

STRATEGIC MANAGEMENT APPLICATION TO ENCOURAGE BUREAUCRACY REFORM

By
Karhi Nisjar S^{*)}
Yuyu Komariyah^{**)}

BACKGROUND

The Indonesia bureaucracy has been admittedly showing low quality performance, inefficiency, ineffectiveness, and is widely known to conduct corruption, collusion and nepotism practices. This condition is basically caused by two main problems, namely the governance of which has been centralized for 30 year period and the fact that the power center is mainly dominated by the executive sector so that it induces the unclarity of check and balance. At the level of Elite State Officers of Legislative, Judicature and Executive, check and balance is neither clear nor precise. Unfortunately, at the level of Departments and Non Department Institutions there has been relatively unclear internal control.

That by the end of the 21st Century if the generation of the nation does not intend to be trapped into a very deep disastrous gulf, the great demand of bureaucracy reform is a very strategic need to save the nation. Therefore, it has not been quite appropriate just to expose a *political will* from the policy makers. What we urgently require at the moment and in the future is a *political action*, which has been proliferated into a *grand strategy* to be followed up with a *grand action plan*. The required *political action* is not merely partial bureaucracy reform but the bureaucracy reform, which is systemic, integrated and supporting. The intended reform is the one, which can respond to the real demands in accordance with nation culture and the competitive nation's superiority.

REFORM, RESTRUCTURIZATION, REVITALIZATION, AND REVOLUTION

The term revitalization, restructurization, reform, and even revolution have basically had similar soul in terms of meaningful transformation for enhancement. Revitalization is an effort to revitalize the bureaucracy function, which once lived, and successfully played a great role in an organization life, unfortunately later on it underwent some degradation.

Restructurization is an intervention to enhance efficiency and productivity of an organization through the change of organization status, the organization structure, and other institutional cases. Macro scale restructurization is usually identical with organizational or institutional restructurization. From micro point of view, restructurization covers the aspects of organization performance, operational teamwork, working procedures as well as authority delegation and autonomy. The main components of Restructurization as pointed out by Bennis and Mische (1995:6-12) contain courageous vision, systematic design, clear and precise aims and targets, specific methodology, and effective and shared leadership.

^{*)} Kepala LAN Perwakilan Jawa Barat Periode Tahun 1992 - 1998

^{**)} Dosen STIA LAN Bandung

Revolution, on the other hand, means the social and cultural change, which runs properly and involves basic and principles life of community. Within a revolution, the occurring transformation may have been previously planned or not planned and can be run with or without an inhumanity. The pace measurement of a transformation is quite relative because a revolution can also take a very long time. For example, the industry revolution in England took tens of years, but it is regarded fast because it could change the very basic life of the community – such as family system and the employer employee relationship which had been running for hundreds of years.

If applied in a bureaucracy system, revolution can be defined as a quick bureaucracy transformation, which involves the transformation of the root and principles of bureaucracy life.

Bureaucracy reform has been frequently meant partially as government organization restructurization and does not cover multi integrated and systemic dimension. The concept needs to be refined with revitalization of the implementation of governance functions and principles as well as the soul implementation of the Administration System of the Republic of Indonesia.

It means that bureaucracy reform in principle means the integration between revitalization and restructurisation which can be conducted quickly (revolutionary) or gradually (evolutionary).

One of the urgent things to do in reform is through thorough human resource capacity building as an integrated part of 3 aspects of capacity building namely system capacity building, organizational capacity building and human resources capacity building.

If the acceleration process of bureaucracy is essential, a revolution in human resources competencies is required. If necessary, the current civil servants are rightsized or even changed at all.

Every changing condition of bureaucracy has caused the requirement for a bureaucracy reform. The changes are as follows:

Table 1. Changing Nature of Bureaucracy Condition

Past condition	Current condition
Unskilled work	Knowledge work
Meaningless repetitive task	Innovation and caring
Individual work	Team work
Functional based work	Project based work
Single skilled	Multi skilled
Power of bosses	Power of customers/stakeholders
Coordination from above	Coordination among peers/participatory

Adapted from Pinchot & Pinchot, 1993 : 23-28

As stipulated by Nisjar (2004:11) that one of the failure aspects of a reform in Indonesia is the weaknesses of government institutional and human resources. In one of his papers

Nisjar (2004), entitled *Several through in attaining Good Governance*, describing his worried to the nation condition such as the continuous monetary crisis which leads to economic crisis, politics even trust crisis to the government. The economic growth, which does not pay attention to justice and other weaknesses including the growing Corruption Collusion and Nepotism (CCN) in the government body, has been deteriorated by the low performance of government apparatus.

