The Effect of Integrity, Professionalism, and Innovation on Service Performance

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ABSTRACT

This study aims to analyze the influence of Integrity, Professionalism, and Innovation in order to encourage the achievement of good service performance. This study involved 207 people from 384 employees in seven Kantor Pelayanan Perbendaharaan Negara (KPPN) in the Regional Office of the Directorate General of Treasury, Jakarta Province. The seven KPPNs were chosen because they have the same service user characteristics as other KPPNs and can represent KPPNs throughout Indonesia. Nationally, in terms of the budget managed and the number of work units served, more than half are served by the seven KPPNs. The average amount of the state budget managed by the seven KPPNs is 75.5% of all funds nationally. The technical analysis used is descriptive statistics and inferential statistics, with hypothesis testing tools using Path Analysis. The results of the study show that Integrity has a positive and significant effect on Service Performance, Professionalism has a positive and significant effect on Service Performance, Innovation has a positive and significant effect on Service Performance, Integrity positive and significant effect on Innovation, Professionalism positive and significant effect on Innovation and Integrity, Professionalism, and Innovation together have a positive and significant effect on Service Performance. This research provides evidence that Integrity, Professionalism, and Innovation as elements of the Ministry of Finance Values can create a bureaucracy that has good public service performance, so it needs to be continuously socialized and internalized to all employees of the Ministry of Finance.

INTRODUCTION

Based on 2017 Corruption Perceptions Index data released by Transparency International, Indonesia's score and ranking is still very low, even when compared to countries in the ASEAN region. Scores are calculated in the range 0-100, from highly corrupt to very clean. The greater the score obtained, the cleaner the country. Indonesia is ranked 96th in the world with a score of 37, this shows that corruption in Indonesia is still very high ("*Corruption Perceptions Index 2017," 2018*). Another institution, Political & Economic Risk Consultancy Ltd (PERC) conducted a survey of perceptions of corruption in Asia plus the United States and Australia. From the PERC survey, Indonesia has an index of 8.00 ("*Political and Economic Risk Consultancy, Ltd. Data Time Series Index," 2018*). The closer the number 1 is, the cleaner the country is from corruption, while the closer it is to 10, the country is perceived as a country with a very high level of corruption. This shows that our country is still perceived as a country that has a very high level of corruption.

This means that the institutional capacity of government in Indonesia is still ineffective in providing services to the community. Government is said to be effective if it is able to provide good quality services to the community and is supported by the quality of apparatus resources and good government policies. According to the World Bank's definition, *Government Effectiveness captures the perception of the quality of public services, the quality of the civil service and the degree of its independence from political pressures, the quality of policy formulation and implementation, and the credibility of the commitment to such policies* ("*WGI 2017 Interactive> Home," 2018*). Based on World Bank releases, Indonesia is among countries with weak government effectiveness, with a Government Effectiveness Index of 0.04. Indonesia ranks 84th in the world ("*Government effectiveness by country, around the world | TheGlobalEconomy.com*," 2018).

From the 3 surveys conducted by international institutions above, it indicates that Indonesia has a problem with its government apparatus. The survey conducted by domestic institutions, the Ombudsman of the Republic of Indonesia (ORI) also produced similar conclusions. Based on the Compliance Assessment Report of the 2017 Public Service Standards, of the 14 Ministries surveyed, only 5 Ministries or 35.17% entered with the title of High Compliance, where the Ministry of Finance was ranked in the Medium or Yellow Zone with a value of 75.25 ("*Indonesian Ombudsman - Report Research, "2018*).

Even though the organizational unit surveyed by the Ombudsman of the Republic of Indonesia is only 1 out of hundreds of organizational units in the Ministry of Finance, but it has become a warning for the Ministry of Finance to improve the quality of services as mandated by the Bureaucratic Reform. *Grand design* of Bureaucratic Reform 2010-2025, mandated that Bureaucratic Reform ought to be able to support for the enhancement and work development of Government Bureaucratic. Bureaucratic reform is expected to be able to realize public services in accordance with the expectations of the community.

Within the framework of Bureaucratic Reform, the Ministry of Finance has a strong commitment in improving public services. Therefore, the Ministry of Finance has strengthened and improved the quality of public services, in order to increase public satisfaction with the services provided. To encourage improvements in the quality of public services, the Ministry of Finance improves employee attitudes and behavior by establish-

ing Organizational Values.

John R. Schermerhorn (2010: 40) states that *values can be defined as broad preferences concerning appropriate courses of action or outcomes. As such, values reflect a person's sense of right and wrong or what "ought" to be.* According to Edgar H. Schein (2010: 13) *in the managerial literature, there is often the implication that having a culture is necessary for effective performance, and that the stronger the culture, the more effective the organization.* McShane and Von Glinow (2010: 423) say that *corporate culture strengths refer to how widely and deeply employees hold the company's dominant values and assumptions. In a strong organizational culture, most employees across all subunits understand and embrace the dominant values. These values and assumptions are also institutionalized through well-established artifacts, making it difficult to change the culture.*

Organizational values can affect organizational performance in several categories (Gorenak and Kosir 2012). If employees are committed and have the same norms and values as those owned by the organization, it will improve performance to achieve organizational goals (Shahzad et al. 2012). Awadh and Saad's research shows that the values and norms of an organization can influence employee performance (Awadh and Saad 2013).

