The Progress of Indonesian Administrative Reform: Roles of Administrative Culture, Readiness for Change, and Citizen Trust in Government

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Abstract

Despite the introduction of various reform formula, the general performance of Indonesian bureaucrats consistently remains unsatisfactory. In response to the reform inertia, since 2010 the Indonesian government has established an ambitious long-term grand design that envisions the attainment of a World Class Government status in 2025. The reform plan imposes, among others, a radical cultural transformation to remove the existing contra-productive culture that is presumed to inhibit government's efforts to accelerate the performance of Indonesian public administrators. However, arguably the mission to introduce a new culture based on clean government and good governance principles has been challenging due to the internal familiarity with the traditional culture that has been preserved throughout the previous thirty-two years of dictatorship era.

This study attempts to examine the achievement produced following the Road Map 2010 – 2014 and to explore the roles of three primary variables i.e. administrative culture, readiness for change, and citizen trust in government that have been supported by previous studies as the predictors for successful change initiative. The following research questions were addressed throughout the study: First, "How is the progress of Indonesian administrative reform within the Road Map 2010-2014 context?"; second, "How do administrators' readiness for change, administrative culture, as well as citizens' perception on the level of trust in government implicate the reform progress?"; and third, "How to improve the way public managers direct the administrative reform implementation accordingly?".

Multi-perspective data was collected using both qualitative and quantitative approaches to provide a comprehensive explanation about the investigated phenomena. Six public service agencies i.e. e-procurement agencies, one-stop service agencies, and public hospitals in two provincial governments were selected as the unit of analysis for the purpose of this study. The main survey involves 2 governors, 6 heads of agencies, 207 public administrators, as well as 248 citizens. A pilot study was conducted in advance to pretest the assessment instruments.

Three hypotheses were assigned to examine the roles of the three investigated variables: First, "Agencies that are ready for change (as characterized, among others, by the existence of well informed and highly involved administrators) are accelerating in their

performance"; second, "Suitable culture is one among the main prerequisites for progressive reform so that agencies that predominantly maintain 'the ideal culture' (as defined by the central government) in their work environment would be able to deliver good public service quality"; and third, "Province that enjoys adequate level of citizen trust in government could implement the reform optimally, and thus is able to provide good public service quality".

The results of this study supports the central roles of the three main variables as the predictors for a progressive reform. Further dimensional analysis reveals that administrators from the upper performing agencies appear to be more receptive towards change than their colleagues from the lower performing agencies. Moreover, perceptual discrepancy between the elites and first line level administrators in operationalizing the ideal culture to be grown at the agency level seems to undermine the efforts to produce tangible improvement. Finally, the analysis supports the role of citizen trust in government variable as a conditioning factor for higher service quality.

Keywords: Administrative reform; Administrative culture; Citizen trust in government; Readiness for organizational change

Abstrakt

Trotz der Einführung verschiedener Reformformeln bleibt die allgemeine Leistung der indonesischen Bürokraten immer wieder unbefriedigend. Als Reaktion auf die Reformträgheit hat die indonesische Regierung seit 2010 ein ehrgeiziges, langfristiges, großartiges Design etabliert, das die Erlangung eines Status der Weltklasse-Regierung im Jahr 2025 vorsieht. Der Reformplan sieht unter anderem eine radikale kulturelle Umwandlung vor. Es wird davon ausgegangen, dass die bestehende kontraproduktive Verwaltungskultur die Regierungsbemühung verhindert hat. Dennoch hat sich die Mission zur Förderung der neuen Verwaltungskultur (basierend auf sauberen Regierungs- und Good-Governance-Prinzipien) aufgrund der inländischen Vertrautheit mit der traditionellen Kultur, die in den letzten zweiunddreißig Jahren der Diktatur-Ära bewahrt wurde, als herausfordernd dargestellt.

Diese Studie versucht, die Erfolgsaussichten bezüglich der Road Map 2010 - 2014 zu untersuchen und die Rollen von drei primären Variablen zu erforschen, nämlich die der Verwaltungskultur, der Bereitschaft zum Wandel und des Vertrauens der Bürger in die Regierung. Diese Variablen wurden infrüheren Studien als Schlüsselindikatoren für erfolgreiche Änderungsinitiativen identifiziert. Die folgenden Forschungsfragen wurden während der gesamten Studie untersucht: Erstens: "Wie ist der Fortschritt der indonesischen Verwaltungsreform im Bezug auf die Road Map 2010-2014?"; Zweitens: "Wie wirkt sich die Veränderungsbereitschaft der Verwaltungsbeamten, die Verwaltungskultur sowie die Wahrnehmung der Bürger bezogen auf das Vertrauen in die Regierung auf den Reformfortschritt aus?"; Und drittens: "Wie kann man die Art und Weise verbessern, wie die öffentlichen Führungskräfte die Verwaltungsreform umsetzen?"

Multi-perspektivische Daten wurden sowohl mit qualitativen als auch quantitativen Ansätzen gesammelt, um eine umfassende Erläuterung über die untersuchten Phänomene darzustellen. Sechs öffentliche Dienstleistungsagenturen, unter anderem E-Procurement Agenturen, One-Stop-Service-Agenturen und öffentliche Krankenhäuser in zwei Provinzialregierungen, wurden als Analyseeinheit für die Zielsetzung dieser Studie ausgewählt. Die Hauptumfrage umfasst 2 Gouverneure, 6 Leiter der Agenturen, 207 öffentliche Verwaltungen sowie 248 Bürgerinnen und Bürger. Eine Pilotstudie wurde im Voraus durchgeführt, um die Bewertungsinstrumente vorab zu testen.

Es wurden drei Hypothesen zugewiesen, um die Rollen der drei untersuchten Variablen zu überprüfen: Erstens: "Agenturen, die änderungsbereit sind (wie aus bestehenden, gut informierten und hochverantwortlichen Verwaltungsbeamten ersichtlich ist), besitzen erhebliche Leistungspotenziale"; Zweitens: "Eine geeignete Kultur ist eine der Hauptvoraussetzungen für eine fortschreitende Reform, so dass Agenturen, die „die ideale Kultur" (wie von der Zentralregierung definiert) in ihrem Arbeitsumfeld beibehalten, in der Lage sind, eine gute öffentliche Dienstleistungsqualität zu liefern"; Und drittens: "Eine Provinz, die ein ausreichendes Niveau des Bürgervertrauens in der Regierung besitzt, setzt die Reform optimal um und bietet damit eine gute öffentliche Dienstleistungsqualität an".

Die Ergebnisse dieser Studie untermalen die zentrale Rolle der drei Hauptvariablen als Schlüsselindikatoren für eine progressive Reform. Eine weitere Dimensionsanalysezeigt, dass die Administratoren der Agenturen aus der höherrangigen Leistungsgruppe sich als empfänglicher für den Wandel zeigen, verglichen mit ihren Kollegen aus der niederrangigen Leistungsgruppe. Des Weiteren beeinträchtigen gegensätzliche Ansichten bezüglich der idealen Verwaltungskultur zwischen den Eliten und den Beamten der ersten Führungsebene die Erzielung einer signifikanten Verbesserung im öffentlichen Sektor. Abschließend fördert die Analyse die Rolle des Bürgervertrauens in die Regierung als einen Konditionierungsfaktor für höhere Servicequalitätswerte.

Schlüsselwörter: Verwaltungsreform; Verwaltungskultur; Bürgervertraun in die Regierung, Bereitschaft zur organisatorischen Veränderung

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Glossary & Abbrevations

BPK RI	: Indonesian Auditory Board
BPS	: Indonesian Bureau of Statistics
CVF	: Competing Values Framework
EPRO	: A state ageny responsibles to facilitate e-procurement services
HOSPI	: A state hospital responsibles to provide health-related services
Kemenpan	: Indonesian Ministry of Administrative Reform
LAKIP	: Performance and accountability report of government institutions
OCAI	: Organizational Culture Assessment Instrument
ONESTOP	: A state agency responsibles to provide one-stop permit issuance services
Pergub	: Governor Regulation
Perpres	: Presidential Regulation
Permenpan	: Regulation of the Indonesian Ministry of Administrative Reform
PP	: Regulation of the Central Government
SBY	: Susilo Bambang Yudoyono; the 6th President of Indonesia
SERVQUAL	: An assessment tool developed to measure citizens' perceptual evaluation on the quality of the given services
TI	: Transparency International
Tupoksi	: Description of the main duties and functions of individual administrators
UU	: Law

Erklärung

Hiermit erkläre ich ehrenwörtlichen, dass ich die vorliegende Dissertation "*The Progress of Indonesian Administrative Reform: Roles of Administrative Culture, Readiness for Change, and Citizen Trust in Government*" (Der Fortschritt bei der indonesischen Verwaltungsreform: Die Rollen der Verwaltungskultur, Bereitschaft zur organisatorischen Veränderung, und Bürgervertrauen in die Regierung) selbständig angefertigt und keine anderen als die angegebenen Quellen und Hilfsmittel benutzt habe. Ich habe diese Dissertation in gleicher oder ähnlicher Form in keinem anderen Prüfungsverfahren vorgelegt.

Hannover, den 04.07.2016

Reza Fathurrahman

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CHAPTER 1 INTRODUCTION

1.1 Statement of Problem

The collapse of the thirty-two year authoritarian regime[1] in May 1998 has been one of the most critical moments in Indonesian history. Continuous nationwide reformation movements and social unrest had finally paved the way for a more transparent and accountable government. The early stage of Indonesian political transformation was marked by the formation of a transitional government led by Habibie, who was formerly known as Suharto's vice president, during which various democratic instruments, such as freedom of press, free and fair elections, and regional decentralization were reintroduced (Bhakti, 2004). The transitional government established several new regulations, including the Law Number 22/1999 on Local Government and the Law Number 25/1999 on Fiscal Balance between Central and Local Governments as the general guideline to regulate the power sharing process and coordination mechanism between the central and local governments. Although being replaced afterwards in 2004, both laws served as the preliminary legal foundation that enforced local governments to adaptively reform their managerial components, including planning, organization, personnel, and financial management to meet the new standards (Hadna, 2007).

Habibie's political career was ended following the majority rejection of his 'accountability speech' in front of the parliamentary assembly on 14th October 1999 (Liddle, 2000). Within the next five years after Habibie, Indonesians experienced two subsequent short-term presidential periods – Abdurrahman Wahid, and Megawati Sukarnoputri. Both were elected through democratic political processes. The Islamic traditionalist leader, Abdurrahman Wahid (henceforth called Gus Dur) became the first democratically elected President for nearly one and a half year only. His cabinet was criticized due to its tendency as a more 'political' than 'technical' cabinet as a result of his decision to accommodate the representatives of all major political parties expected to reduce the political tensions surrounding the presidency, and included only a small number of strongly committed reformers (Mackie, 1999). Patunru & Von Lebke (2010) note that during Gus Dur's short term in office, various social dialogues were facilitated to reduce inter-faith friction and

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[1] The regime was known as the New Order Regime ruled by (Ret.) Army General Suharto from 1967 to 1998

ethnic division. Due to the corruption allegation and incompetent leadership, in July 2001 the parliament voted to impeach Gus Dur and appointed his former vice-president, Megawati Sukarnoputri (known as Megawati), as the 5th Indonesian president. Widespread corruption and minimum legal action against it were still among the top lists of problems expected to be tackled by the new government (Malley, 2002). Due to ill-planned preparation, Malley argues that Megawati has failed to successfully implement the two decentralization laws that were passed during Habibie's era, granting a broader political autonomy and larger financial resources. Three years later, in 2004, the first direct presidential and vice presidential election system was introduced. The (retired) General Susilo Bambang Yudhoyono (known as SBY), a former political and security affairs minister under Megawati, unexpectedly won the election following a two-round tight competition defeating Megawati. Liddle & Mujani (2005) describe SBY's victory as an impresive phenomenon because of the supporters' variety both in party spectrum and in demographic sense. SBY remained at the office for two consecutive presidential elections from October 2004 to October 2014.