From the above condition, Nisjar (2004) suggests some strategies to restructure the government as follows:

1. Strengthening government organization restructurization at both central and local level.
2. Simplifying the government bureaucracy procedures
3. Developing the recruitment pattern based on quality and competencies
4. Developing the opportunities for women participation in government
5. Strengthening the regional autonomy implementation
6. Strengthening the intergovernmental relation between central and local government
7. Applying the good governance principles

The transformation of bureaucracy has also been captured in Task Force Research (1995) as adapted from Karpin Report (1995:17):

Table 2. Old' and 'New' Paradigms of Management

New Paradigm	Old Paradigm
Organization learning	Organization discipline
Virtuous circles	Vicious circles
Flexible organizations	Inflexible organizations
Management leaders	Management administrators
Open communication	Distorted communication
Markets	Hierarchies
Product development driven by core competencies	Product development driven by strategic business units
Strategic learning capacities are widespread	Strategic learning occurs at the spex of the organization
Assumption that most employees are trustworthy	Assumption that most employees are untrustworthy
Most employees are empowered	Most employees are disempowered
Local knowledge of all employees is critical to success and creativity creates its own prerogative	Local knowledge of all employees must be disciplined by managerial prerogative

Adapted from Karpin Report (1995:17) in Komariyah (2006)

THE CURRENT CONDITION OF BUREAUCRACY REFORM IN INDONESIA

If we want to be honest, the reform process which has been running more than five years has not significantly successful. Although there has been some transformation in creating more open political chances, but that democratisation process has been accompanied by other worrying factors which are far from the public expectation. The low law enforcement, the rapid spread of corruption, the increase of security threats, as well as the terrorism actions everywhere, the signs of national disintegration, and the decrease of public welfare have been the growing features under the strong rethorics of more than five years of reform. While the government selected democratically in 1999 even directly selected by the community in 2004 cannot run effectively because there has not been a

strong leadership who is able to create a synergy and a strong consensus among nation political elite.

This condition has incited the decreasing trust to government so that it deteriorates the economic condition and welfare optimum recovery. Indonesia is then trapped in the endangered situation with the development of disorientation and disharmony signs of, which in several places have opportunities to become social and territorial disintegration. The social political conflict, which is accompanied by inhumanity such as terrorism, and gun separatism, has made Indonesia to be under the threat, which generates the loss of life certainty and security in the country.

More than 5 year reform still leaves some problems, which lead to the unattainment of public welfare in running their daily lives. This condition has been deteriorated by the on going decrease of public welfare, which causes on going crisis without meaningful resolution. As a result, there have been a huge number of jobs to be solved and completed immediately to avoid their growth to be the threat to the existence of our nation.

Therefore, good governance is soundly required to save this country from the endangered and critical threats we are facing. We need better governance when the current government has been proved incapable of or clearly failed to aggrandize the Indonesia dignity and self esteem in the global relation.

In reference to that, the effort to transform this nation is by reforming its governance. The reform is not to maintain poverty, stupidity, unfair social-political-legal, but to change our fate and destiny and the future, to change poverty to be prosperity, stupidity to be smartness, unfair to justice.

The good governance will not deliver by itself and will not belong to the Indonesia nation if not we all agree to achieve it. And to accomplish that, it is required a wider and more intensive enlightenment so that the public has capacity to distinguish between good and bad government, good and bad public services, the beneficial and harmful policy to public, good law enforcement and unfair law enforcement.

Good governance should reflect on the government leaders and apparatus that possess attested integrity, acknowledged competencies, and attested commitment. It also means that it can build the government management system and the implementation of organization functions and effective, efficient and accountable governance.

REFORM OF BUREAUCRACY THROUGH STRATEGIC MANAGEMENT

It has been widely known that the reason why Indonesian has been appointed as the number one corrupted country in Asia for a successive years from 2000 – 2004 is because of the main and prominent problem of the bad quality, competencies, mentality of government apparatus. Therefore, without undermining the repressive actions taken by the government, it should be thought the breakthrough to revitalize government apparatus through strategic management of government apparatus.