This study intends to analyze whether the application of the Ministry of Finance's Values influences the achievement of the targets of Bureaucratic Reform, namely the performance of quality public services. Ministry of Finance values that will be used as research variables are Integrity, Professionalism, and Innovation. *Integrity will encourage individuals and organizations to work based on ethics in order to maintain customer service, trust and satisfaction* (Betchoo, 2016: 125). *Professionalism is defined as we provide high quality professional advice and support services* (Armstrong, 2006: 54). *Service innovation and product innovation positively influences customer orientation* (Wang, Zhao, & Voss, 2016: 221-230). Thus, this study will analyze the effect of Integrity, Professionalism, and Innovation on Service Performance at the Ministry of Finance, with 7 KPPN research sites in Jakarta Province.

LITERATURE REVIEW

Kotler and Lee (2008: 6) states that every community needs government, which has a very important role, namely determining community service standards, providing public services that are very important for the interests of the community. Halley (2010: 109) says that now the government has pushed and introduced techniques and marketed in all aspects of public service. Understanding service performance according to Fitz-ens (2000: 74) is an effort to satisfy people's needs. According to Kotler and Keller (2012: 356), service is any action or performance that can be offered by one party to another party. According to Parasuraman, Zeitaml and Berry (1985) in the book of Operation Strategy by James (2011: 25), service performance has 5 (five) dimensions, namely *(1) Reliability-delivery OK every time, (2) Responsiveness-delivery quick service and respond quickly to problems, (3) Assurance-employees delivering services should show competence, (4) Empathy-employees demonstrate an effort to understand customer needs, and (5) Tangible-physical surroundings must be appropriate.*

Organizations must be encouraged to always anticipate customer needs, recognize customer needs, and then meet what is needed by customers (Cameron and Green, 2009:

164). Another way for service providers to successfully retain customers is by providing consistently high quality services compared to their competitors and by exceeding customer expectations (Kotler, 2002: 206). According to Rothmann and Cooper (2008: 89), employees must have skills in service to customers needed to interact effectively with customers. Organizations need the type of resources that will give them such advantages, namely employees who have high quality in providing services needed by customers (Noe et al., 2014: 5). Wagner and Hollenbeck (2010: 50) say that companies increasingly compete on the dimensions of service quality. In the United States, employees who deal directly with customers become one of the fastest growing segments of the workforce. According to Cameron and Quinn (2006: 121) companies must manage customer service through maximum orientation on service to customers by involving them in developing services and trying to exceed the expectations and desires they ask for. According to Ritson (2012: 59), there are 8 key characteristics of excellent organizations, one of which is closeness to customers.

According to McManus (2006: 188), *Integrity comes from the same Latin root (integrity) as the word integer, referring to a notion of completeness, wholeness, and uniqueness. Tullberg (2012: 89-121), says that the word "integrity" comes from integer, meaning wholeness in Latin. This wholeness can be described as internal consistency, combining beliefs, words, and actions.* Forster (2005: 45) says that the word *'honesty' comes from the Latin honesty, meaning 'quality' or 'honor', and 'integrity' is derived from integra, meaning 'wholeness'.* According to Robbins and Judge (2013: 389), *integrity refers to honesty and truthfulness. Integrity also means having consistency between what you do and say.* McShane and Von Glinow (2010: 362) states that *integrity involves truthfulness and consistency of words and actions, qualities that are related to honesty and ethicality.*

According to Schermerhorn et al. (2010: 307), *integrity is a consistent behavior with espoused values; honest, ethical, trustworthy.* According to Hellriegel and Slocum (2011: 36) *integrity is acting consistently with principles, values, and beliefs; telling the truth; standing up for what is right; and keeping promises.* Luthan (2011: 421) states that *Integrity, which includes truthfulness and the will to translate words into de Man.* McManus (2006: 188) says that *integrity, a moral virtue that encompasses the sum of a person's set of values and moral code.* Mondy and Martocchio (2016: 162) states that *integrity refers to being honest and ethical.* According to Betchoo (2016: 125), integrity and honesty are above all. If everyone in an organization has integrity and honesty, then there will be no room for corruption. Integrity will encourage individuals and organizations to work based on ethics in order to maintain customer service, trust and satisfaction.

Pynes (2009: 331) defines integrity as an act that instills mutual trust and confidence, creates a culture that fosters high ethical standards, behaves fairly, and is ethical towards others and shows a sense of responsibility and corporate commitment to public services. Employee integrity is one of the personal behaviors that can be measured and felt through interactions between employees and customers. According to McCarthy (2016: 118) most services require direct personal interaction with customers. This interaction greatly affects customer satisfaction and customer perceptions of service quality.

The findings of Paul M. Heywood's study state that we can no longer depend on old-fashioned public service values, ethical values and traditions in the public sector in the UK

must be institutionalized. (Heywood, 2012: 474-493). Similarly, the results of Jan Tullberg's research concluded that integrity can be a useful concept for a number of problems in business ethics and organizational theory. Integrity is not only about following norms and values but also about deciding which norms and values to follow (Tullberg, 2012: 89-121). Yusnaena and Syahril's research concluded that there was a significant influence between employee integrity on employee performance (Yusnaena & Syahril, 2013 : 186-191).

