carried out by government agencies at the central, regional, and within State Owned Enterprises or Regional Owned Enterprises, as effort to fulfill community needs and in the context of implementing statutory provisions.

Setijaningrun (2009) argues that public service is one of the functions manifestations of the state apparatus as public servants as well as state servants, whereas according to Agung Kurniawan (2005) public service is the services provision for the needs of other people or communities that have an interest in the organization in accordance with the rules and procedures that have been set. Based on the definition mentioned above, it can be concluded that the public service is the overall service performed by government officials for the public in organization or institution to meet the services needs of the public or community.

B. *Service Quality*
In a scientific journal concerning to the Service Quality, Parasuraman et al., (1988) define the service quality as the overall assessment or attitudes toward service, which is generally accepted as the reason for customer satisfaction (Zeithaml and Bitner, 1996). Parasuraman et al., (1988) also defines service quality as the organization ability to meet or exceed the customer expectations. Service quality is the comparison result between customer expectations with their perceptions of the service given by service providers (Zeithaml et al., 1990). If expectations are greater than performance, the perceived quality is unsatisfactory and hence customer dissatisfaction is created (Parasuraman et al., 1985; Lewis and Mitchell, 1990).

Another definition conveyed by M. Wang, et al. (2007) that service quality is "the comparison made by customers between their expectations and perceptions of their services accept ". In assessing service quality, anything that might affect customer satisfaction, from tangible to intangible assets, must be considered (Chou et al., 2011). From the several definitions mentioned above, therefore it can be concluded that in assessment of service quality, public (service users) would compare between experience ever felt with what one would expect from such services. In an organization, the concept of service quality becomes the success measure of organization, both business organizations and also in charge of providing public services.

According to Parasuraman (1988), there are 5 dimensions of service quality, namely:
- Reliability (Reliability/ability to realize promises), namely the company ability to provide promised services accurately and reliably. Performance that must be in accordance with user expectations means accuracy time.
- Responsiveness (responsiveness in providing services), namely the ability to provide services responsibly and the willingness of service providers, especially its nature to help consumers and provide appropriate services according to consumer needs. This dimension emphasizes the attitude of service providers who are attentive, fast and precise in dealing with requests, questions, complaints and customer problem.
- Assurance (confidence or ability to guarantee service), namely the ability of service providers to generate consumer confidence and self-confidence that the service provider, especially its employees, is able to

meet the needs of its customers. These include knowledge, ability, courtesy, and trustworthiness owned by employee.

- Empathy (understanding consumer desires) that is individual attention to customers such as the ease of communication with employees and the company efforts to understand customer wants and needs.
- Tangibility (physical appearance of service), namely the company ability to show its existence to outsiders. The appearance and ability of physical facilities and infrastructure changes and the state of the surrounding environment are concrete evidence of the services provided by the services.

C. *Importance Performance Analysis*

Importance Performance Analysis (IPA) is analytical method used to compare the performance/service perceived by service users with the desired interest level or satisfaction (Yola Melfa and Duwi Budianto, 2013). Su, Ch-Sh (2013) said that science is technique applied to assign research factors into high or low interest categories. IPA can provide deep coaching for managers to focus on important aspects of service or cut spending by reducing costs in less important areas (Frauman and Bank S., 2010).

IPA Method first introduced by Martilla and James (1977) with the aim of measuring the relationship between consumer perceptions and the priority of increasing the quality of products / services that are also known as quadrant analysis (Brandt, 2000 and Latu & Everett, 2000). Science has been generally accepted and used in various fields of study because of the ease with which it can be applied and the appearance of the results of analysis that facilitate the proposed performance improvement (Martinez, 2003). IPA has the main function to display information related to service factors which according to consumers greatly affect their satisfaction and loyalty, and service factors which according to consumers need to be improved because the current conditions have not satisfied. The advantage of this technique is its ease in presenting data along with suggestions, and its implications for strategic advice (Chu and Choi, 2000).

In addition, IPA is accurate evaluation tool for practitioners and academics to know the attributes that are running well and attributes that need to be improved, and require immediate action (MS Wong, et al., 2009). In short, this IPA evaluation tool is used to determine the priority order of service attributes which will be improved, also can provide coaching for the development of its strategy (N. Slack, 1994). The use of IPA methods has been developed and has been used to assess the service quality in various fields, including:

- Tourism and hospitality (Choi, HC, et al., 2014; Griffin and Edwards, 2012)
- Telecommunications and transportation (Pezeshki, Vahid e t al, 2009; Ardi Suhendra and Dwi Prasetyanto 2006;)
- Education (Ray Wang and Tseng Ming-Lang, 2011)
- Banking (Joseph, M. et al. 2005),
- Health Services (Sérgio D. F. Lopes and Sancha CF Maia, 2012)
- Public services (Wong et.al, 2011)

III. RESEARCH METHODOLOGY

This research is classified as descriptive research, namely research conducted to determine the existence of variable values independent, either one variable or more (independent) without making comparison or linking with other variables (Sugiono, 2010). The data collected is quantitative data, with questionnaire as research instrument, and uses survey method, supplemented by interviews and observations to obtain supporting data. Data collection is carried out from June to August 2018 at the Malang City Cooperative and Micro Enterprises Agency.

