

## Research Article

# Service Quality in Applications for Certificates of Occupancy (SLF) in Indonesia

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## Abstract.

The construction sector is one of the strongest sectors supporting economic growth in Indonesia. Studies conducted by the Central Bureau of Statistics (BPS) show that construction is in the third main source of Indonesia's economic growth, noting that this sector's gross domestic product (GDP) contributed 10.44% to the national GDP of IDR 16.97 quadrillion in 2021. According to the Probolinggo City Government's Electronic Procurement Service, at least 101 jobs have been auctioned. The certificate of occupancy (Sertifikat Laik Fungsi/SLF) is a statement that the feasibility of a building's function has been completed. Laik Fungsi requires that a building meets administrative and technical standards according to the specified building function. So without SLF, a building can be legal but illegal for its utilization. The purpose of this research is to analyze the quality of services provided by CV Meter Consultant Company in meeting customer needs and satisfaction. This research uses a qualitative approach, i.e. case study research. Data collection techniques include conducting observations, interviews, and documentation of objects and informants. The data interview collected was from 5 informants. The results of this study are that there are several indicators that have not been fulfilled, including the tangible dimension.

**Keywords:** service quality, service marketing, certificate of occupancy, SLF

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## 1. Introduction

The building and construction sector is one of the strongest sectors that supports economic growth in Indonesia. A study conducted by the Central Bureau of Statistics (BPS) shows that the construction sector is in third position as the main source of Indonesia's economic growth. The growing construction sector meant that the Indonesian economy in 2017 grew by 5.01% and GDP by 10.38%, higher than the previous year. The Central Statistics Agency (BPS) noted that the Gross Domestic Product (GDP) of the construction sector at Current Prices (ADHB) reached IDR 1.77 quadrillion in 2021. This sector's GDP contributed 10.44% to the national GDP which reached IDR 16.97 quadrillion. Its contribution is also the fourth largest after the processing industry at 19.25%, agriculture at 13.28%, and wholesale and retail trade at 12.97%. For example, infrastructure in Probolinggo Regency has increased in 2021 by 90.24%, which has had



an impact on the environmental quality index in Probolinggo Regency which has also increased in 2021 by 64.17. This is in harmony with what was conveyed by the Head of the Probolinggo Regency Regional Development Planning Agency (Bappeda), Mr. Santiyono, “The level of regional financial capacity of Probolinggo Regency is assumed to be approximately 2.2 trillion, employee salaries 1 trillion, education 20%, health 10%, and infrastructure 30%- 40%” [1].

Entering the second quarter of 2022, many municipal government projects are entering the auction stage. For construction work, based on data on the Probolinggo City Government Electronic Procurement Service (LPSE) website, at least 101 jobs have been auctioned [2]. The projects entering the auction stage come from various OPDs (Regional Apparatus Organizations). The majority come from the Department of Water Resources and Highways (DSDABM). Apart from that, there are projects belonging to the Department of Education (Dispendik), the Department of Public Housing and Settlement Areas and Land (DPRKPP), and the Department of Culture, Youth and Sports, and Tourism (DKKORP). Probolinggo City Regional Secretary (Sekda) stated that 2022 budget projects are being auctioned. Especially those related to construction work. After the tender is completed, it was hoped that starting in May 2022 physical construction will begin. In this case, the number of buildings that require a certificate of occupancy needs as a mandatory requirement for development work in the construction sector is in accordance with the regulations of the Mayor of Probolinggo Number 35 of 2013 concerning Implementation Guidelines for the Issuance of Certificates of Occupancy (SLF) for Buildings, which reads: “that in In order to realize buildings that are always reliable and fulfill the administrative requirements and technical requirements of buildings in accordance with their function, the Regional Government is obliged to carry out inspections of the functional fitness of buildings as a basis for issuing certificates of occupancy [3].”