Professionalism comes from the words profession and professional. Profession is defined as a job that requires an advanced skill, skill, and knowledge, whereas, professionals relate to any person or job carried out by a profession that requires expertise, skills, and knowledge (Naagarazan, 2006: 29). According to Armstrong and Taylor (2014: 50) Professionalism, *is the status of a professional which implies certain attitudes or typical qualities that are expected of a professional. According to Macintyre, professionalism is defined as the service related to achieving the public good, in addition to the practices of the knowledge of moral ideals.* Armstrong (2007: 87) states that a broader definition of professionalism is a specific skill set in accordance with standards recognized behavior. Professionalism demands high performance standards that are demonstrated by enforcing performance standards and adhering to established values and codes of conduct. Noe et al. (2014: 21) says that professionalism requires skills and knowledge in decision making.

According to Snell and Bohlander (2013: 7) corporate leaders increasingly understand that professional employees can help them increase not only company profits, but also predict trends, design new ways, and help managers enter new markets. Polynes (2009: 272) states that professional employees carry out work of a predominantly intellectual nature. Professional employees perform tasks that require advanced knowledge obtained through specialized training. Burnham and Bradbury (2003: 2) say that *one of the characteristics of professionalism is a commitment to work of the very highest stands.*

Professionalism is also applied in the public service sector. Professional bureaucracy is expected to provide good services for the community. According to Griffin and Moorhead (2014: 476) professional bureaucracy is characterized by horizontal specialization according to the area of professional expertise, small formalization, and decentralized decision making. According to Daft (2010: 29), the main purpose of professional bureaucracy is in order to improve quality and effectiveness. According to Schermerhorn et al. (2010: 408), professional bureaucracy emphasizes horizontal specialization, extensive use of personal coordination, with looser rules, policies, and procedures. Professionalism in the public service sector is expected to improve good services for the community and all stakeholders. According to James (2011: 41), the emphasis on professional services is services that operate with high variations, characterized by high levels of adjustment, where each service will be adjusted to meet customer needs and tastes.

Noe et al. (2014: 38) states that employees who have responsibility for the final service must be able to listen to customers, adapt to changing needs, and creatively solve various problems. Thus, a professional must be able to demonstrate expertise and high quality in providing services. Not a few organizations that put Professionalism as one of their values. Armstrong (2006: 54) explains that one of the values of The Scottish Parliament is Professionalism. Professionalism is defined as we provide high quality professional advice and support services.

Moreover, Idrissova Aliya Shegenovna's research led to the conclusion that professionalism of public service employees is a major and important factor in the modernization process in Kazakhstan (Shegenovna, 2014: 247-250). Saalami Issa Afegbua's research in Nigeria has concluded that the root causes of inefficiency and bureaucratic ineffectiveness are manifested in bad public services to the community because of the absence of professional public officials (Afegbua, 2015: 104). The results of Kyoung Joo Lee's research present practical implications regarding the values of professionalism to improve service quality and ability of frontline employees (Lee, 2014: 140-148). The research conducted by (Kustianingsih, Karim, & Zulfiani, 2018: 7239-7252), (Mandey, Mandey, & Tulusan, 2015: 1-11), (Dewi, Wasiati, & Azhari, 2013: 1-8), (Tamrin, Rumapea, & Mambo, 2017: 1 -9), and (Ilahuhe, Pesoth, & Tampongangoy, 2015: 1-13) concluded that professionalism has a strong and significant relationship to public services.

According to Robbins and Judge (2013: 593) innovation is a new idea applied to initiating or improving a product, process, or service. Schermerhorn et al. (2010: 376) says that innovation is the process of creating new ideas and putting them into practice. Innovation is a means for creative ideas to find their way into daily practice. According to Griffin and Moorhead (2014: 507-508), innovation is the process of creating and doing new things. According to Armstrong (2007: 357) innovation is always associated with continuous improvement, through the development of new ideas and approaches to deal with the problems and needs that are needed.

Armstrong and Taylor (2014: 161) states that in innovation, organizations encourage change and creativity, including taking risks to new things even though members of the organization do not have or have little prior experience. According to Kenny (2005: 118) innovation is to develop a breakthrough approach. According to Engelbrecht (2016: 21), in an environment where companies are unable to compete solely on price, organizations need creativity and innovation to compete. According to Axson (2010: 12), the combination of savings and rapid growth in services encourages innovation. According to Whalley (2010: 21), at the most fundamental level, companies create competitive advantage by understanding or finding new and better ways to compete.

Furthermore, innovation is a business process that must be passed by the organization. Innovation is intended to develop new business models or change existing ones and aims to get an overview of the business problems facing organizations, which lead to plans to deal with these problems (Armstrong and Taylor, 2014: 162). Why innovation is important, Schermerhorn et al. (2010: 384), conveyed the reason for the importance of innovation, innovation is the process of creating new ideas and then applying them in practical applications. Innovations produce better goods or services. Innovations produce better methods and work operations. According to Robbins and Judge (2013: 497) to realize a successful innovation process, it is necessary to develop an innovation strategy that emphasizes the introduction of new products or services. So that organizations can provide maximum service to customers, then leaders are required to have an innovative spirit. According to Pynes (2009: 330) organizational leaders must develop new insights to deal with various situations and implement innovative solutions to make organizational improvements. According to Cameron and Quinn (2006: 121) managing innovation is encouraging individuals to innovate, expanding alternatives, becoming more creative, and facilitating the discovery of new ideas.

