

## THE EFFECT OF DIGITAL SERVICE INNOVATION AND EMPLOYEE COMPETENCE ON PUBLIC SATISFACTION WITH SERVICE QUALITY AS A MEDIATOR

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### Abstract

*Employing foreign workers can be done by any party in accordance with regulations, except for individual employers. However, the use of foreign workers must be carried out carefully and selectively, with attention to and prioritizing the use of domestic workers, including local workers, as long as they align with the required competencies. Every employer employing foreign workers is required to have written permission from the minister or designated official. This study aims to determine the effect of digital service innovation and employee competence on public satisfaction with service quality as a mediator at the Directorate General of Binapenta & PKK. This research is quantitative. The data analysis method used SEM-PLS analysis. The results of the hypothesis testing prove that digital service innovation, employee competence, and service quality have a significant effect on public satisfaction. Furthermore, digital service innovation and employee competency influence service quality. Furthermore, service quality mediates the influence of digital service innovation and employee competency on customer satisfaction.*

**Keywords:** *Digital Service Innovation, Employee Competency, Service Quality, Customer Satisfaction*

### Abstrak

Perekrutan pekerja asing dapat dilakukan oleh pihak mana pun sesuai dengan peraturan yang berlaku, kecuali oleh pengusaha perorangan. Namun, penggunaan pekerja asing harus dilakukan dengan hati-hati dan selektif, dengan memperhatikan dan memprioritaskan penggunaan pekerja domestik, termasuk pekerja lokal, selama mereka sesuai dengan kompetensi yang dibutuhkan. Setiap pengusaha yang mempekerjakan pekerja asing wajib memiliki izin tertulis dari menteri atau pejabat yang ditunjuk. Penelitian ini bertujuan untuk mengetahui pengaruh inovasi layanan digital dan kompetensi karyawan terhadap kepuasan masyarakat terhadap kualitas layanan sebagai mediator di Direktorat Jenderal Binapenta & PKK. Penelitian ini bersifat kuantitatif. Metode analisis data yang digunakan adalah analisis SEM-PLS. Hasil pengujian hipotesis membuktikan bahwa inovasi layanan digital, kompetensi karyawan, dan kualitas layanan memiliki pengaruh signifikan terhadap kepuasan masyarakat. Lebih lanjut, inovasi layanan digital dan kompetensi karyawan memengaruhi kualitas layanan. Selain itu, kualitas layanan memediasi pengaruh inovasi layanan digital dan kompetensi karyawan terhadap kepuasan pelanggan.

**Kata kunci:** *Inovasi Layanan Digital, Kompetensi Karyawan, Kualitas Layanan, Kepuasan Pelanggan*

## **INTRODUCTION**

The employment of foreign workers may be carried out by any party in accordance with the provisions, except for individual employers. However, the recruitment of foreign workers must be carried out wisely and carefully, with a special emphasis on domestic workers, including local workers, who have the required qualifications. Every employer who hires foreign workers must have written permission from the minister or designated official, except for representatives of foreign countries who are foreign workers as diplomatic and consular employees based on Article 42 of Law Number 34 of 2021 concerning the Use of Foreign Workers.

The Directorate of Foreign Worker Use Control (PPTKA) has the main task of formulating and implementing policies related to the control of foreign worker use in Indonesia. This includes supervision, licensing, and law enforcement related to the use of foreign workers. The PPTKA supervises the implementation of foreign worker use permits in various sectors and companies, ensuring compliance with applicable regulations. It also processes applications for foreign worker permits, including the Foreign Worker Utilization Plan (RPTKA). In addition, it takes action against violations related to the use of foreign workers, such as employing illegal foreign workers or employing foreign workers in a manner that does not comply with the permit granted. It coordinates with relevant agencies, such as labor inspectors, immigration, and other government agencies in controlling the use of foreign workers. It then submits reports related to the use of foreign workers to the Minister of Manpower or designated officials.