Regulation of the Minister of Public Works and Public Housing of the Republic of Indonesia Number 27/PRT/M/2018 concerning Certificates of Occupancy for Buildings, it is explained that a Building Functional Appropriate Certificate, hereinafter abbreviated as SLF, is a certificate issued by the regional government except for special function buildings by the Government for stating the functional suitability of a building, both administratively and technically, before the building is put into use. Building owners and/or users who do not fulfill the requirements stated in the IMB and/or SLF may be subject to administrative sanctions and/or criminal sanctions. Meanwhile, service providers or users who employ uncertified workers may be subject to administrative

sanctions in the form of administrative fines or temporary suspension of construction service activities. This certainly hampers the progress of development projects that will be implemented, so the company's efforts to avoid this risk are to establish a certificate of occupancy for the building and provide facilities so that workers can undergo certification at the service provider agency. In this case, the certification service provider institution must have good service quality which can be seen from the satisfaction results of the service users [4].

This research aims to focus on describing the tender for the Certificate of Occupancy (SLF) which is registered on the official LPSE Probolinggo website. CV. Meter Consultants, founded in 2017, is a company that operates in the field of professional services, including analyzing and identifying the needs required by companies or individuals as well as assisting in the functionally appropriate certification process in the construction of a building. CV. Meter Consultant is led by the Director as the highest position in the company located on Jalan Mastrip Gg. Longan No. 05 Probolinggo City.

## 2. Literature Review

### 2.1. Service quality

According to Tjiptono [5] defines service quality as a measure of how well the level of service provided meets customer expectations. Meanwhile, according to Purwanti and Wahdiniwaty [6] state that service quality is a comparison between the service felt (perception) by customers and the quality of service expected by customers.

Based on the theory above, it can be concluded that service quality is a comparison of services related to products, services, people, processes provided to meet consumer expectations.

Winarsih and Ratminto [7] stated that service quality can be measured using 5 dimensions, namely: Tangible (Direct Evidence), Reliability (Reliability), Responsive (Responsiveness), Assurance (Guarantee), and Empathy (Empathy). Each dimension has indicators, namely as follows:

- 1) Tangible Dimension (Direct Evidence), consisting of indicators: Direct evidence in this dimension includes supporting facilities, equipment, employees and communication facilities. The supporting facilities in question include buildings and service rooms, availability of parking for service users, cleanliness, tidiness and comfort of the room, completeness of communication equipment and employee appearance.

2) Reliability Dimension, consisting of indicators: Reliability is a person's ability to provide promised services immediately, accurately and satisfactorily. This means providing services appropriately, but it also means that employees fulfill their promises. For example, providing services according to the agreed schedule.

3) Responsive Dimension, consisting of indicators: Responsiveness is the employee's desire to help customers and provide responsive service. Responsiveness can mean the response or alertness of employees in helping service users and providing fast service.

4) The Assurance (Guarantee) dimension, consisting of indicators: The guarantee in question includes employee knowledge, ability, politeness and trustworthiness possessed by employees, as well as freedom from danger and risk.

5) Empathy dimension, consisting of indicators: Empathy is ease in providing service to customers, good communication, personal attention and understanding customer needs.

## 2.2. Service marketing

Service marketing emerged and developed as a separate sub-discipline in marketing science. Services marketing has a number of differences from goods marketing, therefore the understanding of services marketing needs to be supported by an understanding of the services themselves.

According to Tjiptono [8], services can be defined as any action or deed that can be offered by a party to another party which is basically intangible (not physically tangible) and does not result in ownership of something. However, service products can be related to physical products or not. This means that there are pure service products (such as child care, psychological consulting, and management consulting) and there are also services that require physical products as the main requirement (for example, ships for sea transportation, planes for airline services, and food in restaurants).

From the above definition, it can be concluded that services are actions or activities that include all activities whose results are performance received by customers or consumers.