Daft (2010: 412) said that organizations are required to always be open to sustainable innovation, not just looking for profits, even to survive in the midst of change and intense competition. According to Berman (2006: 89) in the quality paradigm, organizations invite managers to think broadly about customer service and needs, and thinking ahead to develop innovative approaches to improve service delivery. According to Noe et al. (2014: 42) to improve quality, organizations need an environment that supports innovation, creativity, and risk taking to meet customer demand. Schermerhorn et al. (2010: 377) stated that basically innovation is to produce new or better goods or services to better meet customer needs and improve service.

Research by Qiang Wang, Xiande Zhao, and Chris Voss, concludes that customer orientation positively influences service innovation and product innovation (Wang, Zhao, & Voss, 2016: 221-230). Research by Yen Hao Hsieh and Yun Hsuan Chou concluded that service innovation can improve business performance, facilitate the creation of new business value, and increase competitive strength (Hsieh & Chou, 2018: 84-102). Research on public transport in Zurich and Singapore proves the relationship between service innovation and value creation in service systems (Sebhatu, Johnson, & Enquist, 2016: 269-275). The research of Putu Sukarmen, Andi Sularso, and Deasy Wulandari proved that product innovation has an influence on consumer satisfaction and competitive advantage (Sukarmen, Sularso, & Wulandari, 2013: 64-79).

RESEARCH METHOD

The study was conducted from March 2018 to May 2019. The research method used was an associative quantitative method using survey instruments. Lancaster (2005: 146) states that collecting data through questionnaires is the main method used in survey research. Some circles consider that survey research is a research methodology that is close to the truth. Populations used as sample frame are all employees in seven KPPNs in Jakarta Province. Employees' data as of 1 April 2019 were 343 employees. Based on the Isaac and Michael formula, samples of 182 people were obtained. Employees who filled out the questionnaire only 177 people plus 30 employees who filled the instrument test questionnaire, then the entire study sample was 207 people. The analytical tool used in this research is Path Analysis. It was chosen because it is in accordance with the problems and objectives of the study, which is to find out the influence of the variables studied. Kadir (2016: 239) explains that Path Analysis is a statistical technical used to test the causal relationship between two or more variable.

The data analysis technique used is technical analysis in the form of descriptive statistics and inferential statistics. Descriptive statistics aim to obtain information about the characteristics of the variables studied. The analysis produced the data on average scores, mode, median, standard deviation, and frequency distribution. Inferential statistics are used to test analysis requirements and hypotheses. Before testing hypotheses, testing of analysis requirements is first performed, such as normality test, linearity test and homogeneity test. Based on the framework of thinking developed by the exogenous variables in this study are Integrity and Professionalism while Endogenous variables are Innovative and Service Performance. To measure and examine variables, indicators are needed as in-

termediaries that can be represented as measurement instruments. Based on the various literatures, indicators of these variables are compiled as in table 1.

Table 1 Research Variables and Indicator

Variabel	Indicator	Sources
Service Performance	Customer Satisfaction, Proactive, and Fast Response	(Cameron and Green, 2009:164), (Kotler, 2002:206), Rothmann and Cooper (2008:89), Cameron and Quinn (2006:121), Ritson (2012:59)
Integrity	Be Honest, Sincere, Trustworthy, Maintain Dignity and Don't Do Despicable Things	McShane and Von Glinow (2010:362), Hellriegel and Slocum (2011:36), Luthan (2011:421), McManus (2006:188), Mondy and Martocchio (2016:162), Betchoo (2016:125)
Professionalism	Have extensive expertise and knowledge, work with high commitment, full responsibility	Armstrong and Taylor (2014:50), Naagarazan, (2006:29), Noe et al. (2014:21), Burnham and Bradbury (2003:2), Armstrong (2007:87), Pynes (2009:272), James (2011:41)
Innovative	Continuous Improvement and Developing Creativity	Griffin and Moorhead (2014:507-508), Armstrong (2007:357),Kenny (2005:118), Engelbrecht (2016:21), Armstrong and Taylor (2014:161), Robbins and Judge (2013:497), Cameron and Quinn (2006:121), Daft (2010:412)

RESULTS AND DISCUSSIONS

The study involved 207 respondents from 7 KPPNs in Jakarta Province, which consisted of 123 male and 84 female employees. The highest education level of respondents is graduate as many as 33 people. Educated under-graduate are as many as 94 people, bachelor is as many as 42 people and senior high school/diploma is as many as 38 people. The most respondents work period is the group of 16-25 years with 75 respondents, followed by the group of 5-15 years with 72 respondents, over 25 years is as many as 52 respondents and less than 5 years is as many as 8 people. On average, the respondent's working period is 17.1 years. From this position, 41 respondents were structural officials and 166 respondents were staff.