Organizers are obliged to apply the principles of efficiency, innovation, quality, and effectiveness in the provision of public services. Since the orientation of public services is public satisfaction, the public receives services in line with their expectations or even exceeding them. However, the public still feels that the services offered by government officials are inadequate. The large number of official complaints submitted on online forums and in news articles proves this. These complaints will undoubtedly have a negative impact on the government if they are not addressed. In addition, these complaints have the potential to foster public distrust. To improve public services, it is very important to conduct public satisfaction surveys that measure consumer satisfaction with services (Kemnaker, 2023).

The Community Satisfaction Index for Integrated Services (PTSA) within the Directorate General of Binapenta and PKK of the Ministry of Manpower of the Republic of Indonesia during 2022-2024 shows a good score, as service performance is in the range of 76.61 - 88.30, which is in the Good category. Although the overall assessment is good, based on a quadrant analysis, several indicators were found that need to be improved immediately. These include improving service speed, ease of service procedures, ease of obtaining updates on each stage of the process, ease of requirements, and clarity and certainty of the employees providing the service.

Improvements in service quality through digital service innovation and employee competency enhancement are expected to increase public satisfaction. However, empirically, inconsistent results have been found. Empirically, there are contradictory results in studies on the effect of digital service innovation and competency on service quality and public satisfaction. Mustaghfiroh et al. (2024) and Putri and Dewi (2025) show that consumer satisfaction is influenced by service digitalization. However, Azzahro's (2025) study shows that customer satisfaction is not affected by bank digitalization.

Then, the influence of competence on public satisfaction in the research by Putri

and Dewi (2025), Husna, et al. (2025) proves that employee competence affects public satisfaction. However, research by Ratmelia et al. (2024) shows that competence does not affect public satisfaction. In addition, Aini et al. (2025) studied how employee skills affect the effectiveness of public services, while Murni and Setiawan (2022) showed that the character of public services is positively influenced by employee competence. However, research by Endang et al. (2023) shows that service quality is not influenced by competence.

The effect of digital service innovation on service quality in the studies by Dayar and Laila (2025) and Nurmalah et al. (2024) proves that digital service innovation affects service quality. However, the study by Azzahro (2025) shows that service quality is not affected by digitization. Furthermore, the effect of service quality on public satisfaction, in the research by Husna et al. (2025), shows that satisfaction is positively influenced by service quality. However, research by Ardiyanto et al. (2024) shows that service quality does not affect public satisfaction.

## **LITERATURE REVIEW**

### **Satisfaction Theory (*The Expectancy Disconfirmation*)**

Oliver (2010:8) defines satisfaction as a "response to fulfillment," which is the consumer's assessment "that a product provides a level of satisfaction related to enjoyable consumption." This definition describes two important characteristics of the concept of satisfaction. First, satisfaction is viewed as an attitude directed toward a specific evaluation target. In the case of consumer satisfaction, this target is a product, such as a physical good or service. Second, satisfaction is related to the relative fulfillment of individual needs that are expected to be met by the product.

The expectation-disconfirmation theory discusses the latter perspective on satisfaction, stating that satisfaction is determined by the extent to which the performance of a particular product, as perceived by consumers, meets their individual performance expectations (Oliver, 2010:8). As a result, the expectation-disconfirmation theory encompasses at least four core concepts:

(1) performance expectations, (2) perceived performance, (3) disconfirmation, defined as the extent to which perceived performance exceeds (positive disconfirmation) or falls short of (negative disconfirmation) individual performance expectations, and (4) consumer satisfaction (Schiebler, et al., 2025).

### **Community Satisfaction**

According to Kotler and Keller (2012:128), satisfaction is defined as follows: satisfaction is a feeling of pleasure or disappointment that arises after comparing the perceived performance (or results) of a product with one's expectations. If the performance is below expectations, customers feel dissatisfied. If it meets expectations, customers feel satisfied. If it exceeds expectations, customers feel very satisfied or happy.