### 3. Methodology

This research uses a qualitative approach with a descriptive case study type of research. As for the definition that states qualitative research, according to Sugiyono [9], the qualitative descriptive method is a research method based on postpositivist philosophy used to research the natural conditions of objects (as opposed to experiments) where the researcher is the key instrument for the data collection technique carried out. triangulated (combined), data analysis is inductive/qualitative, and qualitative research results emphasize meaning rather than generalization. Qualitative descriptive research aims to describe, describe, explain and answer in more detail the problems to be studied by studying as closely as possible an individual, a group or an event. In qualitative research, humans are the research instrument and the written results are in the form of words or statements that correspond to the actual situation.

### 4. Results

This research was conducted in Probolinggo, and has been interviewing 5 informants to gather the data needed. The informants are listed in Table 1 below:

TABLE 1: List of informants.

No	Informant	Job Position
1	Endy Rantau	Director of CV. Meter Konsultan, Probolinggo
2	Dimas Kharisma	Employee / Administrator at CV. Meter Konsultan
3	Satriyo	Customer at CV Meter Konsultan
4	Indra Sabana	Customer at CV. Meter Konsultan
5	Diah Rian	Customer at CV. Meter Konsultan

#### 4.1. Tangible

From the interviews, researchers found out that according to Albarq [10], tangible includes the physical appearance of services, such as physical facilities, tools or equipment as well as the appearance of workers, as well as ease of access. In this research, the tangible dimension is determined from indicators, namely employee appearance in serving service users, comfort of the service location, ease of the service process, and employee discipline.

From the assessment indicators used, there are several indicators that have been implemented and have met the expectations of service users, including the appearance of employees in serving service users, the comfort of the service place, and the ease of the service process.

“The employees wear clean and neat clothes and are friendly and polite when providing services, sir (Diah Rian, Personal Communications, July 8<sup>th</sup> 2023)”

“The place for waiting was very comfortable, sir, because it was equipped with air conditioning so I didn’t feel hot, the place was also clean sir. (Satriyo, Personal Communications, June 27<sup>th</sup> 2023 )”

Indicators that have not met the expectations of service users are employee discipline by arriving late after 07.30.

## 4.2. Reliability

According to Tjiptono [11], reliability is the ability of a service provider to provide the promised service promptly, accurately and satisfactorily. Reliability is the ability of employees to provide promised services promptly and satisfy service users. The reliability of employees really helps service users in receiving services quickly and easily. All employees are expected to have high levels of ability, expertise, independence, mastery and professionalism. So that work activities can produce satisfactory forms of service without complaints and excessive impressions from service users.

In this research, the reliability dimension is determined by indicators, namely employee accuracy in serving service users, having clear service standards, and the ability to use service tools.

“I was immediately directed to the waiting room in a friendly manner, sir (Indra Sabana, Personal Communications, June 27<sup>th</sup> 2023). ”

“The employees are very experienced, sir, the process is very easy because of the employees able to operate a computer very well (Satriyo, Personal Communications, June 27<sup>th</sup> 2023).“

In practice, all indicators are running on CV. Consultant meters, such as having clear service standards, employees are careful in serving service users and their ability to use service tools is good.

### 4.3. Responsiveness

The responsiveness dimension is providing a good, fast and responsive response in receiving complaints from service users. Responsiveness in responding to service users is one of the drivers of service success. Because if the implementation of services is based on attitudes, desires and commitment to carry out services well, then it can create improvements in the quality of services that are getting better. Assessment of service quality for applications for the issuance of functionally fit certificates at CV. The consultant meter in this dimension uses several indicators, namely providing the response of each service user, the speed and accuracy of employees when providing services, the response of employees when receiving complaints from service users.

According to Kotler and Keller [12], responsiveness is the company's ability carried out directly by employees to provide services quickly and responsively. Responsiveness can foster a positive perception of the quality of services provided.