McLeod (2005) argues that the fall of Suharto has introduced two contradictory consequences: Gaining back democracy in one side, while at the same time losing the basis for effective government. According to him, despite the well known corruption misconduct and incompetent legal system, Soeharto had created incentives for effective government through the so-called 'multi-level franchise' system of government, which involves legislature, judiciary and legal bureuacracy, military and police, public administrators, as well as state-owned entreprises. As a general rule, the key public sector officials only able to choose one of the two options: Living with the predetermined 'franchise rule' and thus could instantly become a rich person, or working against it and risking themselves being sidelined.

Public sector organizations in Indonesia have been consistently rated as far from ideal: slow, less transparent, incompetent, lack of initiative, and commonly showing misconducts, such as accepting bribery and other corruption practices (Tjiptoherijanto, 2006). It was revealed that bureaucracy sector reformation process within the first five years (1999-2003) in bureaucracy sector had been left behind by the reform progress achieved in other sectors, such as politics, economics, and law (Effendi, 2004). Despite the fact that a systematic administrative reform strategy has been introduced by SBY in 2004, the speed of the reform still remains as a main concern, both for the government and the citizen in general. The so-called 'first wave reform' (2004 – 2009), according to government internal

assessment, was revealed to be stagnant. In response to the stagnancy, Indonesian government establishes a new fifteen-year grand design of Indonesian administrative reform starting from the year 2010 (Kemenpan, 2010). An operational plan, henceforth called the Road Map, is developed periodically every five years, which includes specific annual target to be achieved from one phase to another. The Road Map 2010-2014, as the main context of this study, is expected to achieve three primary targets: 1) A government that is free from corruption, collusion, and nepotism; 2) Improvement in public service quality; and 3) Improvement in bureaucratic capacity and performance accountability. The government also emphasizes the necessity of radically transforming the existing administrative culture into a new culture that is presumed to be more conducive to achieve the so-called "world-class government" in 2025.

Two years after the Road Map implementation, President SBY (in office between 2004 and 2014) still expressed the same concern on administrative reform tardiness and re-emphasized reformation in public sector as one of the government's top priorities. Prasojo (2013) finds that at the practical level, the ongoing progress seems to deal with a complexity in producing the expected acceleration. He underlines, among others, the lack of leadership support, considering the fact that several government institutions at central and regional level do not (want to) integrate the administrative reform plan among their institutional priorities. If the government could not show immediate improvement in public sector performance, meanwhile the growth of public demand for tangible change gets higher from time to time, then widespread public distrust in government would presumably appear as the consequence of the government's inability to adequately respond to the public demand.

It is argued that the task for Suharto's successors to establish a set of good governance rules as a point of reference has been challenging due to the insecurity feeling, as the familiarity with the old system has to be replaced by a completely new system that is full of uncertainty (Mardiasmo, Barnes, & Sakurai, 2008).This argument has been widely supported by numerous organizational change literatures, which describe employees' resistance as one of the primary factors that inhibit various change initiatives (see Armenakis, Harris, & Mossholder, 1993; Armenakis, Harris, & Feild, 1999; Miller, Johnson, & Grau, 1994; Wanberg & Banas, 2000). In addition, most public management scholars believe that there is an interconnection between culture and the way public management is arranged (Schedler & Proeller, 2007). Osborne & Brown (2005), among others, support an argument that a

specific part of administrative culture among public servants is the responsible factor that constraints any change initiative against the predetermined 'comfort zone' culture.

Previous studies have revealed that systematic attempts to reform the public sector frequently fail to achieve the predetermined goals (see for instance Polidano, 2001; Jones & Kettl, 2003; Balogun & Hope Hailey, 2004), however there has been only limited scholarly investigation of why most administrative reforms fail, while some others successfully produce favourable results (Bouckaert et al., 2005; Burnes, 2004). This study contributes to improve our understanding on the intangible factors behind administrative reform progress. The novelty of this work originates in its multi-perspective framework to analyze views of citizens, government elites, and street-level bureaucrats on the investigated issues. Considering this issue still remains underdeveloped, to our knowledge, this study is among the first attempts to explore the roles of administrative culture and readiness for change in administrative reform context. In addition, it is valuable as it promotes further integration of psychological approaches into public administration context to improve our current understanding of the behavioral interaction among various actors in public sector setting.

Indonesian case has been chosen as the main focus of study due to three main reasons. Firstly, the history of continuous reform stagnation provides an interesting opportunity for scholars, public managers, and decision makers to have a closer look on the cause of stagnation as the basis to suggest necessary actions. Secondly, administrative reform emphasizing radical cultural transformation in public sector fits the purpose of this study. Finally, as most studies in the area of public management reform have been conducted in either European or American context, as suggested by Jones & Kettl (2003), a study attempts to explore administrative reform issue in Asian context is valuable to enrich and validate the existing concepts and frameworks.

This study assumes that a growing internal resistance against change among civil servants, particular counterproductive administrative culture, as well as the lack of public trust in government as a result of accumulative public dissatisfaction in the quality of public services, may have jointly contributed to producing stagnancy in the Indonesian government's efforts to accomplish its reform objectives.

1.2 State of Research

Since the first democratic presidential election held in 2004, the Indonesian government has been struggling with the issue of reform stagnancy, particularly in public sector. However, contributions made by scholars to provide scientific explanation on why and how it occurs, as the basis for the government to develop further improvement plan, remain scarce. Meanwhile, considering a greater degree of freedom in both media and expression brought by the 1998 reformation movement, the general Indonesian citizens arguably prefer to consider the free-flowing information provided by various media without sufficient capacity to differentiate facts and rumors. It is quite common for Indonesian citizen to maintain various negative stereotypes towards government apparatus. Huang (2015), based on his study about the political effects of rumors among the Chinese internet users, finds that negative rumors surrounding the government could decrease citizens' trust in government and their support for the regime.

Despite the concern that only seventy per cent of all change initiatives have been reported to achieve the expected goals (Golembiewski, 2000; Miller, 2002; Balogun & Hope Hailey, 2004), today there is still a fundamental lack of valid theoretical framework for implementing and directing organizational change (Burnes, 2004). Positive relationship between organizational culture and organizational success in private sector has been attracting growing scientific discourses, although in public sector such topic has not received adequate scholarly attention (Waterhouse & Lewis, 2004). Koci (2007), in particular, underscores the necessity of conducting further studies examining the connection between organizational culture and public management reforms. More studies are urgently required in order to investigate contributing factors that may lead to successful change initiative. Various scholars (e.g. Detert, Schroeder, & Maurial, 2000; Paton & McCalman, 2000; Jones, Jimmieson, & Griffiths, 2005) have suggested to conduct studies exploring the role of employees' perception toward their organizational environment and organizational culture within the context of organizational change.

Public management scholars have generally agreed on the strategic connection between national/regional culture and the way public administration is carried out, however a more precise conception on the interlinked variables needs to be further explored (Schedler & Proeller, 2007). Waterhouse & Lewis (2004) also emphasize the current lack of systematic evidence in scientific efforts on public service culture or performance measurement. Limited

efforts were made to clarify which organizational culture aspects are responsible on determining a successful implementation of change initiative and its subsequent improvement outcomes in human and organizational settings (Detert, Schroeder & Maurial, 2000). Current research on administrative culture has primarily concern on institutions and internal various actors, neglecting the variations in citizen's attitude (Bouckaert, Van de Walle & Kampen, 2005). Moreover, contradictory with the revelation on the central role of organizational readiness for change behind a successful change initiatives supported by the previous studies (see for instance, Armenakis, Harris, & Mossholder, 1993; Weiner, 2009), only four per cent of the existing studies on organizational readiness for change have been reported to investigate government organizations as the main object of study (Weiner, Amick, & Lee, 2008).

This thesis has a specific relevance to the on-going administrative reform process at regional government in Indonesia. The research results are expected to provide a basis for policy makers, academicians, and public actors to develop a better cultural transformation strategy. In addition, the study also supports the enrichment of theoretical framework and the understanding of Indonesian civil servants behavior.

1.3 Research Context

Multi-perspective data was collected using mixed-method approach to provide a comprehensive explanation about the advancement of administrative reform during the Road Map 2010-2014 implementation. Six public agencies across two provincial governments were selected as the unit of analysis for the purpose of this study.

The following research questions were addressed throughout the study:

1) How is the progress of Indonesian administrative reform within the Road Map Plan 2010-2014 context?

2) How do administrators' readiness for change, administrative culture, and citizens' perception towards the level of trust in government implicate the reform progress?

3) How to improve the way public managers direct administrative reform implementation accordingly?

The first issue about the reform progress was examined using the combination of three primary inputs that serve as the analytical success indicators, namely findings from relevant external surveys, results from citizens' perceptual evaluation on public service

quality and the reform in general, and public administrators' self-appraisal on their own performance. Furthermore, based on the results of the reform progress investigation, roles of the three investigated variables presumed as the prerequisites for a successful reform implementation were scrutinized to provide a comprehensive research-based explanation regarding the reform situation as revealed throughout the study.

The leaders' insights as viewed by the responsible higher level officials (i.e. the respective governors and head of agencies) on common problems inside the bureaucratic world and the barriers for successful reform were jointly analyzed in the first place. Considering that Indonesian administrative reform is expected, among others, to produce a specific set of 'ideal administrative culture' as an essential post-reform outcome, it is crucial to identify the perceptual conformity about 'what kind of culture to be developed' across four different hierarchical levels including the central government elites, the governors, the head of public agencies, and also the public administrators (as the key organizational members experiencing daily life situation at the agency).

A closer outlook into the internal readiness for change level, including individual administrators' reflection on their knowledge of and involvement throughout the reform is subsequently analyzed. The cultural profiles of the six agencies under investigation are also scrutinized to reveal the predominant culture(s) that mainly influence the way administrators manage their daily working situation. The actual and the preferable cultures perceived by the individual administrators are portrayed to enable a systematic cultural analysis to explain why a particular pace of reform exists. Finally, from the citizen's point of view, the level of citizen's trust in the provincial governments and its association with political cynicism aspects are thoroughly assessed.

Besides investigating the existence of high-performance culture in public sector, further enquiries are conducted to clarify the perceptual gap between administrators and citizens, as well as to get a better understanding on the consideration factors behind administrators' readiness for change, and on citizens' perceptual evaluation of public service quality. Evidence-based suggestions highlighting several potential rooms for improvement are developed accordingly.

1.4 Thesis Outline

As reflected from the title, this dissertation aims to examine the progress of Indonesian administrative reform within the Road Map 2010 – 2014 period and to investigate the roles of administrative culture, readiness for change, and public trust in government behind the reform progress.

The second chapter 'Reforming Indonesian Public Sector' provides abundant information about the research context as the background of this study. It starts by describing the general potraits of Indonesian bureaucrats and by mapping the performance-related problems to be addressed by the reform initiative. In addition, the issue concerning public administrators' support towards the change imposed by the reform is briefly discussed. The following section specifies the reform formula introduced by the Indonesian government to tackle the problems and thus expected to bring tangible improvement in public sector is described afterwards.

Underlying theoretical background that justifies the assessment tools used to collect the required data for investigating the four main variables, namely the reform progress, administrative culture, readiness for change, and public trust in government, is described in detail in Chapter 3. Various issues related to the respective variables are discussed to highlight the relevant ongoing discussions as the basis for developing hypothesis to be scrutinized throughout the study. Chapter 4 describes the empirical steps involved in selecting the research participants and how the assessment tools were developed. The last section of this chapter provides an overview of the types of data being collected and further detailed information concerning how the pilot study and the main survey were organized for the purpose of this study. The analytical results related to the given research questions are thoroughly discussed in Chapter 5, 6 and 7. Table 1.1 outlines how the main research questions are addressed in this study, including the standpoints used and the main issues investigated.