According to Regulation of the Minister of State Apparatus Empowerment and Bureaucratic Reform Number 14 of 2017, "Public satisfaction is the result of public opinion and assessment of the performance of services provided to public service providers."

Peter & Olson (2010:387) state that customer satisfaction is an important concept in consumer research and marketing. This theory states that satisfied customers are more likely to continue purchasing products or services or choosing that brand, and they are

also more likely to tell others about their positive experiences. They may switch to different products or brands and talk to companies, stores, and other customers about their negative experiences if they are dissatisfied.

According to Regulation of the Minister of State Apparatus Empowerment and Bureaucratic Reform Number 14 of 2017, the elements of public satisfaction consist of:

- 1) Requirements
- 2) Systems, Mechanisms, and Procedures
- 3) Completion Time
- 4) Costs/Fees
- 5) Product Service Specifications
- 6) Competence of Implementers
- 7) Implementer Behavior
- 8) Handling of Complaints, Suggestions, and Feedback
- 9) Facilities and Infrastructure Sarana dan Prasarana

### **Service Quality**

According to Zeithaml and L. Berry (2009), service quality is the comparison between the service expected by consumers and the service they receive. If the service received exceeds customer expectations, the service quality is perceived as ideal. Conversely, service quality is considered poor when the service provided does not meet expectations.

Tjiptono (2019:304) defines service quality as a way to fulfill customer desires and needs, as well as providing accurate services to meet their expectations. On the other hand, Priansa and Wibowo (2017:159) define service quality as the level of excellence expected by customers and the flexibility to change that level to meet their needs.

According to Tjiptono (2019), there are five dimensions of service quality, namely:

- 1) Reliability, which is the ability to provide promised services promptly, accurately, and satisfactorily.
- 2) Responsiveness, which is the willingness of staff to assist customers and provide responsive service.
- 3) Assurance, which includes the knowledge, competence, courtesy, and trustworthiness of the staff; freedom from danger, risk, or doubt.
- 4) Empathy, which includes ease in establishing relationships, good communication, personal attention, and understanding of individual customer needs.
- 5) Tangibles, including physical facilities, equipment, employees, and communication tools. Something that is visible, something that customers can touch, smell, see, and hear.

### **Digital Service Innovation**

According to Pasaribu, et al (2025), service digitalization is a technological advancement that we are currently experiencing. The digitalization service system is an effort implemented to help improve operational efficiency and help the community to do various things more easily. Service digitalization is a technological advancement applied in the form of services in offices or companies to help the community to do things more easily and efficiently.

According to Chaffey and Smith (2017), service digitization is the process of transforming traditional services into technology-based digital services to improve efficiency, effectiveness, and convenience for users. This process involves the use of

information technology to automate and simplify consumer interaction services.

According to Sangaji and Irianto (2025), public service digitization is a comprehensive process that involves the use of information and communication technology (ICT) to provide services to the public. The goal of this process is to make government services better, faster, and more reliable.

According to Rahmawati and Damanik (2023), the indicators of digital service innovation are as follows:

- 1) Benefit This is a key factor for success because it shows how much significant benefit or added value a product or technology system can provide to users.
- 2) Ease of use is an important factor that needs to be considered when developing digital services.
- 3) Service effectiveness is the ability of an organization or individual to provide services to consumers in a timely manner, in sufficient quantity, with adequate quality, and in accordance with client needs.

### Employee Competence

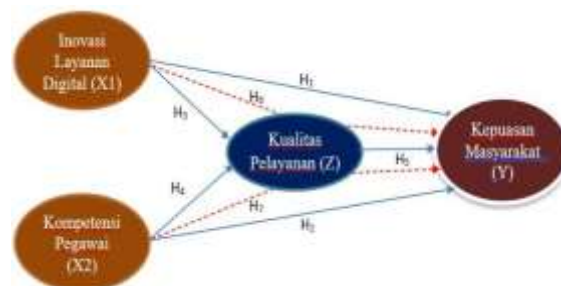
Armstrong and Taylor (2020:164) state that: The term 'competence' means that they possess the basic characteristics that make them competent. Rahadi (2021:9) defines "Competence as a combination of knowledge, skills, abilities, and behaviors that workers use to perform their jobs. These things are very important for employees to achieve meaningful results for the organization's business strategy."