Before testing hypotheses, three testing requirements of the analysis are carried out first, namely the normality test of the estimated error distribution, linearity analysis of regression equations, and analysis of significance. Testing of the analysis requirements must be met so that path analysis can be applied to hypothesis testing. Path analysis requires samples in the study to be taken from populations with a normal distribution and have a significant and linear relationship between variables.

The normality error distribution test is used to prove the estimated error (error) has a normal distribution. Significance analysis proves that the relationship between variables has been significant. Linearity analysis to prove the regression equation between variables has been linear. After testing, it is proven that the normality error dis-

tribution requirements have been fulfilled. After the Significance Test has been proven, the relationship between variables has been significant. Likewise, after the Linearity Test has been proven, the regression equation between variables has been linear. After all the testing requirements of the analysis have been completed and have fulfilled the requirements, testing the research hypothesis using Path Analysis.

According to Ghozali & Fuad (2014: 145), there are two fundamental and important issues that must be considered in social research and behavior. The first problem is related to measurement, namely the validity and reliability of measurement instruments, the second problem is the relationship between one variable with another variable. Almost all research models in social science and behavior are formulated in the form of hypotheses or constructs or variables that cannot be measured directly. To measure and examine constructs or latent variables that cannot be done directly, we need indicators as intermediaries that are expected to represent as measurement instruments for latent variables. To illustrate how well these indicators can be used as instruments for testing hypotheses, avoiding estimates that exceed acceptable limits, and for assessing the suitability and feasibility of the model made, it is necessary to conduct several analyzes, namely Confirmatory Factor Analysis, offending estimate analysis, goodness analysis of fit, and structural model analysis.

Confirmatory Factor Analysis is a measurement model used to test whether the indicator used is a valid indicator as a measure of latent variables. The indicators used are as in table 2.

Table 2 Indicators of Latent Variables

Latent Variable		Indicator (Manifest Variable)	
(Y)	Service Performance	(Y_{11})	Orientation on Customer Satisfaction
		(Y_{12})	Proactive Quick Response
(X_1)	Integrity	(X_{11})	Be sincere, honest, trustworthy
		(X_{12})	Maintaining Self-Dignity, Not Doing Despicable Thing
(X_2)	Professionalism	(X_{21})	Having extensive expertise and knowledge
		(X_{22})	Work with high commitment, full responsibility
(X_3)	Innovative	(X_{31})	Continual improvement
		(X_{32})	Develop Creativity

Observation variables or manifest variables or indicators that are feasible to be used as operational on constructs or latent variables must have a loading factor greater than 0.5 so that the model used has a good fit. (Hair, Black, Babin, & Anderson, 2014: 618). According to Latan (2012: 46-47), the rule of thumb that is usually used to assess convergent validity is the factor loading value must be more than 0.7 for confirmatory research and factor loading values between 0.6 - 0.7 for the research that is exploratory nature is still acceptable and the value of Average Variance Extracted (AVE) must be greater than 0.5. To complete our measurement of manifest variables as good indicators, which have good compatibility and validity, it is necessary to test using t-values

measurements. To get a good measurement, t-count must have a value greater than the critical value of 1.96. Based on data processing using Lisrel 8.80, the CFA test results are as in table 3.

Table 3 CFA Measurement Results

Variable	Indicator	*Loading Factor*	T value	explanation
Integrity (X_2)	X_{11}	0.96	18.09	Accepted
	X_{12}	0.79	13.46	Accepted
Professionalism (X_3)	X_{21}	0.95	17.99	Accepted
	X_{22}	0.87	15.64	Accepted
Innovative (X_4)	X_{31}	0.97	18.77	Accepted
	X_{32}	0.88	15.99	Accepted
Service Performance (Y)	Y_{11}	0.92	16.77	Accepted
	Y_{12}	0.87	15.52	Accepted

Based on table 3, it can be concluded that all manifest variables have good compatibility and validity as indicators to describe latent variables. All questionnaires from all variables, Integrity, Professionalism, Innovation, and Service Performance, are acceptable or valid because they have a good match. All loading factor values above 0.70 are even close to 1.00 and the t-value is greater than t-table (1.96).

To test the reliability and feasibility of a model, it is tested by *construct reliability* and *variance extracted* calculations. According to Latan (2012: 47-48), the *rule of thumb* used to assess construct reliability is that the *composite reliability* value is greater than 0.7 for *confirmatory research* and 0.6 - 0.7 values are still acceptable for research that is *exploratory*. The results of calculations using Lisrel 8.80, can be seen the value of structural reliability and variance extracts as table 4.

Table 4 Results of Construct Reliability and Variance Extracted Calculations

Variable	*Standard Loading*	Error	**Construct Reliability**				**Variance Extracted**		
			$\sum$ STd. Loading	($\sum$ STd. Loading)²	$\sum$ Error	Nilai CR	*Standard Loading²*	$\sum$ (Std. Loading)²	VE value
Integrity (X2)									
X21	0.96	0.07	1.75	3.06	0.44	**0.87**	0.92	1.55	**0.78**
X22	0.79	0.37					0.62		
Professionalism (X3)									
X31	0.95	0.10	1.82	3.31	0.34	**0.91**	0.90	1.66	**0.83**
X32	0.87	0.24					0.76		
Innovative (X4)									
X41	0.97	0.06	1.85	3.42	0.28	**0.92**	0.94	1.72	**0.86**
X42	0.88	0.22					0.77		
Service Performance (Y)									
Y11	0.92	0.16	1.79	3.20	0.4	**0.89**	0.85	1.60	**0.80**
Y12	0.87	0.24					0.76		

Based on the table above, the indicators of all latent variables have the above calculated value t, which means all indicators are valid, so there is no need to remove indicators. From the reliability calculation, all measurement models have Construct Reliability (CR) above 0.70 and Variance Extracted (VE) values above 0.50. So it was concluded that all variables were good.