The strategy and policy of government apparatus within the reform era of democratization is intended to enforce and attain the good governance as the national objective of Indonesia. The main principle of good governance attainment is by realizing the clean government that is free from corruption, collusion and nepotism practices, and the good governance principles of accountability, transparency, openness, law aspects, participation, humanity, justice, democracy and professionalism.

Generally, the development strategy of the government apparatus is intended to establish the principles of the above good governance. But in particular, the strategy of developing government apparatus is by solving all the available problems in the community especially those occurring in the government apparatus, namely banishing and preventing CCN practices, rationalizing institutional and governance administration, revitalizing national personnel, public service building and regional autonomy implementation strengthening.

Vision: to attain competent, tough, and moralized government apparatus in establishing good governance.

Mission: to achieve governance apparatus who are neutral, accountable, transparent, promoting law supreme, participatory, democratic, fair, free from CCN, professional and those who can adhere and integrate the nation.

Strategies:

The following strategies are deployed in the development of government apparatus:

1. Strengthening the efforts to prevent and get rid of CCN practices in order to establish clean, respectful and free of CCN apparatus
2. Strengthening the governance institutional and management in order to create government apparatus institutional and management system in implementing general government duties and effective and efficient development.
3. Improving the capacity of apparatus human resources in order to improve the quality, professionalism and the skills of the government apparatus in conducting their duties and functions optimally.
4. Enhancing the excellent public services in order to refine the public service quality in every sector of general governance sectors and development at both central and local government units.

BUREAUCRACY REFORM STRATEGIES

The above vision, mission and main strategies are proliferated into detailed strategies of bureaucracy reform as follows:

1. Strengthening the Efforts to Banish CCN Practices

The program of reform in banishing CCN practices consists of each detailed program of prevention, detection and treatment.

The prevention programs contain:

- strengthening and refining the roles and functions of DPR and MA and other judicial institutional
- refining the ethical codes of public sector, political parties, professional organizations and business associations

- refining the anti corruption national movement which is supported by political elite from MPR, DPR and government
- enlightening the human resource management and the increase of remuneration system of government apparatus
- strengthening the formulation of strategic management and accountability reports of the government institutions
- refining the quality of management controlling system application
- refining the permanent active of government owned institutions

While the working program as an effort to detect CCN actions contain:

- verifying the system and action plan upon community complaint
- strengthening the obligation to report on specific financial transaction
- strengthening the report of personal wealth of those holding public functions or positions through optimalizing the function of corruption watch and banishing institution
- enhancing the Indonesia participation in international anti corruption movement and anti money laundry in international community
- refining the implementation of national citizenship identity number.

The activities in the repressive programs are as follows:

- strengthening the application of roles and functions of Commission of Corruption banishing independently
- applying several actions of investigation, suits, judicial, and punishment of the giant corruptors
- defining the types and groups of prioritized corruption to be abolished
- enacting the reverse approving concept
- refining the corruption suit handling in crime justice system
- strengthening the monitoring system of integrated corruption crime actions handling process

2. Strengthening The Government Institutional And Management Planning

The program of the government institutional and management planning is intended to acknowledge how to build the efficient, effective and productive government institution and management which is efficient, effective and professional. Therefore, the programs required to be conducted are:

- Issuing the laws on government apparatus, which govern the formulation, formation, integration and abolishment of government institution underpinning by the valid legal regulations. The laws formulation on the above matter should consider several historical experiences of the Indonesian institutional, the experience of development and amendment results of the UUD 1945, the experiences of other countries in formulating the government institutional by considering the strategic environment in Indonesia.
- The formulation, establishment, merger, and liquidation of the government institutional are underpinned by the principles of authority distribution, duties complete distributions, clarity and certainty of laws, similarity of aim, policy and responsibility hierarchy, proportionality, professionalism, and the principles of unity of the country. The criteria contains the level of needs and benefits to public, nation and country, the supply of human resources, the potential and capacity of financial, supply and competence of technology and methodology, the

sustainability of duties and functions, and the level of private and community empowerment and participation.