Table 1.1 Research Framework

No.	RESEARCH QUESTIONS	STANDPOINT	MAIN ISSUES
1.	EVALUATING THE REFORM PROGRESS	Government Success Indicators	Evaluation of the Three Predetermined Goals
		Citizen Perspective	Citizen Awareness
			General Evaluation on Reform Direction
			Public Service Quality
		Administrator Perspective	Types of Reform Implementation
			Performance Self-Appraisal
2.	EXPLAINING THE REFORM PROGRESS	Leader Perspective	Common Problems & Barriers for Successful Reform
		Administrator Perspective	Knowledge on Reform-Related Information
			Involvement throughout the Reform Process
			Readiness for Change Level
			Administrative Culture
		Citizen Perspective	Public Trust in Provincial Government
			Political Cynicism
		Administrator Perspective	Implication of Administrator Performance Self-Appraisal towards Reform Progress
		Integrated Perspective (Citizen & Administrator)	Perceptual Gap Between Administrator & Citizen

3.	POTENTIAL ROOMS FOR IMPROVEMENT	Integrated Perspective (Citizen & Administrators)	The Existence of High-Performance Culture
		Administrator	Main Consideration behind Administrator's Readiness For Change
		Citizen	Main Considerations behind Citizen's SERVQUAL Evaluation
		Citizen	Citizen's SERVQUAL & Their Trust in Provincial Government

Finally, the conclusion and recommendation chapter sums up the overall findings and highlights practical implication for public managers, as well as for future research.

CHAPTER 2 REFORMING INDONESIAN PUBLIC SECTOR

This chapter provides detailed information on the administrative reform conducted by the Indonesian government in the period of 2010 – 2014 as the context of this study. It consists of two sections. The first section explores the profile of Indonesian public administrators and highlights the main problems that hinder the performance of Indonesian public administrators. Accordingly, the reform formula proposed by the government as the cure for the existing bureaucratic problems will be throroughly described in the second section.

2.1 Portrait of Indonesian Bureaucrats

2.1.1 General Figure of Public Administrators

According to Statistics Indonesia (2016), nearly 4.5 million active public administrators were serving 240 million Indonesian citizens in 2014, which means that one public administrator was responsible to provide assistance for fifty-four citizens. As depicted in Figure 2.1, there was a significant decline on the number of public administrators during the three earlier consecutive years (around 235,000 employees were discharged or entering their retirement period) as a result of recruitment moratorium policy that was taken into effect from September 2011 until December 2012. The main reason behind the moratorium policy was the necessity to restructure public sector organizations as a part of the national budget saving program. A slight increase can be directly noticed between 2013 and 2014 period after the moratorium was discontinued.

Figure 2.1 Number of Indonesian Public Administrators in 2010-2014
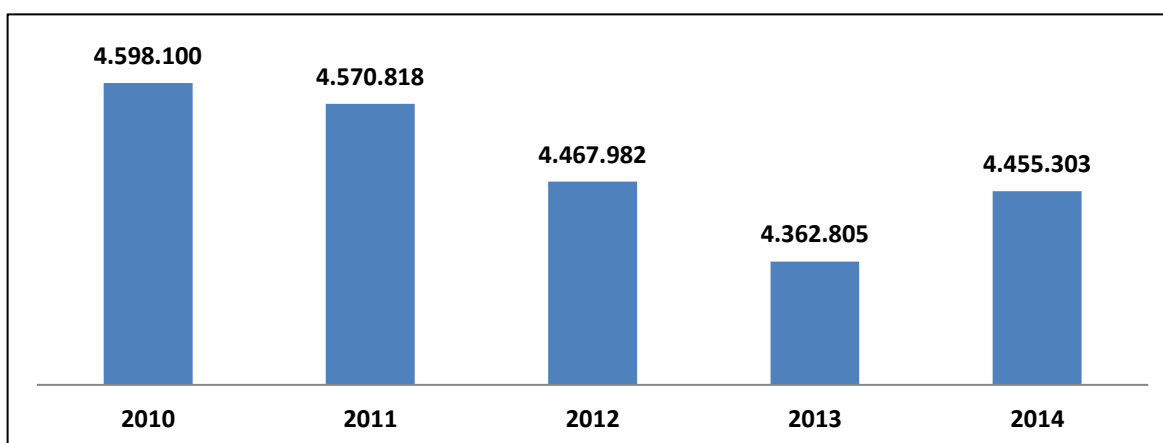
Source: Statistics Indonesia, 2016

In early 2014, Indonesian government issued a new regulation imposing substantial modification on the general structure of Indonesian public administrators. The Law No. 5/2014 on Indonesian Civil Service (*Aparatur Sipil Negara*) introduces fundamental changes, including the power shifting from Mayor to Municipal Secretary with respect to the authority as the highest instructor at the municipal level. The former regulation used to give the mayor, a politically appointed position, the supreme authority to control public administrators. In addition, the new civil service regulation adopts greater proportion of merit-based approach. It incorporates for the first time in Indonesian history both permanent and contract-based public administrators, and facilitates better opportunities for young good performers to hold various strategic positions in the office.

Public offices can be classified under three general positions, namely administrative, functional, and top management positions. Public administrators who hold administrative positions are responsible to manage public service delivery and administrative matters, meanwhile the functional positions are allocated to those who possess particular expertise and skills. Finally, the top management positions are allocated through a selection process that requires each candidate to fulfil certain prerequisites, including proof of competency, professional qualification, rank status, education and training experiences, professional track record, and integrity.

Indonesian government is divided into five administrative areas ranging from provinces (the highest) to villages (the lowest). Currently there are thirty-four provinces and more than five hundred cities/regencies. Figure 2.2 shows the administrative division based on the Law No. 23/2014. A province is led by a governor that also represents the central government at the regional level. One level below, there are regencies and cities at the same administration level. Each has its own local executive and legislative bodies. Regency, which usually has larger area than city, is led by a regent. Meanwhile, mayor is elected to run a city for a five-year term. Exceptional authority is given to the Governor of Jakarta as the leader of a special status region to appoint four mayors for the four cities within Jakarta region. Both regency and city are respectively divided further into a certain amount of districts. Finally, villages and urban communities remain as the lowest administrative level. It is important to note that, despite the existence of additional administrative level under villages/urban communities are not mentioned in the Law No. 23/2014, practically there are two further subordinate levels, namely community association (known as *Rukun Warga*) and

neighbourhood association (known as *Rukun Tetangga*). A community association may comprise five to seven neighbourhood association. Each neighbourhood association consists of ten to twenty houses.

Figure 2.2 Administrative Area

Central Government (*Pusat*)	The Highest
34 Provinces (*Provinsi*)	
97 Cities (*Kota*)/405 Regencies (*Kabupaten*)	
6,543 Districts (*Kecamatan*)	
75,244 Villages (*Desa*)/Urban Communities (*Kelurahan*)	The Lowest
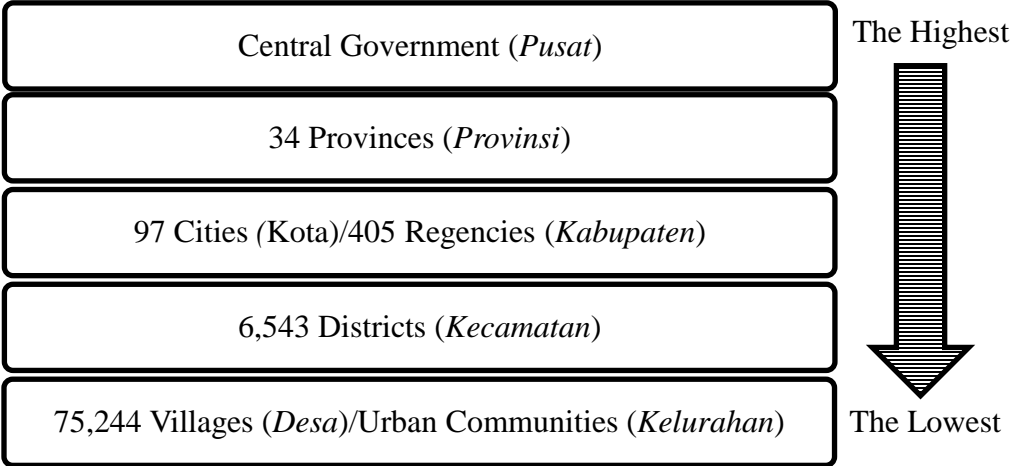
Source: Kemendagri, 2017

Following the implementation of regional autonomy in Indonesia, the local governments, i.e. provincial and municipal government, according to Law No.32/2004, have greater authority and responsibility to provide various public services for citizens in their respective jurisdiction. Within a reform context, the central government provides a general guideline to ensure that the level of public service quality provided by the local governments could meet the minimum service standards. An ombudsman body at the central government level is responsible to oversee the provision of public services and to accommodate public complaints on the performance of government institutions.

The statistic of public administrators' educational level can be seen in Table 2.1 As depicted, around 51% of Indonesian administrators are third rank officials who hold at least bachelor degree. In addition, in terms of working areas, most public administrators are working at the regional level (i.e. cities and regencies), which represent nearly 73% of the total number of public administrators. The rest of them are working at the central government level (20%), and only 7 % are working for the provincial governments. Gender wise, it is found that the distribution of public administrators is quite balance, both across the classification rank and the working areas. A minor exception can be seen at the first level, where male administrators dominate almost 90 % of the total number.

Table 2.1 Classification Rank & Working Areas in 2014

Level	Male	Female	Total
I	74.312	8.102	82.414
II	591.992	456.825	1.048.817
III	1.099.990	1.164.500	2.264.490
IV	522.337	537.245	1.059.582

Working Area	Male	Female	Total
Central	550.367	359.059	909.426
Province	168.150	129.624	297.774
Regional	1.570.114	1.677.989	3.248.103
Total	2.288.631	2.166.672	4.455.303

Source: Badan Pusat Statistik, 2016

To have a better outlook on the situation, Figure 2.3 summarizes the number of active public administrators based on their educational background and gender to portray the trend of educational level background throughout the five investigated years. Administrators' educational levels are classified into two groups, namely 'low' (administrators without university degree) and 'high' (administrators with bachelor, master, or doctorate degree). From the figure, interesting trends occur throughout the period. The data shows that since 2012 there were more educated people with university degree working to serve the public. In 2014, the total number of public administrators who possess high education level has increased 15% more than it was in the previous year. These educated administrators represent 58 % of the overall government apparatus. It is important to underline that the increase was not resulted from new recruitment. Greater opportunity for individual administrators to get a full scholarship to pursue their study at a higher educational level is believed, among others, as one of the main responsible factors for such growth. Furthermore, with regard to the gender issue, it is also interesting to observe that from 2013 the number of female educated administrators was higher than their gender opposite colleagues although the males generally remained as the predominant in total.

Figure 2.3 Education Level of Indonesian Public Administrators in 2010-2014
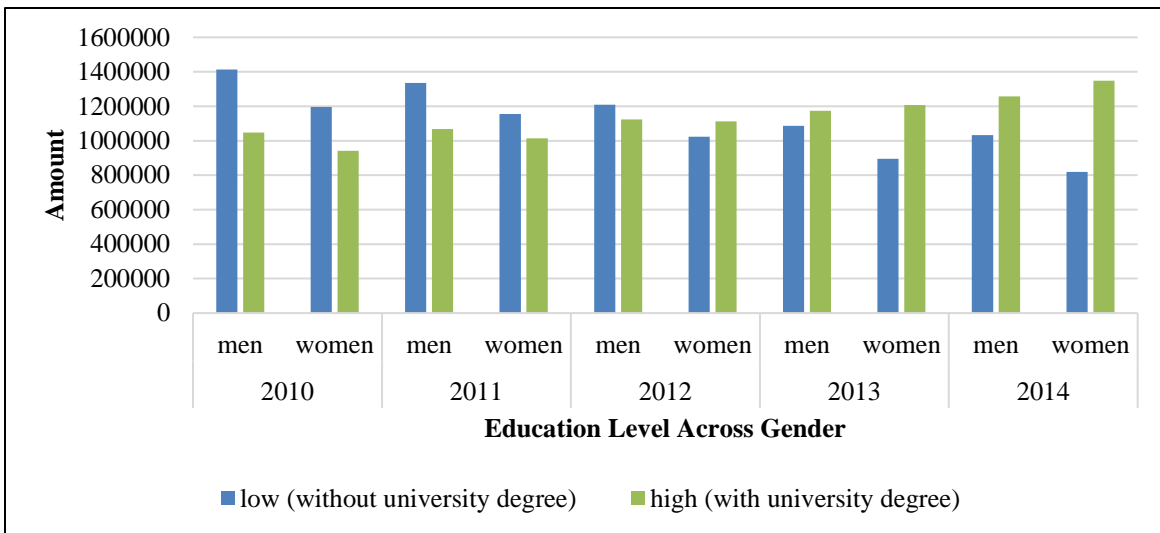
Source: Statistics Indonesia, 2016

The discussion on the quality of public administrators in Indonesia is perceived as a complex issue that remains unsolved until today. Lack of professionalism and low productivity are still the growing issues resulted from unbalanced and misallocation in both the quantity and the quality of public administrators within the government institutions. In other words, mismanagement is assumed to be the key problem, which practically can be identified from recruitment process, management processes such as reward and punishment procedure, quality and quantity distribution, mobility, lack of capacity improvement, and so forth.