Offending Estimation Analysis is needed to avoid estimation values that exceed acceptable limits. Two criteria are used, namely there are no negative error variances and standardized loading factor values which is from 0.5 to 1. Based on processing using Lisrel 8.80, all error variances have positive values. All loading factor values have values from 0.5 to 1. So it is concluded that the model has avoided estimation values that exceed the acceptable limits (offending estimates), thus testing can proceed. The results of the examination of the offending estimates are explained in table 5.

Table 5 Results of examination of offending estimates

| Indicator	Standard Error >0.00	Standard Loading 0.5-1.0
X_{11}	0.07	0.96
X_{12}	0.37	0.79
X_{21}	0.10	0.95
X_{22}	0.24	0.87
X_{31}	0.06	0.97
X_{32}	0.22	0.88
Y_{11}	0.16	0.92
Y_{12}	0.24	0.87

To see the suitability between theoretical and empirical data and to test the extent of the relationship model between variables arranged based on theoretical basis has been supported by reality, a Goodness of Fit (GoF) test was conducted. Goodness of fit is an indication of the comparison between models and covariance between indicators. If the goodness of fit produced by a model is good, then the model can be accepted, while if the resulting goodness of fit is not good, then the model must be rejected. The results of processing using Lisrel 8.80 are presented in table 6.

Table 6 Goodness of Fit Testing Research Models

No	Goodness of Fit Measure	Critical Value (Cut off Value)	Results	Evaluation
1	Chi Square (X^2)	Small value	66.98	Marginal Fit
2	P-Values	P ≥ 0,05	0.00	
3	NCP	Small value	41.98	Good Fit
4	Interval	Narrow interval	21.43 ; 70.18	
5	RMSEA	≤ 0,08	0.08	Marginal Fit
6	ECVI	Small value Approaching ECVI Saturated value	M* =0.62 S* =0.53 I*=21.37	Good Fit
7	NFI	≥ 0,90	0.98	Good Fit
8	NNFI	≥ 0,90	0.98	Good Fit
9	CFI	≥ 0,90	0.99	Good Fit
10	IFI	≥ 0,90	0.99	Good Fit
11	RFI	≥ 0,90	0.97	Good Fit
12	CN	≥ 200	124.03	Not Fit
13	SRMR	≥ 0,05	0.022	Not Fit
14	GFI	Approaching 1	0.94	Good Fit
15	AGFI	Approaching 1	0.87	Marginal Fit

Based on the table, 13 of the 15 criteria have met the criteria for goodness of fit. To assess the feasibility of a model, we can only use 4-5 goodness of fit criteria. That many criteria are considered sufficient to meet the eligibility requirements of a model. The use of 4-5 goodness of fit criteria is considered sufficient to assess the feasibility of a model, provided that each criterion of goodness of fit namely absolute fit indices, incremental fit indices and parsimony fit indices are represented (Hair et al. In Latan, 2012: 49) .

After all testing of the analysis requirements, the suitability and feasibility of the model is done with the results that meet the requirements, continued testing of the structural model. Testing is done to assess the relationship between variables arranged in the research hypothesis. The results of calculations using Lisrel 8.80 generate path diagrams as Figure 1.

Chi-Square=163.77, df=27, P-value=0.00000, RMSEA=0.157
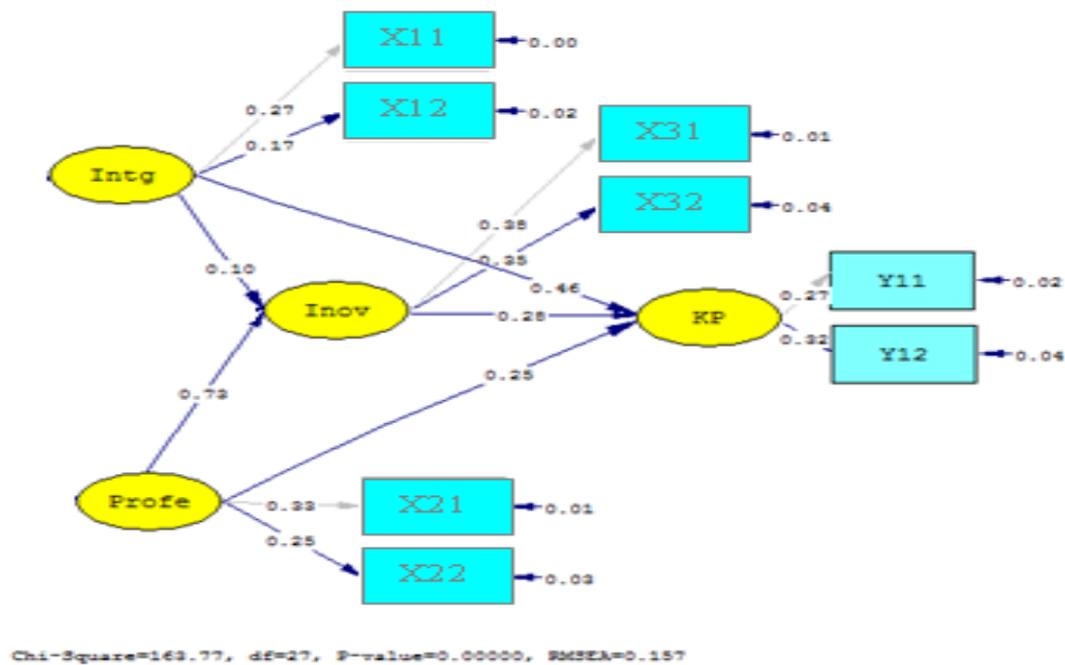
Figure 1 Structural Model (estimates)