Silaen et al. (2021) state that "competence is an individual's ability to perform a job correctly and have advantages based on matters relating to knowledge, skills, and attitude." Silaen, et al. (2021:61-62) state that to fulfill the elements of competency, an employee must fulfill the following elements:

- 1) Knowledge: Possesses knowledge related to the work for which they are responsible, as a result of formal education, training activities, or courses.
- 2) Skill; Possess a deep understanding of their field and the ability to apply it effectively.
- 3) Attitude; Maintaining ethical standards within the organization and being friendly and polite in their actions.

### Research Model

Based on the problem formulation, theoretical framework, and several findings from previous empirical studies, the conceptual framework can be illustrated as follows.



**Figure 2.1. Research Model**

Source: Putri and Nuning (2025), Dayar and Laila (2025), Aini, et al. (2025), and Husna, et al. (2025)

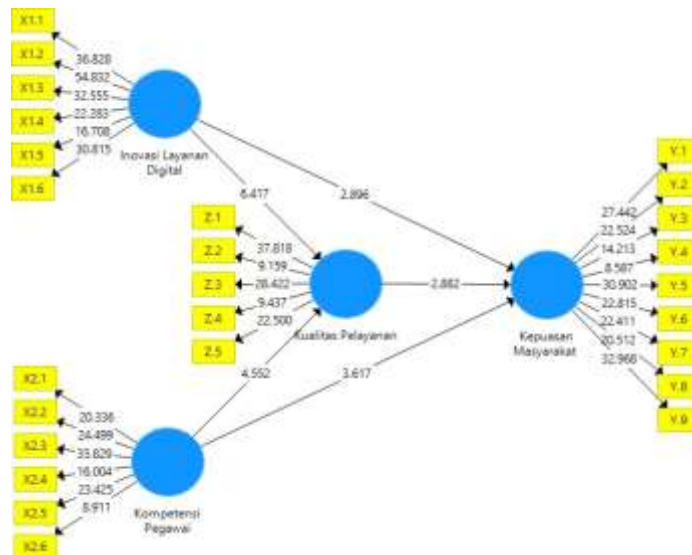
## RESEARCH METHODS

This study is quantitative in nature. In terms of the relationship between variables, it can also be classified as a causality study. The variables studied are digital service innovation and employee competence as independent variables. Public satisfaction is the dependent variable, and service quality is the mediating variable. Data analysis techniques use SEM-PLS analysis.

## RESULTS AND DISCUSSION

The object of this study is employees at the Directorate General of Manpower Placement and Expansion of Employment Opportunities (abbreviated as Ditjen Binapenta & PKK), which is an implementing agency under and responsible to the Minister of Manpower. Ditjen Binapenta & PKK is led by a Director General who is tasked with formulating and implementing policies in the field of manpower placement and employment opportunity expansion.

Hypothesis testing in this study is based on the values found in the SEM analysis with hypothesis testing value limits. After undergoing outer model and inner model testing and fulfilling both requirements, the following are the results of the research



hypothesis testing:

**Figure 4.1 Hypothesis Test Results**

Source: Primary Data, 2026 (reprocessed)

In determining the construct hypothesis,  $t_{count} > 1.96$  is considered to have a significant effect. The path coefficient and significance test results are as follows:

**Table 4.1 Hypothesis Test Results**

Hipotesis	Variabel	Path coefficient	T-Statistics	P-Value	Keterangan
<b>PENGARUH LANGSUNG</b>					
H1	Inovasi layanan digital ->	0,271	2,896	<b>0,004</b>	Berpengaruh