According to the regulation, public administrators' recruitment process is centralized at the national level coordinated by the central government. Every government institution is formally required to submit a proposal describing the number of new administrators needed, along with the required qualifications. However, at the practical level, the problem in new public administrator recruitment process in Indonesia is rooted in the absence of a reliable data to identify the proper allocation of human resources needed, particularly at the regional level. Generally, the regional governments do not have a long term plan regarding public administrator management that contains detailed information about the required numbers and the qualification of public administrators. This situation then leads to the excess supply of public administrators, which causes over budgeting at both regional and national level. However, even though this evidence is found in most government institutions, the number of

newly recruited staffs remains relatively steady. Furthermore, another issue that commonly arises in public administrator recruitment process is related to collusion and nepotism issues.

2.1.2 Problem Mapping

Growing public dissatisfaction towards government's inability to handle the impacts of the 1997 economic crisis has reached its culmination point in the following year when widespread massive public demonstrations asking for a comprehensive reform in the way the government manages its daily routines occured throughout the country. In response to the strong public demand for improvement, numerous changes were initiated in various sectors, and thus marked the inauguration of the so-called 'the first wave reform' period (The Cabinet Secretariat Office, 2010). However, it was found later on that the reform in public sector implemented during this period (2004 – 2009) was facing stagnancy. This circumstance encourages the Indonesian government to reaffirm the implementation of clean government and good governance principles as the main components for providing the best services for the society.

> "*Throughout the first wave of reform implementation, (it has been revealed that) the reform in bureaucracy sector has lagged behind the reform implemented in political, economic, and law sectors*" (Appendix of Perpres No. 81/2010, p. 3).

The first wave reform conducted by the government at various levels was primarily targeted to promote good governance and was expected to bring tangible improvements in five areas of change, including institution, organizational culture, management, regulation and deregulation, as well as human resources area. However, it was revealed that Indonesian bureaucracy was still struggling with the similar issues: Poor public services, complex procedures for potential investors, incompetent bureaucrats, and a very limited number of accountable agencies.

Since then accelerating administrative reform progress has always been one of the main concerns for the Indonesian government. President Yudhoyono (in the office from 2004 to 2014) emphasized the government's determination to pursue the second wave of reform for five consecutive years to address the impact of the 1998 financial crisis during his state address commemorating the 64th Indonesian Independence Day in 2009. Four years later, during his presidential speech, President Yudhoyono once again re-accentuated that

bureaucratic reform and good governance remain as the first priority of national development in 2013 (Prasojo, 2012). Indonesian government underscores that a successful administrative reform requires a substantial change in paradigm through the implementation of clean government and good governance principles (Kemenpan, 2010). Furthermore, as imposed by the Perpres No. 81/2010, Indonesian administrative reform encourages the rearrangement of bureaucratic processes from the highest to the lowest level, embraces innovative ideas, and persuades new paradigm within the public sector.

Mardiasmo and her colleagues (2008) imply that the good governance principle in Indonesia has encouraged government agencies' efforts to implement various innovative policies and programmes as a way to improve the quality of public services, which is a prerequisite for greater economic growth. It is also interesting to be noted that based on their analysis and investigation on the good governance implementation at Indonesian regional government, there are twelve inhibiting variables that potentially undermine an effective implementation of governance protocols. Further interview analysis resulted in the identification of nine of these twelve factors as the core problems that were widely supported by respondents' responses (Mardiasmo et al., 2008, p. 12). The detailed percentage of respondent supports for the respective variables is summarized in Figure 2.4 below:

Figure 2.4 Impeding Variables to Good Governance
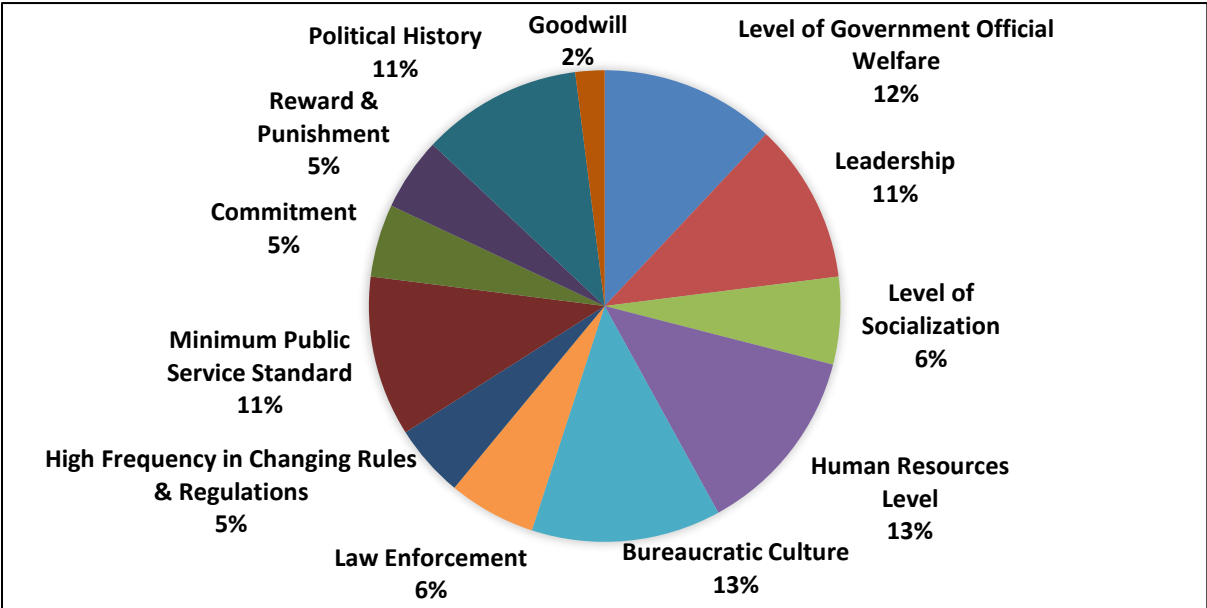
Source: Mardiasmo et al., 2008

As reflected in Figure 2.4, bureaucratic culture (called as administrative culture in this study), human resources related issues, the level of official welfare, political history, and minimum public service standard remain as the top five issues. Moreover, without neglecting the variation in the level of good governance implementation across regions, there is one common problem found within the investigated regions with regard to the mismatch between the good governance conception on papers and in reality. The higher officials believe, for instance, that innovation is a part of the main agenda, but according to the first line administrator respondents, it was revealed that only a small part of the expected innovations are actually implemented. The evidence also suggests that the lower the managerial level, the lower administrators' knowledge of good governance is as illustrated in Figure 2.5.

Figure 2.5 Level of Knowledge of Good Governance across Managerial Level

Higher Level Officials

Able to explain the good governance theory and current related rules & regulations

Have an idea of what good governance is and can provide examples of its implementation witin the region

Mid-Level Officials

Have only heard and acknowledged its existence

Lower Level Officials
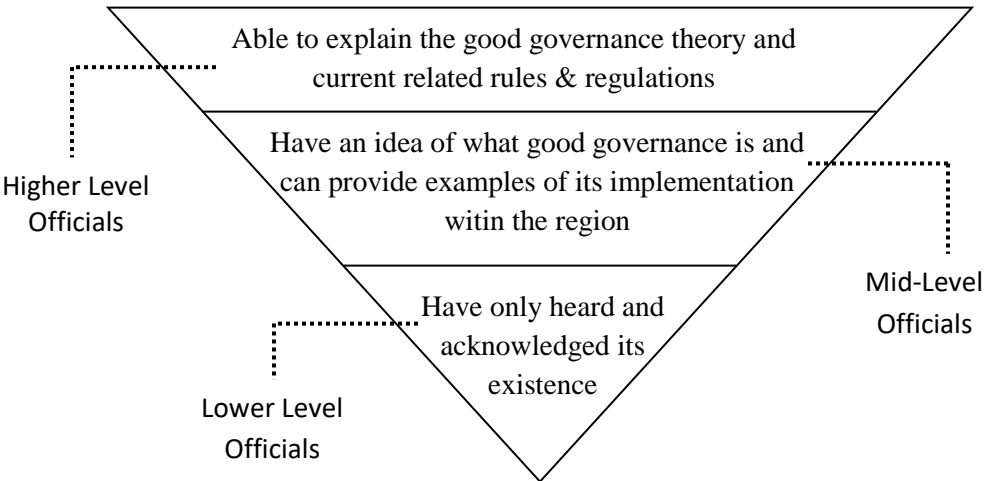
Source: Mardiasmo et al., 2008, p. 14

As a comparison from the government perspective, prior to the Road Map 2010-2014 implementation, the Indonesian government highlighted six primary problems that were expected to be tackled following a successful reform:

1. **Organization**; the current size of government organization is not proportional both in function and size

2. **Regulation**; a number of regulations in bureaucratic sector seems to be overlapping, inconsistent and unclear, which in turn may allow multiple interpretations. In addition, there is a necessity of revising outdated regulations that are no longer suitable to follow the changes in government organization and the society demands.

3. **Human Resources**; the main human resources problems faced by government organizations include improper staff allocation (both in quantity and quality), disproportionate staff distribution at territorial level, and also issues concerning administrators' low productivity level. Human resources management apparatus has not been optimally implemented to improve the professionalism and the performance of administrators and organizations. In addition, the wage payment system of public administrators has not been referring to the workload derived from the job analysis.

4. **Authority**; there are still misconducts and abuse of authority within the governmental process. In addition the government's performance accountability is still far from good.

5. **Public Services**; the current public services are not able to accommodate the interests of the whole society and the basic rights of the citizens.

6. **Mind-Set and Culture-Set**; the mind-set and the culture set of Indonesian bureaucrats do not fully support the establishment of efficient, effective, productive, and professional bureaucrats. The bureaucrats are still lacking the mind-set of serving the society, achieving better performance, and becoming outcomes-oriented persons.

2.2 Road Map 2010-2014

Having known the main problems that undermine the improvement performance of Indonesian public administrators as described on the previous section, this section explores the improvement formula proposed by the Indonesian government as the remedy to solve the existing problems. This study particularly focuses on the Road Map 2010 – 2014 as its context of study.

2.2.1 Improvement Formula

The Indonesian government believes that successful administrative reform requires a substantial paradigm change that emphasizes the implementation of clean government and good governance principles (Kemenpan, 2010). Accordingly, as written in the Perpres No. 81/2010, Indonesian government develops a grand design of public administrative reform 2010-2025 (henceforth called as 'the Grand Design') that functions as the main reference point for all government institutions in conducting reforms at their respective jurisdiction level. The Grand Design imposes the rearrangement of bureaucratic processes from the

highest to the lowest level, embraces innovative ideas, and persuades a new paradigm within the public sector.

The 'Second Wave Reform' basically possesses identical features as its predecessor (the 'First Wave Reform'). However, the latest scheme covers three additional change areas, namely Monitoring/Controlling, Accountability, and Public Service areas. These eight areas, in accordance with the result of internal problem mapping (as discussed in the previous section), remain at the reform's top priorities. Table 2.1 compares the main features of the first wave and the second wave reform introduced by the Indonesian government (Kemenpan, 2010).