The research population is service users' community who head to the Cooperative and Micro Enterprises Agency. By using the purposive sampling method, the sample is determined by users of services originating from Cooperatives and Micro Enterprises in Malang City, and 111 respondents were asked to answer the questionnaire. To test the validity and reliability of research instruments, then first tested the validity and reliability.

A. *Validity Test*

Validity testing is done to ascertain how well an instrument which is used to measure the concept that should be measured. According to Sugiono (2010) to test construct validity is done by correlating the score of the question item with its total score.

The formula used to test the validity of this instrument is the Product Moment from Karl Pearson, as follows:

$$r_{xy} = \frac{N \sum XY - (\sum X)(\sum Y)}{\sqrt{\{N \sum X^2 - (\sum X)^2\}\{N \sum Y^2 - (\sum Y)^2\}}}$$

Then the results as calculated r are compared with the value of product moment (r-table), if the results obtained calculated r > r-table value, then the instrument is valid.

B. *Reliability Test*

Suharsimi Arikunto (2009) states "Reliability refers to an understanding that something instrument is reliable enough to be used as data collection tool because the instrument is good". Reliability regard to the level of regularity or the measurement results (Nana Syaodih Sukmadinata, 2009). Questionnaires are considered to be reliable if they can provide relatively similar results (steady) when measurements are taken again on different objects at different times or give fixed results.

Reliability testing is done by formula Cronbach alpha as follows:

$$r_{11} = \left[\frac{k}{(k-1)}\right]\left[1 - \frac{\sum \sigma_b^2}{\sigma_t^2}\right]$$

Information   :
r$_{11}$ = Instrument Reliability
k   = Number of questions
$\sum\sigma_b^2$ = Amount of Variance for each question
$\sum_1^2$ = Total variance

Decision on reliability testing of the instrument is as follows :
1. Instruments are reliable, if r calculated > r table
2. Instruments are not reliable, if r calculated < r table

In this study both tests were carried out by using Statistical Product and Service Solution (SPSS). Data processing and analysis is done by the Importance Performance Analysis (IPA) method, to measure people's perceptions of the service performance of the Malang City Government, especially for Cooperative and Micro Enterprises Agency Organizations.

In IPA method there are 2 steps being taken, namely:
1. Calculating the conformity level, with formula that is used:
    Where:

    Tki   = mity level of respondent
    $\sum$ Xi   = nance score
    $\sum$ Yi   = nent score of customers

2. Doing quadrant analysis on the Cartesian diagram, based on the average score of each service attribute (item), which is obtained with the formula:

$$\overline{Xi} = \frac{\sum_{i=i}^{k} Xi}{n}$$
$$\overline{Yi} = \frac{\sum_{i=i}^{k} Yi}{n}$$

Where:

$\overline{Xi} =$ Average score of performance evaluation level of ith attribute

$\overline{Yi} =$ Average score of interest evaluation level of ith attribute

n = Number of respondents

To get data on expectations of customers and performance of government institution, the questionnaire was divided into two parts. The first part is the Interest (Expectation) of the community, on the service performance of the Cooperative and UM Service, and the second part is the community's perception of the performance of the services provided. Respondents are required to answer a each questionnaire to give scores for interest and performance in Likert scale ranging from 1-5. In the interest or hope section, respondents were asked to choose from the 5 options available, starting from Not Important with score of 1, Less important with score of 2, Quite Important with score of 3, Important with score of 4 and Very Important with score of 5. While in the performance section, respondents were asked to make choices starting from: very bad with score of 1, not so bad with score of 2, Good enough with score of 3, Good with score of 4 and Very Good with score of 5.