Based on the picture above, all coefficients have a positive value, which means all variables have a positive correlation. The coefficient of the relationship between variables appears in table 7.

Table 7 Correlation Coefficient Values between Variables studied

No	Variable Relationship	Coefficient Value	Explanation
1	Integrity in Service Performance	0,46	Positive
2	Professionalism in Service Performance	0,25	Positive
3	Innovative towards Service Performance	0,28	Positive
4	Integrity towards Innovation	0,10	Positive
5	Professionalism towards Innovation	0,73	Positive

While the results of testing the model using t-values through the Lisrel 8.80 application in the diagram are drawn as Figure 2.
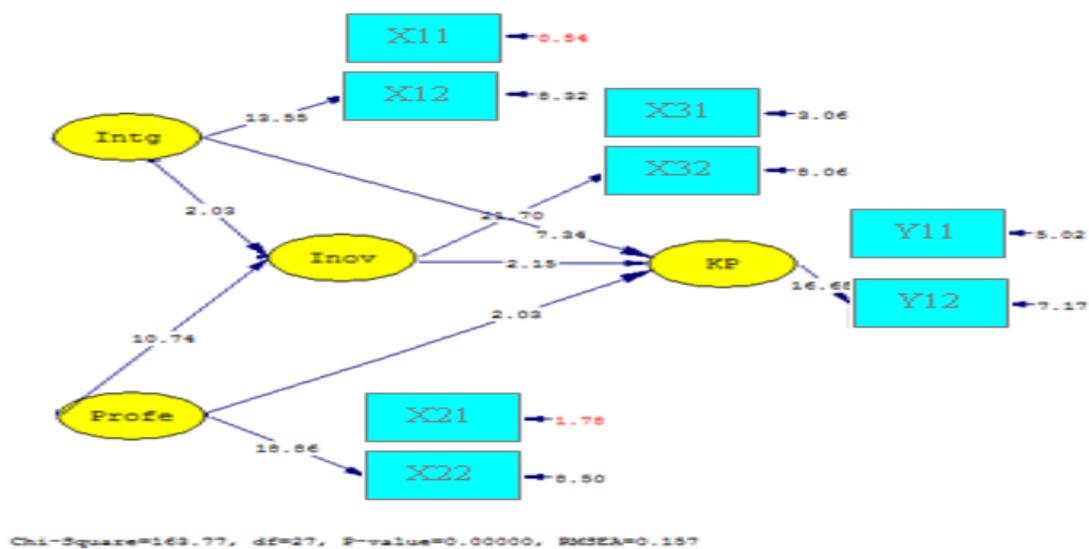
Figure 2 Structural Model (t-values)

Figure 2 shows that all path coefficients have significant values; with t-values greater than t-tables (1.96). The Lisrel 8.80 application summarizes Figure 1 and Figure 2 in the following output:

Inov = 0.10*Intg + 0.73*Profe, Errorvar.= 0.18 , R² = 0.84
  (0.050)   (0.068)   (0.033)
  2.03   10.74   5.36

KP = 0.46*Intg + 0.25*Profe + 0.28*Inov, Errorvar.= 0.24 , R² = 0.77
(0.063) (0.12)   (0.13)   (0.045)
    7.34 2.03   2.15   5.37

The first structural equation shows that Integrity has an influence on Innovation of 0.10 with a standard error of 0.050. The effect is significant, because t-test has a value of 2.03. The t-value is greater than t-table 1.96. The variable Professionalism has an influence on Innovation by 0.73 with a standard error of 0.068. The effect is significant, because t-test has a value of 10.74. The t-value is greater than t-table 1.96. Based on the structural equation, the effect of Integrity and Professionalism on Innovation is 84%, while the remaining 16% is influenced by other factors, as seen from the determinant coefficient (R2) of 0.84.

The second structural equation shows that Integrity has an influence on Service Performance of 0.46 with a standard error of 0.063. The effect is significant, because t-test has a value of 7.34. The t-value is greater than t-table 1.96. The variable Professionalism has an influence on Service Performance by 0.25 with a standard error of 0.12. The effect is significant, because t-test has a value of 2.03. The t-value is greater than t-table 1.96. The Innovative Variable has an effect on Service Performance of 0.28 with a standard error of 0.13. The effect is significant, because t-test has a value of 2.15. The t-value is greater than t-table 1.96. Based on the equation, the effect of

Integrity, Professionalism, and Innovation on Service Performance is 77%, while the remaining 23% is influenced by other factors, as seen from the determinant coefficient (R2) of 0.77. Summary of the results of hypothesis testing using the Lisrel 8.80 application is shown as in table 8.