Table 2.1 Comparison of First & Second Wave Reform

	First Wave Reform (2004 – 2009)	**Second Wave Reform (2010-2014)**
Types	Institutional	National and Institutional
Targets	Establishing good governance in public sector	1. Establishing a clean government free from corruption, nepotism, and collusion 2. Improving public service quality 3. Upgrading bureaucrats' capacity and performance accountability
Areas of Change	1. Organization 2. Administrative culture 3. Government Administration 4. Regulation – Deregulation 5. Human Resources	1. Organization 2. Government Administration 3. Regulations 4. Human Resources 5. Monitoring/Controlling 6. Accountability 7. Public Services 8. Mind Set and Culture Set

According to the Grand Design, Indonesian government envisions to become "A World Class Government" in 2025. This vision is characterized by the existence of professional governance with high integrity that delivers excellent services for the community by implementing a good democratic governance to face challenges in the 21st

century. As the path to achieve the vision, four missions are defined: 1) revising administrative legislation toward a good governance realization, 2) restructuring and strengthening public organization, regulation, human resource management, controlling mechanism, accountability, public service quality, and mindset and culture set, 3) developing an effective control mechanisms, 4) managing an effective and efficient administrative dispute. Figure 2.6 overviews the necessary steps to achieve the expected goals by 2025.

Figure 2.6 The Strategy towards A World Class Government
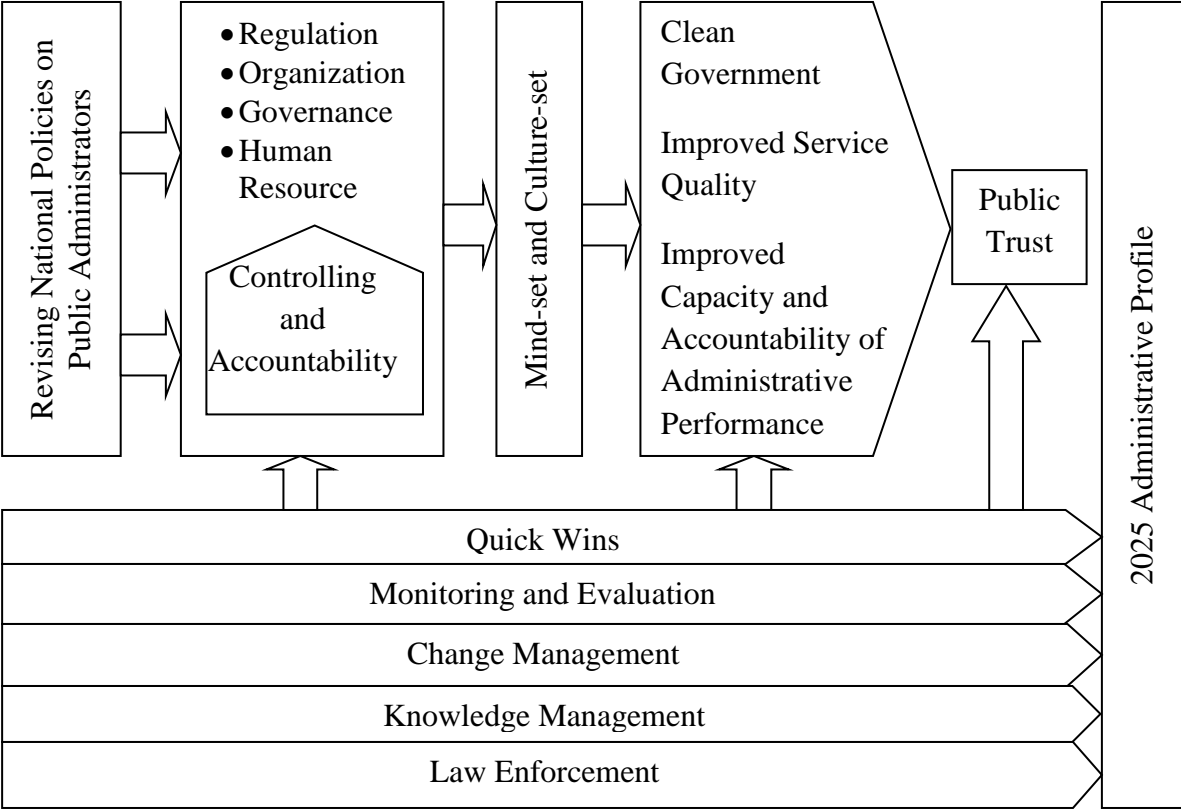
Source: Kemenpan (2012, p.11)

The Grand Design consists of three smaller five-year Road Map plan: 1) 2010-2014, 2) 2014-2019, and 3) 2019-2025. The Road Map 2010-2014 as the context of study, in particular, was targetted to achieve three goals, namely 1) Clean and good governance i.e. free from corruption, collusion and nepotism, 2) Good quality of public services, and 3) High accountability and high capacity of administrative performance. In addition, it is also expected that the Road Map 2010-2014 could encourage the establishment of professional apparatus that are indicated by a transparent, merit-based recruitment and promotion system

that supports   public administrators' mobility across regions and institutions and by an improvement in public administrators' welfare (i.e. good salary and better assurance).

Then, in 2019, after the implementation of various efforts made in the arrangement of bureaucracy, both institutional management and human resource management, as well as after an effective monitoring system and accountability, it is expected that the efforts to push for changes in the culture-set and the mind-set of Indonesian bureaucracy to become more professional, productive, and accountable. Any changes are expected to have an impact on corruption alleviation and better budget implementation, and to increase the benefit of any development program for the community, policy management and public service quality, productivity, as well as public administrators' welfare. Gradually, the efforts are expected to continue increasing public trust to the government.

To pursue the goal of administrative reform, the government proposes the so-called "quick wins" program as a quick and easy initiative step of a big and difficult program in order to obtain a positive momentum and confidence that the institutions are able to conduct the changes. Quick wins is done in advance and can be quick wins for structuring organization, governance, laws and regulations, human resources personnel, oversight, accountability, public services, and work culture apparatus arrangement.

Furthermore, continuous monitoring and evaluation are carried out periodically at various institutional levels during the implementation of administrative reform. Monitoring and evaluation aim to prevent deviations and make corrections in case of error / deviating directions in the process of reforming the bureaucracy. In addition, the following points remain essential to ensure a successful reform: 1) The implementation of change management that can handle any obstacles related to the implementation of administrative reforms; 2) The application of knowledge management to support an effective learning processes and exchanges of experience among public institutions during the reform implementation, and 3) Law enforcement to develop a clear relationship and limitations between the rights, responsibilities, obligations, and powers of every agent within the reform context. Finally, in 2025 the reform is expected to produce a well-qualified governance that possesses the following profiles: 1) No corruption, 2) No violation, 3) Good national and regional budget, 4) Well-implemented programs, 5) Quick and effective permit issuance services, 6) Good public communication, 7) Productive and effective working hours, 8)

Consistent and continuous of reward and punishment system implementation, and 9) Real development results.

2.2.2 Change Management Strategy

The Indonesian government believes that cultural transformation is required for creating professional public administrators (Kemenpan, 2012). The existing contra-productive administrative culture is presumed as an inhibiting factor for the government, related to its efforts to improve the performance of Indonesian public administrators. Therefore, a new set of culture has to be developed to enable the introduction of new habits and breakthrough within the public sector, as well as to ensure the continuity of such innovation. In order to manage the overall resources towards the expected goals, Permenpan No. 10/2010 provides a general guideline for all government institutions regarding how to implement change management strategy within the reform context. Change management strategy refers to "A systematic process to change the current condition towards the expected condition, namely to improve (administrators') performance, and to manage individuals who will be affected by the change process by integrating (relevant) knowledge, means, and all resources needed" (Kemenpan, 2011, p.3).

Change management strategy requires the existence of "the Agent of Change" to become the role model for general public administrators in implementing various behavioural changes to improve individual performance. The agent of change includes government leaders and selected administrators who are chosen based on particular criteria. There are nine principles that characterize Indonesian change management strategy: 1) Clear objectives; 2) Cultivating awareness; 3) Building trust; 4) Starting from the top level; 5) High participation; 6) Developing sense of ownership; 7) Availability of resourves; 8) Systematic plan; and 9) Continuous communication.

As illustrated in Figure 2.7, only by implementing proper change management strategy, the administrative reform can produce various improvements while at the same time maintaining the continuity of the reform process.

Figure 2.7 Performance Curve - With or Without Change Management
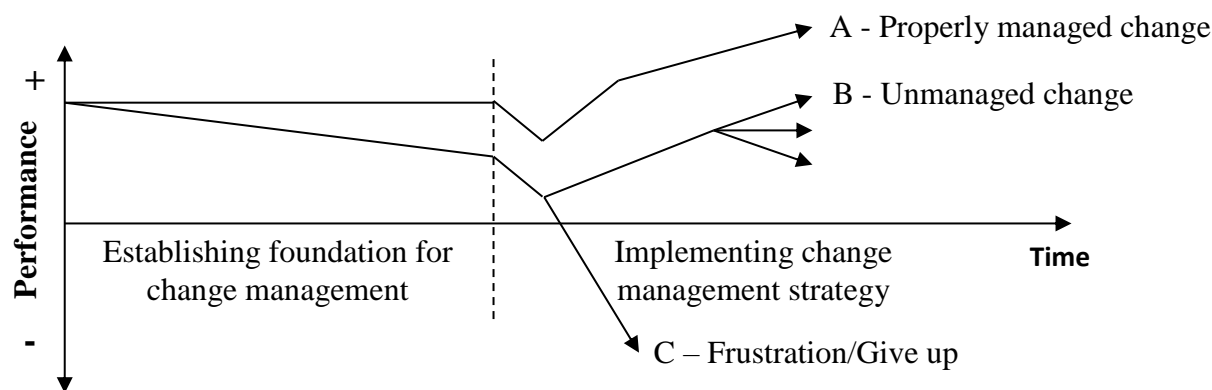
Source: Kemenpan, 2011, p. 10

In general, change management strategy involves three consecutive stages, namely the formulation stage, the change implementation stage, and the result strengthening stage. The first stage includes a preliminary assessment to investigate organizational readiness for change (e.g. mapping the related stakeholders, and identifying possible resistance), the formulation of a proper change management and communication strategy, and also the construction of success indicators. Meanwhile, the second stage focuses on the implementation of the strategy developed in the previous stage and on dealing with possible resistance. At this stage, the level of success is continuously monitored. Finally, in the third stage, feedbacks are collected and analysed as the basis for developing further improvement. Moreover, acknowledgements are given for good performers who have successfully implemented the expected reform initiatives.

The central government allows every single government institution (either at central, provincial, or regional level) to choose one out of four alternative strategies (i.e. Empirical-Rational, Normative-Reeducative, Power-Coercive, or Environmental-Adaptive) or a combination of them that is considered to be more suitable for their unique work environments. Table 2.3 overviews all four possible change management strategies and the underlying assumptions to conduct the required change initiatives.

It is important to note that despite of the variation in institutional preferences, Kemenpan underscores that change strategy should include four main focuses, including: 1) Understanding that the change shall produce considerable effects for wider managerial structures, administrators, and stake holders; 2) Understanding that the change shall also affect administrative culture configuration; 3) Generating awareness that the leader and the

key persons at the respective institutions are the first objects to be changed prior to others; 4) Facilitating an interaction that could encourage change commitment among the administrators to ensure that considerable change could occur within the organization.