Service Performance Variables measured in 5 indicators, namely 5 dimensions of servqual according to the Parasuraman theory, which researcher break down to 14 attributes of services as follows:
- Tangibility (physical evidence), consisting of :
  - The office is clean and tidy
  - Comfortable waiting room
  - Adequate support equipment
  - The officer always looks neat
- Reliability, consisting of:
  - Service is fast and right time
  - The officers are careful and thorough
- Responsiveness consists of:
  - The officers always willing to help
  - Customer problems always handled well
- Assurance, consisting of:
  - The officers was very understanding about Cooperatives and Micro Enterprises
  - The Officers provide information clearly and easy to understood
  - Officers are friendly and polite
  - The officer can be trusted
- Empathy, consisting of:
  - The officers understand the consumers needs
  - The officers always prioritize the customers interests

IV.   RESULTS AND DISCUSSION

Validity and reliability test results the questionnaire used will be with confidence level of 95 % or significance level α = 5%, indicating that this instrument is valid and reliable as illustrated in Table 1 and Table 2 below.

Indicator	Item	Calculate r	r- table (N = 111)	Information
Tangibility	X1.1	0.707		Valid
	X1.2	0.704		Valid
	X1.3	0.755	0.187	Valid
	X1.4	0.729		Valid
Reliability	X2.1	0.841		Valid
	X2.2	0.793	0.187	Valid
Responsiveness	X3.1	0.765		Valid
	X3.2	0.770	0.187	Valid
Assurance	X4.1	0.833		Valid
	X4.2	0.848		Valid
	X4.3	0.826	0.187	Valid
	X4.4	0.866		Valid
Empathy	X5.1	0.813		Valid
	X5.2	0.849	0.187	Valid

Table 1: Test Results of Questionnaire Validity

Source: Data Processed 2018

Indicator	Item	r- count	Information
Tangibility	X1.1 - X1.4	0.843	Valid
Reliability	X2.1 - X2.2	0.862	Valid
Responsiveness	X3.1 - X3.2	0.836	Valid
Assurance	X4.1 - X4.4	0.930	Valid
Empathy	X5.1 - X5.2	0.885	Valid

Table 2: Test Results of Questionnaire Reliability

Source: Data Processed 2018

Furthermore, to assess the societal perspective (service users) on the performance of the services performed by the method of analysis Importance and Performance Analysis. The first step is to calculate the level of compatibility between interests (expectations) and performance. The measurement aims to determine how much the service users are satisfied with the performance of the institution, and how the service provider understand what service users with the services they provide.

- Assessment criteria for suitability:
  - The conformity level> 100%, means that the service quality provided has exceeded what is considered important by the customer, meaning that the service is very satisfying
  - The conformity level = 100%, means that the service quality provided fulfills what is considered important by the customer, meaning service has been satisfactory
  - The suitability level <100% means that the service quality provided does not / does not meet what is considered important by the customer, meaning that the service is not satisfactory.

The results of Suitability Level measurement are presented at Table 3 below:

Service Dimensions		Interest (Y)	Performance(X)	Conformity Level (%)	Gap (%)
Tangibility	1. The office building is clean and tidy	502	455	90,64	9, 36
	2. Comfortable waiting room	492	443	90.04	9, 96
	3. Adequate support equipment	494	444	89.88	10, 12
	4. The officer always looks neat	510	473	**92.75**	**7.25**
	Average			9 0 , 84	9,16
Reliability	5. Service is fast and right time	513	458	89.28	10, 72
	6. The officers are careful and thorough	490	451	92.04	7, 96
	Average			90,63	9, 37
Respon siveness	7. The officers always willing to help	510	467	91,57	8 , 43
	8. Customer problems are always handled well	541	451	83,36	16,63
	Average			87.35	12.65
Assurance	9. The officer really understands about cooperative and micro enterprises	511	463	90.61	9, 39
	10. The officer gives information clearly and easy to understand	509	456	89,59	10, 41
	11. The officer is always friendly and polite	516	469	90.89	9, 11
	12. Officers can be trusted	509	462	90,77	9, 23
	Average			90.46	9, 54
Empathy	13. The officers understands customer needs	512	462	90.23	9, 77
	14. The officers always prioritizes customer interests	508	461	90.75	9, 2 5
	Average			90.49	9.51
Total		7117	6415	**90.14**	9, 32

Table 3: The Suitability Level Measurement

Data in Table 3 show that the conformity level between interests (expectations) of the community with service performance, as a whole has only reached 90,14%. While the conformity level according to service indicators ranges from 87,35 to 90,84. With so there is gap between people expectations with the performance of services provided, meaning that services provided by the Cooperatives and Micro Enterprises Agency cannot meet expectations of service recipients.

This gap occurs in all dimensions of service. The biggest gap is in the dimension Responsiveness, on item 8 is equal to 16, 63%, which means that according to public perception, their problem not handled well by the Cooperatives and Micro Enterprises Agency. The lowest gap is in the Tangibility dimension, in item 4 which is equal to 7, 25 % which indicates that the appearance of serving officers is good but still needs to be improved to meet the expectations of the service user community.