	<b>Kepuasan masyarakat</b>				
<b>H2</b>	<b>Kompetensi pegawai -&gt; Kepuasan masyarakat</b>	0,372	3,617	<b>0,000</b>	Berpengaruh
<b>H3</b>	<b>Inovasi layanan digital -&gt; Kualitas pelayanan</b>	0,474	6,417	<b>0,000</b>	Berpengaruh
<b>H4</b>	<b>Kompetensi pegawai -&gt; Kualitas pelayanan</b>	0,360	4,552	<b>0,000</b>	Berpengaruh
<b>H5</b>	<b>Kualitas pelayanan -&gt; Kepuasan masyarakat</b>	0,304	2,882	<b>0,004</b>	Berpengaruh
<b>PENGARUH TIDAK LANGSUNG (INTERVENING)</b>					
<b>H6</b>	<b>Inovasi layanan digital -&gt; Kualitas pelayanan -&gt; Kepuasan masyarakat</b>	0,144	2,419	<b>0,016</b>	Berpengaruh
<b>H7</b>	<b>Kompetensi pegawai -&gt; Kualitas pelayanan -&gt; Kepuasan masyarakat</b>	0,109	2,362	<b>0,019</b>	Berpengaruh

## DISCUSSION

### 1. The Effect of Digital Service Innovation on Public Satisfaction

The results of this study prove that digital service innovation has a significant effect on the satisfaction of the public who apply for foreign worker permits at the Directorate General of Binapenta & PKK. With an improved digital process, the application process will be more transparent, faster, and easier, thereby increasing public satisfaction, which reflects better public services.

These findings support previous research by Mustaghfiroh et al. (2024), which proved that the digitization of services affects customer satisfaction. Similarly, Putri and Dewi (2025) proved that the effectiveness of digitized services has a positive effect on public satisfaction.

The results of the descriptive analysis of the respondents' responses also show that the use of digital services helps consumers who are applying for foreign worker permits to complete the process more effectively. In addition, the interface of the SIPTKA digital service website is easy to understand, making it easier for consumers to apply for these permits.

Digital service innovations such as the online Foreign Worker Management System (TKA) at the Directorate General of Binapenta & PKK have had a significant impact on public satisfaction by improving time efficiency, process transparency, and data accuracy. Digitalization reduces bureaucracy, minimizes face-to-face interactions, and speeds up licensing, which ultimately increases trust and convenience for service users.

Online TKA management cuts through lengthy bureaucratic processes, enabling faster processing compared to conventional methods. In addition, users can monitor the status of their applications in real time, which increases transparency and legal certainty. The use of digital systems minimizes human error in licensing data input, resulting in more accurate documents. Overall, the digital transformation at the Directorate General of Binapenta & PKK is a positive strategic step in providing modern and responsive employment services.

## **2. The Influence of Employee Competence on Public Satisfaction**

The results of this study prove that employee competence has a significant effect on the satisfaction of people who apply for foreign worker permits at the Directorate General of Binapenta & PKK. Improved employee competence, such as technical knowledge, skills, and professional attitudes, directly determines the speed, accuracy, and friendliness of the service process, thereby satisfying consumers who apply for permits.

These findings support previous research by Putri and Dewi (2025), which stated that employee competence has a positive effect on public satisfaction. Husna et al. (2025) also proved that employee competence affects customer satisfaction.

The descriptive analysis also shows that employee competence is demonstrated by employees who are able to communicate well (politely) with consumers. Employees are also proficient in using SIPTKA equipment and software applications when serving consumers. With such good employee competence, consumers feel that they receive excellent service at the Dit.PPTKA unit.

Competent employees understand the latest TKA regulations, enabling the document verification process (such as TKA-Online) to be carried out quickly and with minimal errors. Satisfaction increases when the permit processing time meets standards. The ability of employees to provide clear and accurate information regarding TKA requirements (such as RPTKA) reduces confusion among applicants, which directly contributes to public satisfaction. TKA licensing is part of the Ministry of Manpower's efforts to support investment. High competence minimizes illegal fees or procedural obstacles that can damage the image of government services, as highlighted in cases of abuse of authority.