Table 2.2 Four Alternatives Change Management Strategies

	Change Management Strategy	Main Assumption	Influencing Factors
1.	Empirical-Rational	• Administrators are rational individuals who follow their own interests • Successful change can be achieved with understandable communication along with significant incentive • If the incentive offered is not equal with the change in demand, resistance will emerge	• This strategy is highly influenced by the size of incentive offered • It would be challenging to be implemented if the incentive is perceived as insignificant
2.	Normative-Reeducative	• Administrators are social-beings in nature, and therefore would obey the existing cultural norms and values • Change will be implemented successfully if the initiative is defined and developed based on the existing norms and values in the society as the foundation to create a new commitment for change • It is important for the change management team to clearly develop and determine the expected wave of change	• This strategy focuses on how to conduct cultural change • Considering that culture cannot be changed in an instant period, it requires a long period of time • The successful rate will increase if cooperation with non-formal organizations can be maintained in harmony

3.	Power-Coercive	• Administrators could and would obey the given direction • Change will be successful if it is conducted by exercising power and imposing sanctions • The main idea is to reduce the options available for the administrators	• This strategy is chosen considering two main factors, including the limited time available and the high potential threat for change • Consistent and strong leadership is required
4.	Environmental-Adaptive	• Administrators have the tendency to avoid loss and disturbance, but can adapt easily to new situations • Change is carried out based on the necessity to create a new organization by transferring personnel to new places • It is easier for the administrators to adapt to a new environment than to change the traditional way of doing their job in their current office	• The main consideration: how big and fundamental is the desired change? • It is important to consider the availability of capable people to create a new organization with a new culture

Source: Kemenpan, 2011, p.26 - 28

Reflecting from the information given in this chapter concerning the types of problems to be tackled, as well as the suggested improvement formula and change management strategy proposed by Indonesian government, at this point, it is obvious that Indonesian administrative reform emphasizes the primary roles of administrative culture, readiness for change, and citizen trust in government behind successful reform. The concepts and theoretical foundation of these three key variables will be given in the next chapter.

CHAPTER 3 THEORETICAL BACKGROUND

This chapter provides relevant theoretical background used in this study to examine the progress of administrative reform, and the roles contributed by administrative culture, readiness for organizational change, and citizen trust in government behind the progression. As described earlier, this study assumes that a reform stagnation occurs in Indonesia as the result of cumulative effects caused by a growing internal resistance against change among civil servants (P1), counterproductive administrative culture (P2), as well as the lack of public trust in government as a result of accumulative public dissatisfaction in the quality of public services (P3) as illustrated in Figure 3.1 below:

Figure 3.1 Three Main Propositions
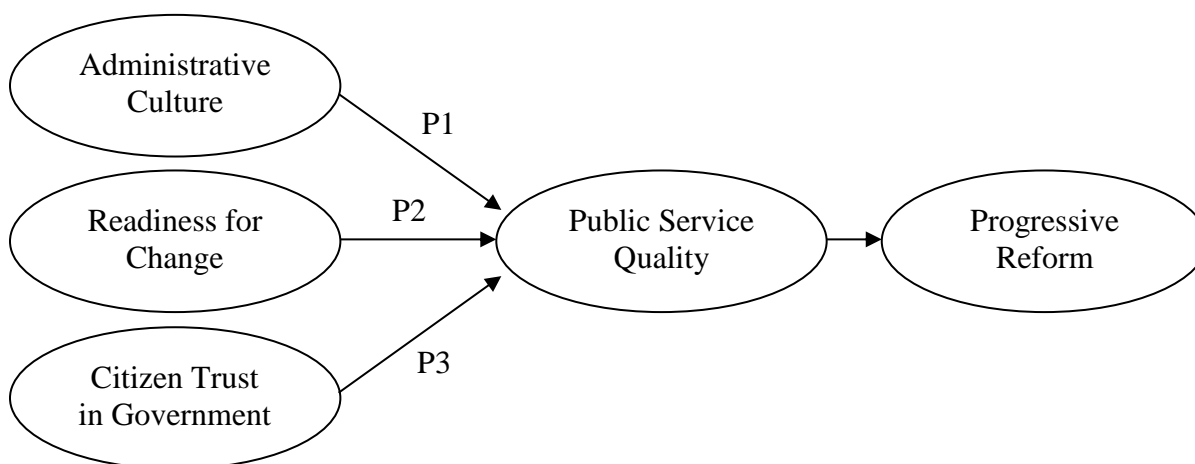
3.1 Evidences of Reform Progress

The Road Map progress within the 2010 – 2014 period is thoroughly scrutinized throughout the study. The term 'progress' used in this study refers to "a movement toward specific goals". Meanwhile, (administrative) 'reform' is commonly introduced by governments around the globe as a systematic procedure designed to produce specific tangible improvements in the way government manages its daily activities. Therefore, reform progress evaluation aims at investigating how far the government has successfully managed to reach its predetermined goals and to produce the expected improvements.

The Indonesian Road Map 2010 – 2014, in particular, is expected to achieve three predetermined goals, namely: 1) Free from corruption, collusion, and nepotism; 2) Improved public service quality; and 3) Upgraded bureaucrats capacity and performance. Considering

its position as a smaller five-year plan within a fifteen-year Grand Design, monitoring its progress is a necessary step that functions as a reflecting point for the government to have a better step in the upcoming periods. Public service quality has been chosen in this study as a proxy variable for a reform progress especially considering that the Road Map 2010 – 2014 primarily aims, among others, to produce tangible improvement in public service quality. Therefore, public service improvement remains as a core indicator to determine whether the administrative reform is going towards the expected direction or not (Boyne, 2003). Furthermore, performance measurement has been popularly used by public managers and scholars around the world (see for instance, Holzer et al., 2009; Holzer & Yang, 2004; Moynihan, 2006) and suggested by Behn (1995) as one of the big issues for public management scholars. Behn (2003) also describes eight different objectives that underlie public managers' decision to conduct performance measurement, namely: 1) Evaluate (to evaluate how well their agency perform); 2) Control (to control and make sure that their subordinates are doing good); 3) Budget (to serve as the basis to decide the budget priority); 4) Motivate (to motivate various actors to do necessary actions to improve performance); 5) Promote (to convince stakeholders that their agency is doing a good job); 6) Celebrate (to reflect on certain accomplishments that are deserved to be celebrated); 7) Learn (to identify which organizational strategy are working and not); and 8) Improve (to suggest an exact point to be done differently to promote advancement).

A number of scholars find that neither citizens-based evaluation nor administrators' performance self-appraisal, when used exclusively, is evitable to personal bias. Marvel (2015), for instance, based on his survey experiments examining three propositions surrounding citizens' individual assessments of United States Postal Service performance, concludes that citizens' evaluations are weakened by their unconscious view of the public sector. In accordance with Marvel's finding, Kelly & Swindel (2002, p. 612) also underline two general types of errors that citizens may make in evaluating public services, namely 'Errors of Attribution' (i.e. failure to properly differentiate the types of services that are provided by a particular government jurisdiction from another) and 'Assessment Error' (i.e. the result of citizens' evaluation on the given public services is contradictory to the results of some objective indicators). Yang & Holzer (2006, p.119) argue that the perceptual discrepancy between citizens' evaluation and governments' objective measurement may exist as a result of two following circumstances: 1) Intransparent government evaluation (i.e.

the official publications are not accessible by the public, therefore citizens could only refer to anecdotal sources), or 2) The issues measured by such measurement are irrelevant to citizens' live in general. On the other side, Meier & O'Toole's (2013) investigation on the potential bias behind administrators' performance self-appraisal also suggest that relying exclusively on the responses of public managers is problematic. As an alternative solution for this potential bias issues, this study combines both subjective and objective evaluation data (as suggested by Shingle, et al., 2008), as well as the views of the diverse citizens and multi-rank public administrators (as proposed by Yang & Holzer, 2006) to allow cross-checking on the respective agencies. In addition, the occurrence of attribution errors is minimized by collecting the data individually one by one at the investigated public service areas to ensure that each respondent could obtain a clear introduction about the investigated jurisdiction level relevant to this study, and also to enable respondents to directly clarify any confusions, when necessary, prior to providing their responses.

This section provides detailed information on the types of indicators that were employed in this study to investigate reform advancement. In general, three indicators were jointly examined to produce a comprehensive picture of the issue from multiple perspectives: The Indonesian Government's predetermined reform success indicators; citizens' appraisal on public service quality provided by the investigated agencies and the overall reform direction; and also administrators' self-reflection on their own performance.

3.1.1 Performance Evaluation in Public Sector: A Combined Perspective

Driven by a premise that implies more public involvement as the major prerequisite for higher public trust in government, citizen-based evaluation has been favourably used by public managers around the world as a primary basis to determine the performance level of public agencies (Wang, 2001). On the other hand, although supportive employees have been widely recognized by numerous scholars as the main ingredient of various successful change initiatives (Cumming & Worley, 2005; Piderit, 2000); the latter input on their own service delivery performance seems to be inadequately considered. Within an administrative reform context, it is argued that inadequate consideration of administrator's point of view in public sector performance evaluation may impede a progressive reform that aims at improving public service quality because public managers do not possess adequate data to clarify whether some performance-related issues as raised by the citizens are also considered by the

service providers as a crucial point for improvement or not. Furthermore, it is valuable to compare citizens' evaluation with administrators' estimation on citizen perception as it is an excellent technique to increase internal interest in considering the findings resulted from citizen-based survey (Poister & Thomas, 2007; Melkers & Thomas, 1998).

This study employs multiple-indicator approach. The findings from relevant external surveys proposed by the Indonesian government as the indicators were analyzed to examine how far the three predetermined objectives of Road Map 2010-2014 had been achieved at the macro level. Furthermore, the study investigates the reform progress at two selected provincial governments as perceived by the citizens and by the responsible administrators at the agency level. By doing this, it is expected that the data could provide a comprehensive explanation regarding the reform progress, and why such progress or delay occurs.

3.1.1.1 Citizens' Rating towards Public Service Quality

Having known that a successful reform initiative in Indonesian context is expected to produce, among others, improvement in public service quality, findings from public service quality measurement is used as a predictor for a progressive administrative reform. This study employs the three-column format SERVQUAL tool developed by Parasuraman and his colleagues (1994) to investigate the level of public service quality from the citizens' point of view. The term 'citizens' used here refers to 'public customers' who are by the time of study were receiving or have recently received particular services given by the public agencies under investigation.

Service quality is a conceptual construct that measures how good a particular service could fulfil customer expectation consistently (Lewis & Booms, 1983 in Parasuraman et al, 1988, p.42). In other words, most scholars would define it as a customer's exclusive judgement on the degree of excellence of the given services. Parasuraman and his colleagues (1988) argue that service quality is related, but not identical, to satisfaction construct. The three-column SERVQUAL model (Parasuraman et al., 1994) integrates three different expectation levels that are commonly used by general customers while examining service quality:

Desired Service (Ideal)	: The level of service representing what customers believe "can be" and "should be" provided by the service providers
Perceived Service (Reality)	: The actual level of service quality provided by the service providers
Adequate Service (Minimum)	: The minimum level of service that customers are (still) willing to accept

In addition, the so-called 'Zone of Tolerance' that represents the range of service performance that is still perceived as tolerable for customers can be seen by separating the Ideal and the Minimum scores. Meanwhile, the SERVQUAL score (henceforth called 'SQ' score) is obtained by subtracting the Ideal score from the Reality score, and thus portraying the discrepancy between customers' normative expectations and their perception of the service performance (Parasuraman et al., 1985). Parasuraman and his colleagues argue that the notion of SQ's difference-score is superior compared to the alternative non-difference score concept (see Parasuraman, Zeithaml, & Berry, 1993).