The second thing in the IPA Method is to do Quadrant Analysis on the Cartesian Diagram. To do quadrant analysis, the first step is to calculate the average value of interests and performance of each service attribute. The average score of each service attribute, presented in Table 4 below.

| No	Service Attributes	Interest (Y)	Performance (X)
	A. Tangibility		
1	The office building is clean and tidy	4,52	4,10
2	Comfortable waiting room	4,43	3,99
3	Adequate support equipment	4,45	4,00
4	The officer always looks neat	4,59	4,26
	B. Reliability		
5	Service is fast and right time	4,62	4,13
6	The officers are careful and thorough	4,41	4,06
	C. Responsiveness		
7	The officers always willing to help	4,59	4,21
8	Customer problems are always handled well	4,87	4,06
	D. Assurance		
9	The officer really understands about cooperative and micro enterprises	4,60	4,17
10	The officer gives information clearly and easy to understand	4,59	4,11
11	The officer is always friendly and polite	4,65	4,23
12	Officers can be trusted	4,59	4,16
	E. Empathy		
13	The officers understand customer needs	4,61	4,16
14	The officers always prioritize customer interests	4,58	4,15
	The average of average score of all attributes	4,58	4,13

Table 4: Average scores of Interests and Performance According to Service Attributes

Table 4 shows that the score of the interest (hope) level of public on service of the Cooperatives and Micro Enterprises Agency are relatively very high, with the range of 4,41 untul 4,87 Likert scale. The highest expectation is in the Responsiveness dimension at 8th attribute, is 4,87 Likert scale. It means that people really hope that their problems can always be handled properly.

The above data also indicate that the service performance of Cooperatives and Micro Enterprises Agency, overall and on each attribute of service has been good, in range from 3,99 to 4.26 Likert scale. However, the value was still lower than expected or required by the service recipients. This shows that at present the public demand for government service performance is very high.

Furthermore, the values of each service item are included in the Cartesian Diagram for analysis.

V. CARTESIAN DIAGRAM
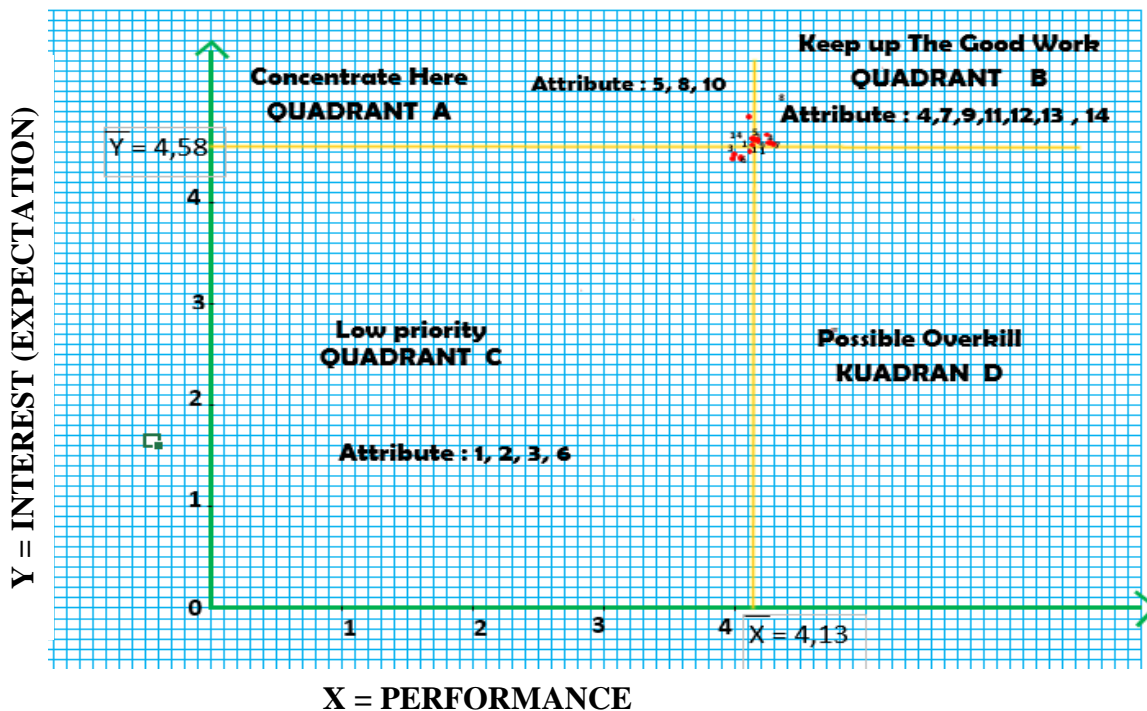
X = PERFORMANCE

From the results of the mapping above at Cartesian diagram, formed matrix consisting of four quadrants. Each quadrant describes the priority scale in taking policies either in the form of improving performance or maintaining organizational performance. The following are data on the distribution of performance and expectations of the community (service users):

A. Quadrant A (First priority)

This quadrant contains service attributes that are considered important by service users but in reality, the performance of these attributes is not yet appropriate (lower) of their expectations.—Therefore, this should be considered as the top priority in making service improvements to increase satisfaction of the service user.