Table 8 Results of Testing the Hypothesis of Research Models

Hypothesis	Hypothesis statement	T-Value	Explanation
H_1	The direct influence of Integrity on Service Performance	7,34	Data supports the hypothesis
H_2	The direct influence of Professionalism on Service Performance	2,03	Data supports the hypothesis
H_3	The direct influence of Innovation on Service Performance	2,15	Data supports the hypothesis
H_4	The direct influence of Integrity on Innovation	2,03	Data supports the hypothesis
H_5	The direct influence of Professionalism on Innovation	10,74	Data supports the hypothesis

The sixth hypotheses test (H6), whether there is a joint effect of Integrity, Professionalism and Innovation on Service Performance, using multiple linear regressions through the F Test.

Table 9 Simultaneous F Test

ANOVA^b						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	7080.290	3	2360.097	147.550	.000^a
	Residual	3247.024	203	15.995		
	Total	10327.314	206			
a. Predictors: (Constant), Innovation, Integrity, Professionalism						
b. Dependent Variable: Service Performance						

The significant test results above show the Sig. of 0,000. This means that for a significance level of 0.05 two tailed the effect is significant. While, for testing with the F test is carried out by comparing the values of F table with F count. Based on the test results, the Fcount value of 147,550 is greater than the Ftable value of 2,649. So it can be concluded that the Integrity, Professionalism, and Innovation variables simultaneously affect the Service Performance.

CONCLUSION

Based on the analysis conducted, it can be concluded, first, Integrity has a significant influence on Service Performance. This result proves the theory that employees who have integrity will always have a great responsibility and commitment in provid-

ing public services (Pynes, 2009: 331). Yusnaena and Syahril's research concluded that there was a significant influence between employee integrity on employee performance (Yusnaena & Syahril, 2013 : 186-191). Second, Professionalism has a significant influence on Service Performance. This result proves the theory which states that professionalism is an employee who is able to demonstrate expertise and high quality in providing services (Armstrong, 2006: 54). The results of Kyoung Joo Lee's research present practical implications regarding the values of professionalism to improve service quality and ability of frontline employees (Lee, 2014: 140-148). Third, Innovation has a significant influence on Service Performance. This result proves the theory that states that innovation is used by organizations in improving service quality (Berman, 2006: 89). Research by Yen Hao Hsieh and Yun Hsuan Chou concluded that service innovation can improve service satisfaction, business performance, facilitate the creation of new business value, and increase competitive strength (Hsieh & Chou, 2018: 84 -102). Fourth, Integrity has a significant influence on Innovation. This result proves the theory that employees with integrity are employees who have high commitment and can be relied upon, which always make improvements continuously through various innovations to improve optimal service to its customers (Folkman, 2006: 36) and (Armstrong, 2006: 54). Fifth, Professionalism has a significant influence on Innovation. This result proves the theory that employees who have high professionalism will improve their skills and abilities at work. Tight competition and very high demands from customers encourage employees to make various innovations in order to improve optimal service to their customers (Noe et al., 2014: 38). Sixth, Integrity, Professionalism, and Innovation simultaneously have an influence on Service Performance. This means that when Integrity, Professionalism, and Innovation change, it causes a significant change in Service Performance.

RECOMMENDATION

Based on the conclusion of the study, the researcher recommends first, Integration is proven to have a positive and significant effect on Service Performance and Innovation. The results of the research questionnaire were also proven to be in accordance with the results of a service user satisfaction survey conducted by Gajah Mada University which showed that the integrity of the Ministry of Finance employees was very good. Ministry of Finance employees always face a high temptation to violate the law, so integrity must remain a concern. Organizations must continue to internalize and disseminate the importance of integrity to all employees. Internal control systems must be able to easily detect possible violations. Second, Professionalism is proven to provide positive and significant influence on Service Performance and Innovation. To maintain these conditions, employees of the Ministry of Finance must always maintain and improve professionalism. Educating and developing training to improve employee competencies and capabilities must be adjusted to the development and best practices. Knowledge management of experience and best practice must be developed to enhance professionalism. Secondment programs at similar agencies can be carried out. Third, Innovation is proven to have a positive and significant influence on Service Performance. Organizations must encourage and facilitate employees to carry out various innovations, both in the form of creativity and improvements for the organization. The main task of the government apparatus is provide the best service for the satisfaction of stakeholders, then innovation to improve services needs to be encouraged. The Ministry of Finance needs to design an award that appeals to organizations and employees that produce innovation. Fourth, Values of the Ministry of Finance are proven to en-

courage the achievement of Bureaucratic Reform targets, namely creating a bureaucracy that is able to serve the public in high quality must continue to be socialized and internalized to all employees. Values that have been translated into everyday practical policies as stipulated in the Minister of Finance Regulation number 190 2018, it must be carried out consistently as standards and code of conduct for all employees and periodically must be evaluated.

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