“The officers took a long time to respond when asked about the requirements that need to be taken when applying for a certificate of eligibility function (Diah Rian, Personal Communications, July 8<sup>th</sup> 2023).”

The implementation of responsiveness indicators has not shown good quality. CV. The Consultant meter has not responded well, has not provided fast and accurate service, employees also provide service in a relatively long time, namely 30-35 minutes. However, it provides a good response to every service user complaint.

### 4.4. Assurance

All forms of service require certainty or guarantee regarding the services provided by the service provider. The form of certainty of a service is largely determined by the guarantee from the employee providing the service, so that service users who receive the service feel satisfied and confident that all forms of service matters provided are completed with speed, accuracy, smoothness and quality of the service provided.

According to Lupiyoadi and Hamdani [13], assurance is the knowledge, politeness and ability of company employees to foster consumers' trust in the company.

Assessment of service quality for applications for the issuance of functionally fit certificates at CV. Consultant meters are measured using indicators, namely guarantees of timely issuance processes and guarantees of cost certainty in services that show good quality. From several existing assessment indicators, CV. Meter Consultants can

meet the guaranteed timeliness of service, namely 1-2 months in the SLF issuance process.

“At the beginning, it was explained, sir, and there was no change until the SLF published (Diah Rian, Personal Communications, July 8<sup>th</sup> 2023).”

Apart from that, CV. The meter consultant has provided a guarantee of cost certainty in servicing the application for the issuance of a certificate of functional worthiness which is conveyed at the beginning of the meeting and there will be no changes in costs until the SLF is issued.

#### 4.5. Empathy

Every service activity requires understanding and understanding in shared thoughts or needs on matters related to service. Services can run smoothly and have quality if all parties related to the service have a sense of empathy in every solution or have the same principles for service.

According to Zoll and Enz [14], empathy can be defined as a person's ability and tendency to understand what other people think and feel in certain situations. To be able to measure the dimensions of empathy, the author based it on several indicators, including serving with a friendly attitude and courtesy, and employees not discriminating. All of the assessment indicators used have been implemented and have met the expectations of service users. Friendliness is one of the main aspects of success in the service process. One example is by giving a smile, in this way service users can feel that they have been cared for and create a sense of comfort with the service provided.

The legal basis for SLF is the Regulation of the Minister of Public Works and Public Housing, namely Regulation No. 19 of 2018 concerning the Implementation of Building Construction Permits (IMB) and Certificates of Occupancy (SLF). A functionally fit certificate is a certificate issued by the local government upon request from the developer for multi-storey buildings or buildings that have been completed in accordance with the IMB and have met technical requirements based on inspections from the relevant agencies. If the IMB is a permit for the feasibility of planning a large building to be built, then the SLF is a statement regarding the suitability for the function of a building that has been completed [15].

“The employees are kind and friendly, sir, always smiling and saying hello (Satriyo, Personal Communications, June 27<sup>th</sup> 2023”



Service quality can be seen from the indicators that are met. If all 5 indicators are met, then it can be said that the quality of service is very good. If only 4 indicators are met, then it can be said that the quality is quite good. If only 3 indicators are met, then it can be said that the quality is quite good. If only 2 indicators are met, then it can be said that the quality is not good. And if only 1 indicator is met, then it can be said that the quality is poor.

## 5. Conclusions

Based on the results of research and discussions that have been carried out regarding the quality of service in the application for the issuance of a functional certificate at CV. Meter Consultants can conclude that the quality of service in this field is of quite good quality, it can be seen from the 5 indicators in the service quality theory that there are 2 indicators that have not been met.

There are several indicators that have not been met, including the dimension of physical evidence (tangible) which shows that the quality of service is still not good due to a lack of employee discipline. The responsiveness dimension shows that the quality of service is still not good due to the lack of response from CV employees. Consultant meters to service users, as well as the length of service provided. Meanwhile, the reliability dimension, assurance dimension and empathy dimension have shown good quality.

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