In this assessment, service attributes included in Quadrant A are 3 attributes, namely:

- 5th attribute: Fast and timely service

    The average expectation score or the importance level of 4.62 is greater than the average of average score of the expectation or the importance level of all attributes, amounting to 4,59. However, the average score its performance amounting to 4,13 is only in the limit or equal to the average of the average score of the performance of all attributes that is equal to 4,13.

- 8th attribute: Problems are always handled well.

    The average score of the expectation or the importance level of 4.87 is greater than the average of the average score of expectation or the importance level of all attributes, which is equal to 4.59. However, the average score of its performance of 4:06 is lower than the average of average score of the overall performance attributes that is equal to 4.13

- Attribute 10th: Officers provide information clearly and easy to understood by customers

    The average expectation score or importance level of 4.59 is only within or equal to the average of average score of hope or interest level for all attributes that is equal to 4.59. However, the average score of its performance of 4.11 is lower than average of average score of overall performance attributes that is equal to 4:13

B. Quadrant B

Quadrant B contains attributes that are considered important by service users, and the performance of these attributes are considered appropriate or meet the service users' expectation. This is indicating that the service users have been satisfied by the performance of the Cooperative and Micro Enterprises Agency. Therefore, service performance on these attributes must be maintained by the Agency in order to continue to satisfy the community users of the service.

From 14 observed service attributes, there are 7 attributes included in quadrant B, namely:

- 4th attribute: Officers always appear neat in providing service

    The average score of its expectation or the importance level of 4.59 is greater than the average of average expectation score or the importance level of the overall attribute which is equal to 4.58. Likewise, the average

score of its performance of 4.26 is higher than the average of average score of the overall performance of the attributes at the level of 4.13.

- 7th attribute: Officers always willing to help

    The average expectation score or the importance level of 4.59 is greater than the average expectation score or the importance level of all attributes which is equal to 4.58. Similarly, the average score of its performance of 4.21 is higher than the average of average score of the overall performance of the attributes which is equal to 4.13.

- 9th attribute: The officer understands about cooperatives and micro enterprises

    The average expectation score or the importance level of 4,60 is greater than the average of average expectation score or the importance level of the overall attributes at the level of 4.58. Similarly, the average score of its performance of 4.17 is higher than the average of average score of the overall performance of the attributes which is equal to 4.13.

- 11th attribute: The officer is always friendly and polite

    The average expectation score or the importance level of 4.65 is greater than the average of average expectation score or the importance level of the overall attributes at the level of 4.58. Similarly, the average of its performance score of 4.23 is higher than the average of average score of the overall performance of the attributes which is equal to 4.13.

- 12th attribute: The officer can be trusted

    The average score of expectation or the importance level of 4.59 is greater than the average of average expectation score or the importance level of the overall attributes which is equal to 4.58. Similarly, the average of its performance score of 4.16 is higher than the average of average score of overall performance of the attributes which is equal to 4.13.

- 13th attribute: Officers understand the customers' needs

    The average score of its expectation or the importance level of 4.61 is greater than the average of average score of its expectation or the importance level of the overall attributes which is equal to 4.58. Similarly, the average of its performance score of 4.16 is higher than the average of average score of the overall performance of the attributes which is equal to 4.13.

- 14th attribute, Officers always prioritize the customers interests

    The average score of expectation or the importance level of 4.58 is only in the limit or equal to the average of average score of its expectation or the importance of the overall attributes which is equal to 4.58. However, the average score of its performance of 4.26 is higher than the average of average score of the overall performance of the attributes which is equals to 4.13.

C. Quadrant C (Low Priority)

Service attributes which are included in this quadrant are considered less important by service users, and their performance is also mediocre. In other words, service attributes have low interest (expectations) level and their performance is are also rated poorly by users. But the Agency should not rule out the attributes of this service because they might be important for the service users in the future. So that improvement of service attributes in this quadrant needs to be considered by the Malang Cooperative and Micro Enterprises Agency, while preventing this service attribute from shifting to quadrant A.