Parasuraman (1994) conducts an investigation to compare the psychometric properties of three alternative service-quality measurement scales (i.e. one-column format; two-column format; and three-column format) to address the unresolved methodological issues found in the previous studies. The result suggests that the three-column format is superior in comparison with the other two alternatives. However, the employment of the three-column format would require longer time for the respondents to provide their answers. The following figure illustrates the three-column format:

Figure 3.2 Three-Column Format SERVQUAL

	My Desired Service Level		My Adequate Service Level		My Perception of XYZ's Performance	
	Low	High	Low	High	Low	High
1. Modern-looking equipment	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9	

Source: Adapted from Parasuraman, et al., 1994 (p. 222)

The SERVQUAL questionnaire consists of 21 items that represent five different service dimensions as follows (detailed items can be found in Appendix 6):

1. Tangibles : Phsysical facilities, equipment, and personnel appearance
2. Reliability : The ability to perform the promised service dependably and accurately
3. Responsiveness : The willingness to help customers and to provide prompt service
4. Assurance : Employees' knowledge and courtesy, and their ability to inspire trust and confidence
5. Empathy : Caring, individualized attention the institution provides for its customers

3.1.1.2 Administrators' Performance Self-Appraisal

As suggested by earlier studies (Melkers & Thomas, 1998; Poister & Thomas, 2007), this study adopts the idea to investigate administrators' prediction of citizen rating. However, instead of using the original question proposed by the aforementioned scholars, this study develops two new direct questions, not only to investigate administrators' reflection on possible citizen evaluation (Public-Rate), but also to reflect on their own performance (Self-Rate) as illustrated below:

Figure 3.3 Administrators' Self Appraisal

Q10 - *From your perspective, how good might the citizens would rate the current performance of your institution in delivering the related public service(s)?*

Very Poor	1 2 3 4 5 6 7	Very Good

Q11 - *From your perspective, how good would you rate the current performance of your institution in delivering the related public service(s)?*

Very Poor	1 2 3 4 5 6 7	Very Good

Source: Author's own work

As an advantage in comparison to the previous studies, the data could offer further comparison not only within the internal cognition of individual administrators (Self-Rate & Public-Rate) but also between the administrators and the citizens (Self- & Public-Rate vs SQ scores).

3.1.2 Government Success Indicators

A fifteen-year grand design of administrative reform initiated by the Indonesian government envisions the achievement of the so-called "the World-Class Government" status in 2025. As intermediate outcomes, according to the Grand Design, it is expected that by 2014, the reform should have created a government free from corruption, collusion, and nepotism; improved public service quality; as well as upgraded bureaucrats capacity and performance accountability. According to Permenpan No. 11/2011, for monitoring purpose, the central government (i.e. Kemenpan) determines several success indicators to observe annual improvement progress in achieving the three predetermined objectives. The following Table 3.1 shows the detailed indicators used by the Indonesian government:

Table 3.1 Government Success Indicator

OBJECTIVES	INDICATORS		BASELINE (2009)	TARGET (2014)
Free from corruption, collusion, and nepotism	Corruption Perception Index (Transparency International)*⁾		2.8	5.0/50
	"Unqualified Opinion" from Indonesian Auditory Board (BPK RI)	Central (percent)	42.17	100
		Regional (percent)	2.73	60
Improved public service quality	Public Service Integrity Survey (KPK RI)	Central	6,64	8,00
		Regional	6,46	8,00
	Ease of Doing Business Index Ranking (World Bank)		122	75
Upgraded bureaucrats capacity and performance accountability	Government Effectiveness Index (World Bank)		-0,29	0,5
	Number of Accountable Government Institutions (LAKIP)	Central (percent)	47,40	100
		Province (percent)	3,8	80
		Municipal (percent)	5,1	60

*) starting from 2012 the measurement scale has been changed from 1-10 to 1-100
Source: Kemenpan (2010, p.5)

The achievement towards the realization of free corruption zone is measured using the Corruption Perception Index (CPI) and professional opinion from Indonesian Auditory Board (BPK RI). Transparency International in Berlin annually publishes the CPI scores classifying countries around the world within a continuum scale ranging from 0 (most corrupt) to 100 (very clean). The CPI score is a composite index accumulated from several independent surveys using different approaches. Indonesia's CPI score is produced based on the results of six surveys (Kemenpan, 2011, p.5; Transparency International, 2016):

1) **Bertelsmann Transformation Index** (issued by Bertelsmann Foundation) measures political transformation, economic transformation, and management performance issues.

2) **Global Competitiveness Report** (issued by World Economic Forum) investigates nine main variables as the predictor for a country's competitiveness level, including institutions, infrastructure, macroeconomy, health and primary education, higher education and training, market efficiency, technological readiness, business sophistication, and innovation

3) **Global Risk Service** (issued by IHS Global Insight) provides transparent risk scores across 151 countries for 54 risk factors and 12 investment types. The risk factors include direct risk to cashflow, such as an increase in the capital gains tax, as well as broader risk events, such as military coup (IHS, 2016)

4) **World Competitiveness Index** (issued by Institute for Management Development) Competitiveness refers to such objective: it determines how countries, regions and companies manage their competencies to achieve long-term growth, to generate jobs and increase welfare. Competitiveness is therefore a way towards progress that does not result in winners and losers: when two countries compete, both are better off (IMD, 2016)

5) **Asian Intelligence** (issued by Political and Economic Risk Consultancy) produces a range of risk reports on Asian countries, paying a special attention to critical socio-political variables like corruption, intellectual property rights risks, labor quality, and other systemic strengths and weakness of individual Asian countries (PERC, 2016)

6) **Country Risk Service and Country Forecast** (issued by Economist Intelligence Unit) analyzes and forecasts the credit risk posed by a country and provides a regularly reviewed country risk rating. In addition to currency, sovereign debt and banking sector

risks posed by a country, the service also looks at political, economic policy and economic structure risks (The Economist, 2016)

Meanwhile, particular professional opinion is given by BPK towards the financial report published by individual government agencies based on four main evaluation criteria: Its compatibility with government's accounting standard, adequate disclosures, regulatory compliance, and the effectiveness of internal monitoring system. One of four types of opinion can be given accordingly: 'unqualified opinion' (all four criteria are satisfactory fulfilled), 'qualified opinion' (a minor part of budget allocation is found to be inappropriate according to the regulation), 'adverse opinion' (the financial report does not adequately fulfil the standard), or 'disclaimer of opinion' (a considerable amount of spending is not supported with sufficient evidence to be traced).

The second target, "improved public service quality", is assessed using two main parameters, namely the Public Service Integrity Survey, and the Ease of Doing Business. Indonesia's Corruption Eradication Commission conducts Public Service Integrity Survey to measure public perception on the public service quality provided by various investigated agencies at central and regional governmental levels. The final score is an average score ranging from one to ten points. As a general rule, the higher the number means that the investigated institution possesses better integrity. It employs two main variables: 'Experienced Integrity' (based on citizens' personal experience with any corruptive behaviour or misconducts occurs in the agency) and 'Potential Integrity' (based on citizens' reflection on the factors that may potentially trigger corruptive behaviour). These two variables are measured using six indicators: Experience with corruption, perception on corruption, working environment, administrative system, individual behaviour, and corruption prevention. The second parameter published by International Finance Corporation explores ten business related aspects to investigate public perception on the easiness to start a business in the respective countries. The investigated aspects include:

1) **Starting a business** (the duration required to fulfil the whole formal procedures for establishing and starting a commercial business)
2) **Dealing with licenses** (the overall procedure for a construction business industry to build a standard warehouse)

3) **Employing workers** (related regulations on workers, including among others, regulations on recruitment, minimum wages, working hour rigidity, and employment contract termination procedure)

4) **Registering property** (the procedure and the duration needed by a buyer to buy a property as an asset to develop business activities)

5) **Getting credit** (legal rights between creditors and debtors, including potential access to reach various funding sources)

6) **Protecting Investors** (regulations that may protect the interests of minority shareholders in the case of misconducts committed by company's management elites)

7) **Paying taxes** (all types of taxes and other obligation fees to be paid by mid-level businessmen within a certain fiscal period)

8) **Trading across borders** (procedures, requirements, cost, and duration required to export or import goods)

9) **Enforcing contracts** (the efficiency of judicial system, including steps and formal procedures needed to settle a business dispute)

10) **Closing a business** (bankruptcy system and business closure procedure)

Finally, the advancement in bureaucrats' capacity and performance accountability are measured using the World Bank's Government Effectiveness Index and the amount of government institutions that have successfully obtained 'accountable' status (LAKIP/Accountability and Performance Reports of Government Institutions).

The Government Effectiveness Index is a component within the Worldwide Governance Index published annually by the World Bank. It portrays citizen's perceptual data on public service quality, the level of independence from political interventions, the quality of policy formulation and its implementation, and the credibility of government's commitment to its own policies. The index ranges from -2.5 (bad governance) to +2.5 (good governance). LAKIP is coordinated by the Indonesian Ministry of Administrative Reform (Kemenpan) to evaluate the implementation of the performance accountability system and the organizational achievement towards the predetermined goals. The collected data is also used to classify governments at central, provincial, and municipal levels under several performance-rank groups.

3.2 Cultural Configuration of Public Organization

3.2.1 Government as a Cultural Phenomenon

Government bureaucracy operates within a certain culture of society, which is referred here as administrative culture. This particular culture shared by officials and other actors in public service arena may directly encourage or inhibit the effectiveness of bureaucracy reform. Administrative culture consists of more than just a set of values related to institutional history or the place where the administration is located. It also corresponds to strategic interests, which differs from collective political interests and public or private pressure groups (Rouban, 1995). Furthermore, it is not simply a product of custom or blind defence of bureaucrats' professional interest. Grindle (1997), based on her comparative study in six developing countries, has found that the concept of administrative culture is a useful hypothesis to explain the reason why several public organizations, particularly in developing countries, perform well than the others.

Growing literatures have explored administrative culture as the key for having a better understanding of the dynamics occur in various public sector organizations, for instance, public hospital (Hesselink, et al., 2013; Jacobs, et al., 2013), public infrastructure (Dharmayanti, 2013), and government executives (Cini, 1995; Parker & Bradley, 2000). Claver and his colleagues (1999), in particular, place a special attention on investigating a suitable administrative culture that may improve the services offered by public organizations. They argue that the origin of adminisrative culture lies in the intersection of three elements, namely the general cultural view of a society, the characteristics of the citizens who are served by a specific public body, and also the basic assumptions of the public managers as previewed in Figure 3.4 below.

Figure 3.4 Origin of the Administrative Culture
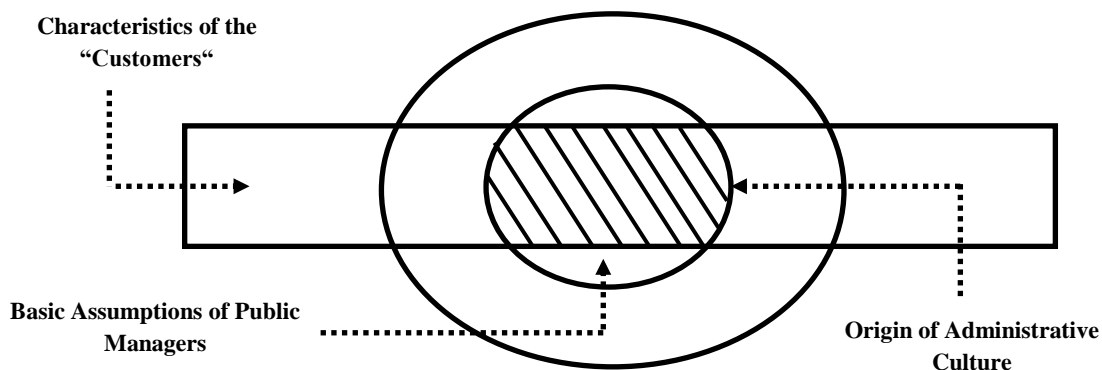
Source: Claver, et al., 1999, p. 4

Indonesian government emphasizes the necessity of introducing a new set of culture as the requirement for creating professional public administrators. Therefore, according to Perpres No. 81/2010 (as quoted in Permenpan No. 20/2010), administrative reform is unequivocally expected to change the 'mind set' and the 'culture set' of Indonesian public servants as a part of the government's commitment to accelerate public sector performance. The Indonesian government describes culture set as "the administrator's perspective in creating a particular meaning his or her job" or "the attitudes and behaviours of individuals/groups that are based on (particular) values which are believed to be true, that have become the nature and habit (of administrators) in conducting (their) tasks and jobs in daily basis". Meanwhile, mind-set is required to maintain the continuity of the new culture set, specifically, a mind-set that allows particular breakthrough (i.e. innovative ideas) or new habits that are beyond the existing habits or routines (Kemenpan, 2010).