## **3. The Effect of Digital Service Innovation on Service Quality**

The results of this study prove that digital service innovation has a significant effect on service quality for people who apply for foreign worker permits at the Directorate General of Binapenta & PKK. Digital service innovation enables data integration through digital systems (including convenience for foreign workers in the regions), thereby increasing user satisfaction (companies/foreign worker users) due to faster, more

efficient, and more accurate processes.

These findings support previous research by Aini et al. (2025) that service innovation affects the quality of public services. Similarly, Dayar et al. (2025) stated that the digitization of administrative services has a positive effect on service quality. The descriptive analysis also shows that this digital service innovation has made the time needed to complete transactions/services through this digital platform more efficient. In addition, this digital service provides complete and accurate information. This digital innovation has made the procedures and requirements for managing foreign workers clear and easy to understand, resulting in better service quality, more information, and well-maintained data and document confidentiality.

Digital service innovations enable documents to be processed independently from anywhere, cutting red tape and minimizing physical contact. Data integration through digital systems (including ease of access for foreign workers in the regions) increases user satisfaction (companies/foreign workers) due to faster, more efficient, and more accurate processes. Overall, the digital transformation of foreign worker permit processing improves the effectiveness of public services, creates legal certainty, and supports the productivity of relevant economic sectors.

#### **4. The Influence of Employee Competence on Service Quality**

The results of this study prove that employee competence has a significant effect on the quality of service provided to the public who apply for foreign worker permits at the Directorate General of Binapenta & PKK. High competence including regulatory knowledge, technological skills, and professional behavior has a direct impact on service quality in terms of speed and accuracy, thereby improving service.

These findings support previous research by Murni and Setiawan (2022) that employee competence affects the quality of public services. In line with this, Aini et al. (2025) have shown that the quality of public services has a positive impact on employee competence. The descriptive analysis also shows that employees have a good understanding of the RPTKA application and approval process. Employees are also able to communicate well (politely) with customers. This improves the quality of service provided by officers, who give personal attention to the specific needs or situations experienced by users when encountering obstacles in the RPTKA application process.

Competent employees who understand online procedures (TKA Online) and regulations (such as Permenaker No. 10 of 2018) are able to speed up document verification. This reduces waiting time (the RPTKA process can be completed more quickly) and minimizes administrative errors. Competence in information technology improves system interoperability, making services more transparent and efficient for service users. Competent officers, whose understanding of the latest TKA regulations is continuously updated, are able to provide accurate guidance. This is crucial considering that TKA regulations (such as KITAS/VITAS) are often adjusted, and misinformation can have legal implications. Employee competency is not only about individual expertise, but is key to creating efficient and reliable public services in sensitive sectors such as the use of TKA.

#### **5. The Effect of Service Quality on Public Satisfaction**

The results of this study prove that service quality has a significant effect on the satisfaction of the public who apply for foreign worker permits at the Directorate General

of Binapenta & PKK. This means that the higher and better the quality of service provided (fast, transparent, accurate), the higher the level of satisfaction of companies using foreign workers, and vice versa.

This finding supports previous research by Husna et al. (2025), which proved that service quality has a positive effect on patient satisfaction. Similarly, Ratmelia et al. (2024) proved that the quality of public services has an effect on public satisfaction. The descriptive analysis also explains respondents' responses that increasingly innovative service quality through digitalization is able to satisfy users who apply for foreign worker permits because of easier access and updated information at every stage of the service process, which can be monitored by users. This gives users a sense of clarity and certainty from the officers who handle foreign worker permit applications.

The Ministry of Manpower continues to improve the interoperability of foreign worker service systems (such as TKA Online and Mo-Lina) to increase efficiency and transparency. Reliable digital systems have been proven to significantly increase satisfaction by reducing face-to-face interactions, speeding up processes, and facilitating document tracking. Satisfaction increases when the processing time for RPTKA or VITKA (Foreign Worker Permit Visa) becomes faster than manual methods. The quality of service at the Directorate General of Binapenta & PKK is key. Good, transparent, and technology-based services will increase user satisfaction, which will ultimately facilitate the entry of skilled foreign workers for investment needs in Indonesia.