- Strengthening the strategic planning of government organizations by conducting the sharpening of vision, mission and organization strategies
- Corporatisation and privatization of organization unit which directly serves public
- Strengthening the structure of positions for government apparatus in central or local as well as functional positions
- Refining various rules and regulations concerning the authority structuring and work interrelationship between central government, provincial government and cities/districts government in strengthening regional autonomy implementation
- Transforming the behavior and attitude of the apparatus to productive, transparent, professional and responsible working culture
- Simplifying the procedure operating system of government management and development through planning system, budgeting system and funding system as well as monitoring and evaluation system and reporting
- Strengthening the information technology and resources of the government organization efficiently and optimally

3. Government Apparatus Capacity Building

The program of government apparatus capacity building is to create professional bureaucracy, which is in response to the vision of governance institutional planning. The government apparatus capacity building is intended to attain qualified human resources who can provide competitive, democratic, accountable and open services to public.

The programs are as follows:

- developing the fostering system based on competencies or merit system; developing assessment based on performance standard which is specific and measurable
- creating number and the formation of human resource apparatus that is efficient (rational, objective, right number and distribution, right composition and quality) should be formulated through a policy on the dismissal, early pension, transfer, or status transfer as required
- roles management in the procedures and clear division between bureaucracy positions of career and politics positions
- formulating the ethical codes of specific professions for functional positions
- developing the human resource apparatus recruitment in nature of outsourcing based on working contract
- strengthening the working culture and developing the spirit of entrepreneurship in managing an institution
- Transforming the civil servant recruitment pattern by maximally using the university graduates from various subjects particularly those with excellent achievements. Besides that the recruitment mechanisms may be trusted to the experts in the fields or qualified national and international consultants.
- To create the right and fast public services and reduces the negative impact of personal relationship directly, a norm standard and service procedures are required to be defined with the support of fund management and personnel information automation

- Developing rational remuneration system referring to the international standard and integrated between public, private and social sectors
- Developing the training programs for apparatus, which is closely, related with the civil servants competencies in holding a position or conducting their duties.

4. Improving The Public Service Quality

The program of public service quality improvement is to attain the public service, which is fast, proper, cheap, and satisfying as provided by the working units in the area of both central and local government. The working programs are as follows:

- refining the rules and regulations underlying the services in every sectors of government institutions
- enhancing the professionalism of public service apparatus
- enhancing the public service quality through the management autonomy policy (corporatisation)
- enhancing and strengthening services through the use of communication and information technology in establishing E government
- building the community participation in running the public services functions
- evaluating the public service standards of fast, right, cheap, satisfying, transparent and undiscriminative
- developing the concept of community satisfaction level index as a benchmark of public service optimisation by the government to public
- Strengthening the efforts of deregulation and debureaucratisation particularly the policies in economic to avoid various hindrances towards the progress of the market mechanism in a healthy and optimal ways.

CONCLUSION

Bureaucracy reform in Indonesia can be implemented through revitalization and restructurisation of all aspects of bureaucracy at all levels of government. This covers four main aspects of promoting clean governance, institutional building, human resource apparatus capacity building and public service enhancement.

BIBLIOGRAPHY

- Bennis, Warren and Michael Mische, 1995, *Organisasi Abad 21, Reinventing Melalui Reengineering*. Penerjemah Rachmayanti, Irma Andriani, Jakarta LPPM.
- Komariyah, Yuyu, 2006, *The Strategy of Management Training for Public sector Managers: A Comparison of Approaches between Indonesia and Australia*, Dissertation, 2006, Flinders University of South Australia
- Nisjar, Karhi, 2004, *Suatu Gagasan Tentang Pemberantasan Korupsi di Indonesi*, Jakarta
- Nisjar, Karhi, 2004, *Beberapa Gagasan dalam Upaya Mewujudkan Kepemerintahan yang Baik (Good Governance)*, Jakarta
- Nisjar, Karhi and Winardi, 1997, *Manajemen Strategik*, CV Mandar Maju, Bandung
- Osborne, David and Peter Plastrik, 1991, *Banishing Bureaucracy: The Five Strategies for Reinventing Government*, Addison Wesley Publishing Company, Inc.

Pinchort, Gifford, and Elizabeth Pinchort, 1993, The End of Bureaucracy and the Rise of the Intelligent Organisation, Berrett koehler publisher – San Fransisco

Rhodes, RAW, 1997 Understanding Governance: Policy Networks, Governance, Reflexivity and Accountability, Open University Press, Maidenhead

USAID, DRSP, Australia Indonesia Partnership, Decentralisation 2006: Stocktaking on Indonesia's Recent Decentralisation reforms, Prepared by USAID Democratic Reform

www.corruption.or.id