There are 4 service attributes included in Quadrant C, namely:

1. 1st attribute: Office building is clean and tidy
   The average expectation score or the importance level of 4.52 is lower than the average of average score of expectation or the importance of overall attributes which is equal to 4.58. Likewise, the average of its performance score of 4.10 is lower than the average of average score of the overall performance of the attributes which is equal to 4.13.

2. 2nd attribute: Comfortable waiting room
   The average expectation score or the importance level of 4.43 is lower than the average of average expectation score or the importance level of overall attributes which is equal to 4.58. Similarly, the average performance score of 3.99 is lower than the average of average score of the overall performance of the attributes which is equal to 4.13.

3. 3rd attribute: Adequate supporting equipment
   The average expectation score or the importance level of 4.45 is lower than the average of average of expectation score or the importance of the overall attributes which is equal to 4.58. Similarly, the average of its performance score of 4.00 is lower than the average of average score of the overall performance of the attributes which is equal to 4.13.

4. 6th attribute: Officer is careful and thorough
   The average expectation score or the importance level of 4.45 is lower than the average expectation values or the importance level of overall attributes which is equal to 4.58. Likewise, the average score of its performance of 4.06 is lower than the average of average score of the overall performance of the attributes which is equal to 4.13.

D. D Quadrant (Excessive)

The attributes are included in this quadrant which are the service attributes that have the low interest level (expectations) but have good performance, so it is considered excessive by service users. From the assessment given by the respondents, it turns out that none of the service attributes provided by the Cooperatives and Micro Enterprises Agency are included in this category.

Based on the analysis of Cartesian diagram above, then there are three items (attributes) of the services as the first priority in the improvement of performance (Quadrant A) that needs to be done by the Cooperatives and Micro Enterprises Agency of Malang City, namely:

- Fast and timely service (5th attribute)
- Problems can be handled properly (8th attribute).
- Officers provide information clearly and easy to understood by costumer (10th attribute)

To formulate strategy to improve performance of these service attributes, the researcher made strength map analysis using SWOT Analysis, as follows:

SWOT Analysis to Improve Service Performance
Malang City Cooperative and Micro Enterprises Agency

Internal Factors / External Factors	Strength (Strength)	Weakness
	- High leadership commitment - Sufficient budget available - Facilities and equipment are quite adequate - It has an official website and social media account as a means of online communication - It has adequate internet connection - The staff's knowledge is very adequate about their work field - It has a Business Clinic service as a place for coaching and consultation	• The number of competent officers is still lacking • The performance of service infrastructure facilities is not good • Not all types of services have standard SOP. • Lack of synergy of work units in providing services • Lack of good communication skills of the officers.
Opportunities	**S / O strategy**	**W / O strategy**
• Government Support (Malang City Government, East Java Provincial Government and Ministry of Cooperatives) • Development of IT Technology • The number of cooperatives and Micro Enterprises in Malang is quite large (around 1,000 Micro Enterprises , around 1,000 cooperatives)	• Make integrated service system from the front-line to the units of IT-based work. • Strengthen Online Communication through the Website, by opening Fast Communication (Online Chat) • Maximize cooperative and micro enterprises coaching through the Mobile Business Clinic	• Increase the number of service personnel • Propose training budget for competencies needed • Include officers at the training center organized by the Government of East Java Province and the Ministry of Cooperatives and SMEs • Provide coaching to officers on how to communicate well • Complete all types of services with standard SOPs • Integrating coaching programs between existing units (fields / sections).
Threat (Threats)	**S / T Strategy**	**W / T Strategy**
• Weak supervision and law enforcement on the problems of cooperatives and micro businesses • Weak coordination across relevant organizations	• Improve socialization of the Law related to Micro Cooperatives and businesses both directly and through online media • Initiated the establishment Across Organization Coordination Forum (environment of Malang City Government), with regular meeting schedules	• Collaborating with law enforcement agencies such as the police, prosecutors and courts to guide cooperatives and micro businesses

Table 1

VI. CONCLUSIONS AND RECOMMENDATIONS

A. Conclusion

Based on the results of the Importance and Performance Analysis (IPA) analysis, conclusions can be taken as follows:

- Public services implemented by the Cooperatives and Micro Enterprises Agency of Malang City, has been running well, however there are still some service attributes that have not met the expectations of society, because of various barriers/constraints, ie service attributes 5, 8 and 10. For these service attributes need to be improved in order to achieve targeted standard level of quality public service as stipulated in the Law on Public Services and can meet the expectations of the community as users of services.

- There are 7 service attributes which are the achievements for this organization, namely attributes 4, 7, 9, 11, 12, and 13 and 14. These attributes need to be maintained and even improved so that they continue to provide satisfaction for the community and meet the expectations of service users.