Digital service innovations such as the TKA Online and Molina (Mobility in Local Areas) systems at the Directorate General of Binapenta & PKK Kemnaker have significantly improved the quality of foreign worker licensing services. This technology provides high efficiency, transparency, and speed of process, reduces face-to-face interaction, and speeds up document issuance time, which ultimately increases user satisfaction.

## **6. The Impact of Digital Service Innovation on Public Satisfaction Through Service Quality**

The results of this study prove that service quality has a significant effect in mediating the influence of digital service innovation on the satisfaction of people who apply for foreign worker permits at the Directorate General of Binapenta & PKK. Digital innovation (such as the TKA Online/Molina system) does not directly guarantee satisfaction if it is not balanced with good service quality.

Digital service innovations (applications, online systems) improve the efficiency, transparency, and speed of processes, which are part of service reliability. However, technology alone is not enough. Service quality, which includes responsiveness (staff responsiveness) and assurance (guaranteed certainty of permits), is an important intermediary. When digital innovations (such as TKA Online) are implemented, service quality mediates in the form of:

- **System Reliability (Responsiveness & Reliability):** Fast and reliable digital systems, supported by prompt assistance services, significantly increase satisfaction.
- **Transparency & Assurance:** Digital innovation reduces face-to-face interaction, but the quality of service provided by officers in responding to technical issues provides assurance and a sense of security for companies/foreign workers.
- **Empathy & Convenience:** Good service quality means ease for users in understanding the new system, reducing stress and procedural complexity.

As a result, when digital service innovations (technology) are managed with good service quality (humanities/procedures), service users will be very satisfied, because services become faster, cheaper, safer, and more accessible. Digital service innovation at the Directorate General of Binapenta & PKK will only result in high satisfaction if service quality—both in terms of system responsiveness and staff assistance—is maintained. Without service quality, digital innovation risks causing low satisfaction due to unresolved technical difficulties.

## **7. The Influence of Employee Competence on Public Satisfaction Through Service Quality**

The results of this study prove that service quality has a significant effect in mediating the influence of employee competence on the satisfaction of people who apply for foreign worker permits at the Directorate General of Binapenta & PKK. This means that high employee competence alone is not enough to directly create public satisfaction; this competence must be manifested in service quality (process, speed, friendliness, and accuracy) in order for the public to feel satisfied.

High employee competence (technical knowledge and skills in licensing) improves service quality, especially in terms of response speed and accuracy of foreign worker documents. Good service quality (in terms of tangibles, reliability, responsiveness, assurance, empathy) has been proven to significantly increase customer or community satisfaction. Service quality acts as a bridge. If employee competence is high but not supported by a good service system, satisfaction will not be achieved. Conversely, high competence applied in responsive service will result in high satisfaction.

Competent employees will accelerate the TKA licensing process (such as RPTKA/TA-01) through TKA Online accurately, reducing complaints and increasing trust. The quality of service at the Directorate General of Binapenta & PKK is key to how employee competence (service providers) translates into public satisfaction (service recipients). Good employee competence without excellent service quality (e.g., slow, complicated) will result in low satisfaction.

## **Conclusion**

1. Digital service innovations significantly impact the satisfaction of the public who apply for foreign worker permits at the Directorate General of Binapenta & PKK.
2. Employee competence has a significant impact on the satisfaction of people who apply for foreign worker permits at the Directorate General of Binapenta & PKK.
3. Digital service innovations have a significant impact on the quality of service for the public who apply for foreign worker permits at the Directorate General of Binapenta & PKK.
4. Employee competence has a significant impact on the quality of service for the public who apply for foreign worker permits at the Directorate General of Binapenta & PKK.
5. Service quality has a significant impact on the satisfaction of the public who apply for foreign worker permits at the Directorate General of Binapenta & PKK.
6. Service quality has a significant effect in mediating the influence of digital service innovation on the satisfaction of people who apply for foreign worker permits at the Directorate General of Binapenta & PKK.
7. Service quality has a significant effect in mediating the influence of employee

competence on the satisfaction of people applying for foreign worker permits at the Directorate General of Binapenta & PKK.