B. Suggestion

From the SWOT analysis carried out, several strategies can be suggested to improve service performance on attributes 5, 8 and 10 are:

- Proposed strategy to improve the 5th attribute:
  - Completing all types of services with SOP (Standard Operating Procedure)
  - Increase the number of service personnel in accordance with the required competencies
  - Provide a system of IT-based integrated service from the front line to the working units.
  - Strengthen Online Communication with the community through the Website, by opening Fast Communication (Online Chat).
- Proposed strategy to improve 8th attribute:
  - Conduct training budget in RAPBD, to increase the quality of officers according to the competencies needed.
  - Fostering the work cohesiveness of officers through the integration of programs / activities between work units
  - Initiated the establishment of a related Across Organization Coordination Forum (environment of the Malang City Government), with regular meeting schedules
  - Collaborating with law enforcement agencies such as the police, prosecutors and courts to guide cooperatives and Micro Enterprises
- Proposed strategy to improve 10th attribute:
  - Provide coaching for officers on how to communicate well
  - Improve socialization of Cooperatives and Micro Enterprises both directly and through online media
  - Provide brochures on cooperatives and micro enterprises can be given to people who visit to the Cooperatives and Micro Enterprises Agency

REFERENCES

[1.] Agung, Kurniawan. 2009. *Transformasi Pelayanan Publik*. Yogyakarta : Pembaharuan.

[2.] Ardi Suhendra Dan Dwi Prasetyanto 2006. *Kajian Tingkat Kepuasan Pengguna Trans Metro Bandung Koridor 2 Menggunakan Pendekatan Importance-Performance Analysis*. Rekaracana Jurnal Online Institut Teknologi Nasional, Vol. 2 No. 2

[3.] Arikunto, Suharsimi, 2009, *Prosedur penelitian, Suatu Pendekatan Praktik.* Jakarta : Rineka Cipta, Jakarta.

[4.] Brandt, D.R., 2000. *An "Outside-In" Approach to Determining Customer Driven Priorities for Improvement and Innovation.* White Paper Series. Volume 2.

[5.] Choi, H. C., Lee, W., Sung, H., & Chiu, C.F. 2014. *Evaluation of the Service Performance: Applications of the Zone of Tolerance with Importance-performance Analysis.* Advances in Culture, Tourism and Hospitality Research, 31–41

[6.] Chou, C.-C., et al. 2011. *An evaluation of airline service quality using the fuzzy weighted Servqual Method.* Applied Soft Computing, 11(2), 2117–2128.

[7.] Chu, R. K. and Choi, T. 2000. *An importance-performance analysis of hotel selection factors in the Hong Kong hotel industry: a comparison of business and leisure travelers.* Tourism Management, Vol. 21, No. 4, pp. 363-377.

[8.] Frauman, E., and Banks, S. 2010. *Gateway community resident perceptions of tourism development:Incorporating importance-performance analysis into limits of acceptable change framework.* Tourism Management, Vol. 32, No. 1, pp. 128–140

[9.] Griffin, T. and Edwards, D. 2012. *Importance–performance analysis as adiagnostic tool for urban destination managers.* Anatolia : An International Journal of Tourism and Hospitality Research, Vol. 23, No. 1, pp. 32-48.

[10.] Joseph, Mathew, et al. 2005. *Importance-performance analysis of UK and US bank customer perceptions of service delivery technologies.* Int. J. Financial Services Management, Vol. 1, No. 1, pp. 66-88.

[11.] Latu, T.M., & Everett, A.M. 2000, *Review of Satisfaction Research and Measurement Approaches.* Departement of Conservation, Wellington, New Zealand.

[12.] Lewis, B.R. & Mitchell, V.W. 1990. *Defining and measuring the quality of customer service.* Marketing Intelligence and Planning, vol. 8(6), p.11-17

[13.] Lewis, C. W. and Stuart C. Gilman. 2005. *The Ethics Challenge in Public Service: A Problem-Solving Guide.* Market Street, San Fransisco: Jossey-Bass.

[14.] Martilla, J.A. and James, J.C. 1977. *Importance-performance analysis.* Journal of Marketing, Vol. 41, pp. 77-9.

[15.] Martinez, C.L. 2003. *Evaluation Report: Tools Cluster Networking Meeting*. CenterPoint Institute, Inc., Arizona.

[16.] M. Joseph et al. 2005 *Importance-performance analysis of UK and US bank customer perceptions of service delivery technologies*. Int. J. Financial Services Management, Vol. 1, No. 1 pp. 66-88.