## **Recommendations**

The following are some recommendations that can be presented in this study:

### **Theoretical Recommendations**

1. For future researchers, it is recommended to expand the companies studied as samples in the processing of foreign worker permits by involving various industrial sectors, service sectors, and Special Economic Zones (SEZs), as this study only focused on agricultural and maritime companies. Meanwhile, there are many company sectors that process permits at the Directorate General of Binapenta & PKK.
2. This study proves that the variables of digital service innovation, employee competence, and service quality affect public satisfaction. It is hoped that future studies can use other variables that can affect public satisfaction, such as price or cost, communication, technical performance, and so on.

### **Practical Recommendations**

The following practical recommendations are provided to employees at the Directorate General of Binapenta & PKK Kemnaker and service users in the processing of foreign worker permits :

1. For service users, it is hoped that with the digitization of services, the service process can be faster. Ensure that all supporting documents (passports, diplomas, employment contracts, certificates) are scanned clearly and uploaded in the requested format (PDF/JPG) to avoid automatic rejection by the system. Companies must also comply with reporting the use of foreign workers online every year or after the contract ends to maintain the company's compliance rating (facilitating the next permit process).
2. Regarding employee competence, employees are expected to always update their understanding of the latest Minister of Manpower Regulations, such as those concerning RPTKA and related permits, in order to provide accurate and responsive information. Employees can optimize the helpdesk or consultation services, both online and offline, to help employers understand the latest regulations and minimize document errors.
3. Regarding service quality, officers are expected to respond promptly to questions or requests for assistance related to TKA administration. Ensure that all RPTKA (Foreign Worker Utilization Plan) documents are uploaded completely, clearly, and correctly to the tka-online account. Incomplete or illegible documents are the main causes of delays. It is also important to understand that the Ministry of Manpower's system is connected to Molina (Immigration) for efficiency, so the data must be consistent between the RPTKA and VITAS.
4. Regarding public satisfaction with the ability of officers to provide licensing services, officers must provide clarity on the status of RPTKA applications, whether approved, rejected, or requiring revision, without "delaying" the issuance of permits. Officers must be proficient in operating the tka-online.kemnaker.go.id system to verify documents efficiently. Officials must proactively inform applicants about the required documents for the system (application letter, RPTKA, identification, etc.) to avoid rejections due to technical reasons.

## **Implications**

The results of this study are expected to be useful, particularly for the Directorate General of Binapenta & PKK as well as the community or users who apply for foreign worker permits. By utilizing digital services and improving the competence of officers and service quality, it is hoped that the entire permit process will become faster and more accurate. In general, the integration of the two aims to improve the efficiency, transparency, and speed of the process, although there are still technical challenges in the field.

Meanwhile, employees with good digital competencies (technical, cognitive, and social) are able to provide guidance, process requests quickly, and overcome users' technical obstacles. Competent and responsive employees directly contribute to a positive user experience when interacting with the services of the Directorate General of Binapenta.

When digital service innovations function well and employees demonstrate high competence, user satisfaction increases because the licensing process becomes easy, fast, and transparent. Conversely, when digital systems frequently experience errors (despite innovations) or employees are incompetent/unresponsive, user satisfaction declines dramatically, especially if it results in financial or operational losses for the company.

## **Limitations**

This study has a number of limitations, such as the disclosure of theories and limited time. In the future, it is hoped that researchers can use samples from companies across sectors so that the results of the study can be generalized on the impact of digital service innovation and employee competence and service quality on the satisfaction of users of foreign worker permits at the Directorate General of Binapenta & PKK.

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