[17.] M. S. Wong, C. Fearon, and G. Philip, 2009*. Evaluating E-government in Malaysia: An importance-performance grid analysis (IPA) of citizens and service providers*. International Journal of Electronic Business, vol. 7, no. 2, pp.105-129

[18.] M.S. Wong, Nishimoto Hideki and Philip George, 2011. *The Use of Importance-Performance Analysis (IPA) in Evaluating Japan's E-government Services*. Journal of Theoretical and Applied Electronic Commerce, Vol 6 / Issue 2 / August 2011 / 17-30

[19.] M. Wang, et al. 2007. *An Empirical Study of the Effect of Customer Participation on Service Quality.* Journal of Quality Assurance in Hospitality & Tourism, Vol. 8, No. 1, pp. 49-73.

[20.] N. Slack. 1994. *The importance-performance matrix as a determinant of improvement Priority.* International Journal of Operations & Production Management, vol. 14, no. 5, pp. 59-75.

[21.] Parasuraman, A., Zeithaml, V.A. and Berry, L.L. 1985. *A conceptual model of service quality and its implications for future research.* Journal of Marketing, Vol. 49, Fall, pp. 41-50.

[22.] Parasuraman, A., Zeithaml, V.A. and Berry, L.L. 1988. *SERVQUAL: a multi-item scale for measuring consumer perceptions of the service quality.* Journal of Retailing, Vol. 64, No. 1, pp. 12-40.

[23.] Pezeshki, Vahid, et al. 2009. *Importance-performance analysis of service attributes and its impact on decision making in the mobile telecommunication industry.* Measuring Business Excellence, Vol. 13 Iss 1 pp. 82 – 92

[24.] Randall, L., & Senior, M. 1994. *A model for achieving quality in hospital hotel services.* International Journal of Contemporary Hospitality Management, 6(1_2), 68_74.

[25.] Ratminto & Atik Septi Winarsih, 2006, *Manajemen Pelayanan: Pengembangan Model Konseptual, Penerapan Citizen's Charter dan Standart Pelayanan Minimal.* Yogyakarta : Pustaka Pelajar.

[26.] Ray Wang and Ming-Lang Tseng. 2011. *Evaluation of International Student Satisfaction using Fuzzy Importance-Performance Analysis.* Elsevier Ltd, Vol. 25 , pp. 438 – 446

[27.] Reichheld, F.F. and Sasser, W.E. 1990. *Zero defections: quality comes to services.* Harvard Business Review, September-October, pp. 105-11.

[28.] Renstra Dinas Koperasi dan UM Kota Malang Tahun 2013-2018

[29.] Robinson, Leigh. 2003. *Committed to quality: the use of quality schemes in UK public leisure services.* Managing Service Quality, vol. 13(3), p. 247-55

[30.] Sérgio Dominique-Ferreira Lopes and Sancha Catarina Frazão Maia. 2012. *Applying Importance-Performance Analysis to the Management of Health Care Services.* China-USA Business Review, Vol. 11, No. 2, 275-282

[31.] Setijaningrum, Erna. 2009. *Inovasi Pelayanan Publik.* PT Revka Petra Media, Surabaya.

[32.] Su, Ch-Sh. 2013. *An Importance-Performance Analysis of Dining Attributes: A comparison of Individual and Packaged Tourists in Taiwan.* Asia Pacific Journal of Tourism Research, Vol. 18, No. 6, pp. 573-597.

[33.] Sugiyono. 2010. *Metode Penelitian Pendidikan*. Bandung : Alfabeta.

[34.] Sukmadinata, Nana Syaodih. 2009. *Metode Penelitian Pendidikan.* Bandung : PT. Remaja Rosdakarya.

[35.] Teicher, J., Hughes, O. & Dow, N. 2002. *E-government: a new route to public service quality.* Managing Service Quality, vol. 12(6), p. 384-93.

[36.] Undang-Undang Nomor 25 Tahun 2009. *Pelayanan-Publik*. 18 Juli 2009. Lembaran Negara Tahun 2009 Nomor 112, Jakarta.

[37.] Yola Melfa dan Duwi Budianto. 2013. *Analisis Kepuasan Konsumen Terhadap Kualitas Pelayanan Dan Harga Produk Pada Supermarket Dengan Menggunakan Metode Importance Performance Analysis (IPA).* Jurnal Optimasi Sistem Industri. 12 (12) : 301-309.

[38.] Zeithaml, V.A., Parasuraman, A. and Berry, L.L. 1990. *Delivering Quality Service: Balancing Customer Perceptions and Expectations.* The Free Press, New York, NY.

[39.] Zeithaml, Valerie A. & Bitner, Mary J. 1996. *Services Marketing.* McGraw-Hill, New York, N.Y.