According to the central government, the development of an ideal culture set requires three consecutive stages, namely: The value formulation stage, the implementation stage, and the monitoring and evaluating stage (Kemenpan, 2012, p.17). During the first stage, the central government emphasizes every top leaders at the provincial and agency levels to consider that the new defined culture set and values shall encourage further advancement within their organization in order to achieve the predetermined organizational vision and mission. In addition, considerable attention is also needed with regard to individual administrators' efficacy to adapt with the new culture set. Meanwhile, the second stage involves various actions to declare the new values to the general public administrators and also to encourage a sense of belonging among the staffs so that they are involved in the implementation of the expected culture set. Finally, continuous monitoring and evaluation are required to observe the progress of the new culture set implementation.

Considering that the new ideal culture described by the central government is a conceptual term, an operationalization of the concept is needed to translate it into a practical level. It is argued that the issue of perceptual conformity about 'what kind of culture to be developed' across four different hierarchies, namely the central government elites, the governors, the head of public agencies, and also the public administrators (as the key organizational members experiencing daily life situation at the agency) is crucial to ensure a smooth cultural transformation in Indonesian public sector.

By assuming that the ideal type of culture suggested by the central government remains as one of the most essential factors that may differentiate high- from low-performing agencies, the following hypothesis is suggested:

H_1: *"Suitable culture is one among the main prerequisites for progressive reform. Therefore, agencies that predominantly maintain 'the ideal culture' (as defined by the central government) at their work environment would be able to deliver good public service quality"*

3.2.2 Portraying Administrative Culture

The term 'administrative culture' can be used interchangeably with other popular terms, such as 'organizational culture', 'bureaucratic culture', or 'public service culture'. The term 'administrative' is intentionally used in this study to emphasize the context of the study, as perceived by public administrators. Henderson (2004; p.236) proposes the term 'administrative culture' as a mid-point between personnel-oriented analyses in individual organizations (broadly known as 'organizational culture') and the wider concern of political science that includes the entire polity and its features (labelled as 'political culture'). Although there is no single scholarly definition to define the word 'culture', there is a wide concencus believing that culture in an organizational context represents a system of shared values and beliefs that underlies the assumptions shared among the organizational members about the appropriate behaviours (O'Reilly & Chatman, 1996). Schein (1984) underlines that culture is discovered and developed in a group through coping skills learning that is proven to have worked effectively and to be considered valid, and therefore taught to new members.

Cameron & Quinn (2000, p. 168) summarizes the general concept of organizational culture that is rooted from two main disciplinary foundations, namely the Anthropological (organizations are cultures) and Sociological Foundations (organizations have cultures). Furthermore, under each discipline there are two different approaches to the culture developed: Functional (culture emerges from collective behaviour) and Semiotic Approaches (culture resides in individual interpretation). Table 3.2 overviews the concepts.

Table 3.2 Two Main Disciplinary Foundations of Organizational Culture

	Anthropological Foundation	Sociological Foundation
Functional approach		
Assumption	Organizations are cultures	Organizations have cultures
Focus	Collective assumptions	Collective Behavior
Observation	Subjective factors	Objective factors
Variable	Dependent (understand culture by itself)	Independent (culture predicts other outcomes)
Semiotic approach		
Assumption	Culture is reality	Culture makes sense of reality
Focus	Individual assumptions	Individual cognitions
Observation	Participant immersion	Participant observation
Variable	Dependent (understand culture by itself)	Independent (culture predicts other outcomes)

Source: Cameron & Quinn (2000)

The main difference between the anthropological and the sociological traditions lies in the way they define culture. Cameron & Ettington (1988), following their review of a number of published organizational culture definitions, find the functional, sociological perspective as the predominant approach. According to Cameron & Quinn (2000), there are three alternative strategies to investigate culture at the organizational level: First, the Holistic Approach requires researcher to be immersed in the culture, and thus become a 'native' in the organization while conducting a thorough in-depth observation; Second, the Metaphorical or Language Approaches in which researcher explores language patterns in documents, reports, stories, and conversations to reveal cultural patterns; And third, the Quantitative Approaches involves questionnaires or interviews to investigate specific cultural dimensions. Furthermore, it is also important to distinguish organizational culture concept from organizational climate. The later represents temporary attitudes, feelings, and perception on the part of individuals, meanwhile the earlier concept is assumed to be endurance, slow-changing core organizational attributes. Organizational culture may consist of several unique subcultures, but each of these subcultures carries common attributes that construct the typical culture of the whole organization.

This study combines three different methods to examine the perceptual conformity across four different public administration hierarchies to define 'what kind of culture to be developed' at the agency level. It is argued that consistent operationalization of the ideal culture among responsible leaders across different governmental levels, as well as the compatibility between individual public manager's and general administrators' preferences on types of culture expected to be developed at the agency level remain crucial to ensure a progressive reform aiming at achieving the World Class Government status. The first method, Competing Values Framework (CVF), adopts the functional, sociological tradition to explore administrative culture as perceived by general public administrators at the agency level. Meanwhile, the second method approaches the culture from semiotic, sociological tradition to investigate the portrayal of administrative culture as perceived by the key public sector leaders. Finally, the third method analyses relevant documents and written regulations as a comparison to the CVF's finding to examine the perceptual interpretation gap that may exist between the government elites and the administrators at the first line level. Figure 3.5 illustrates the analysis conducted to investigate the potential interpretation gap.

Figure 3.5 Interpretation Gap Analysis on Administrative Culture

I	Central Government	The Ideal Administrative Culture (Analysis of related written regulations)
II	Governor	The Existing and Ideal Administrative Culture (Semi-structured interviews)
III	Head of Public Agencies	The Existing and Ideal Administrative Culture (Semi-structured interviews)
IV	First Line Administrators	The Existing and Preferred Administrative Culture (OCAI Questionnaire based on CVF Framework)

The underlying assumptions and detailed information of each of the three methods will be described individually in the following subsections.

3.2.2.1 Competing Values Framework

This study employs the Competing Values Framework (CVF) and its matched scale Organizational Culture Assessment Instrument (OCAI) developed by Cameron & Quinn (2000) as the main assessment tool to portray the administrative culture as perceived by public administrators at the respective agencies. The CVF framework has been chosen from other existing frameworks due to its practicality and solid psychometric properties. Yu (2009) reviews the CVF concept and explores its advantages in comparison with other prominent major organizational culture models. She concludes that a number of empirical studies have been conducted to validate the CVF as a powerful tool to assess organizational culture (e.g. Denison & Mishra, 1995; Howard, 1998; Kwan & Walker, 2004; Lamond, 2003). In addition, she also underlines the practicality of the OCAI questionnaire that includes only twenty-four items. In Indonesian context, though quite limited, the CVF has also been used, among others, by Covey and his colleagues (2011) to portray the cultural configuration of Indonesian construction companies, and by Simamora & Jerry (2013) in their study that assesses organizational culture in private university setting. Extensive use of CVF framework around the world enables a comparison between the cultural profile of the respective agencies resulted from this study and the global cultural trend in various fields, including in Public Administration. Such advantage offers valuable insights to accurately interpret the culture profiles of the investigated agencies.

The CVF was developed from the result of a study on organizational effectiveness conducted by Campbell et al. (1974). The study was conducted to find scholarly answers for the following questions: What are the main criteria for determining if an organization is efective?; What key factors define organizational effectiveness?; and When people judge an organization to be effective, what indicators do they have in mind?. Campbell and his colleagues concluded that there are thirty-nine alternative indicators that could represent all possible measures for organizational effectiveness. In order to simplify the finding and to make it more useful for organizational setting, Quinn & Rohrbaugh (1983) examined the list to identify possible patterns or clusters. Following the statistical analysis, two major dimensions came up and thirty-nine indicators were classified under four big clusters. As described in Cameron & Quinn (2011, p. 38), the first dimension segregates organizational effectiveness criteria within a continuum of two polars, namely "Flexibility, Discretion, and Dynamism", and "Stability, Order, and Control". Each organization may have different

emphasis in describing an effective organization. Some of them may emphasize more on changing and adaptable characteristics, such as Google or Nike. Meanwhile, others would prefer to stress on being stable, predictable, and mechanistic, such as Boeing. The second dimension differentiates effectiveness criteria that prioritizes the values of "Internal Orientation, Integration, and Unity" from "External Orientation, Differentiation, and Rivalry". IBM, for instance, has a consistent traditional "IBM Way". Meanwhile, other companies, such as Toyota and Honda, are acknowledged for their slogan "Thinking globally, but acting locally". If combined together, the two dimensions create four distinct quadrants as illustrated in Figure 3.6.

Figure 3.6 The Competing Values Framework
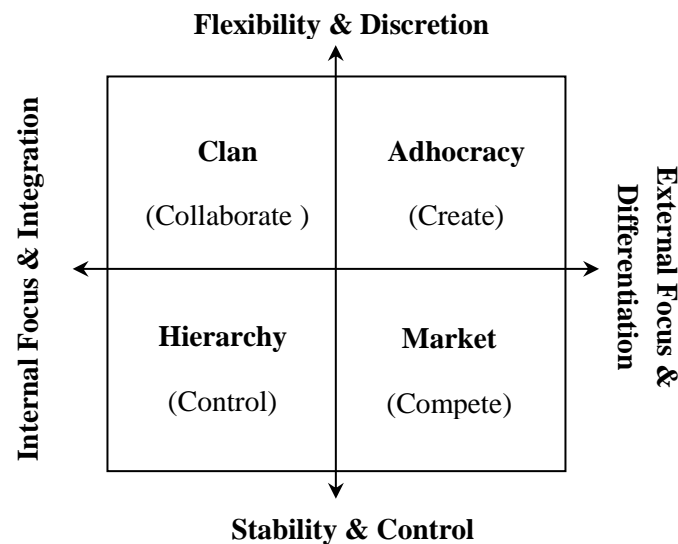
Source: Cameron & Quinn, 2011, p. 39

Each of these quadrants defines how the people within the organization see what is good, right, and appropriate for the organization. In other words, these four clusters represent the foundation on which judgments within the organization are made. Moreover, it is also important to note that each quadrant is contradicting another quadrant on the diagonal. The Clan culture (upper-left), for instance, represents the values of internal and organic focus that are totally different from the Market culture (lower, right), which emphasizes more on external and control focus. The same rule also applies between Adhocracy and Market culture. Figure 3.7 provides description on the four aforementioned cultural types.

As a measurement tool, the so-called Organizational Culture Assessment Instrument (henceforth called OCAI) was developed based on the CVF Framework to identify organizational aspects that represent the main values and basic assumptions in the

organization, based on individuals' interpretations. Psychological theorists reveal that most individuals employ identical kind of framework in order to make sense of the world around them. This framework, called a 'psychological archetype', is defined as "the categories people form in their minds to organize the information they encounter" (Cameron & Quinn, 2001, p. 172). OCAI integrates the following six dimensional aspects, namely: 1) The dominant characteristics of the organization; 2) The leadership style; 3) The management of employees; 4) The organizational glue; 5) The strategic emphases; and 6) The criteria of success. In combination, although a list of six dimensions is of course not comprehensive, Cameron & Quinn argue that these dimensions could produce an adequate portrayal of the type of culture that underlies an organization.

Figure 3.7 Description of the Four Cultures

The Clan Culture	**The Adhocracy Culture**
A very friendly place to work where people share a lot of themselves. The leaders are considered to be mentors. Success is defined in terms of sensitivity to customers and concern for people. Teamwork, participation, and consensus are essential.	A dynamic, entrepreneurial, and creative place to work. People stick their necks out and take risks. The leaders are considered to be innovators and risk takers. Success means gaining unique and new products or services. Being a product or service leader is important.
The Hierarchy Culture	**The Market Culture**
A very formalized and structured place to work. Procedures govern what people do. The leaders pride themselves on being good coordinators and organizers. Success is defined in terms of dependable delivery, smooth scheduling, and low cost. Secure employment and predictability are the main concern.	A results-oriented organization. The major concern is getting the job done. People are competitive and goal oriented. The leaders are tough and demanding. Reputation and success are common concerns. Success is defined in terms of market share and penetration. Hard-driving competitiveness is vital.

Source: Cameron & Quinn (2011, p. 75)

OCAI instrument requires respondents to distribute 100 points, ranging from 0 to 100, for four statements (Now & Preferred; in total of 24 statements for 6 dimensions), depending on the statement's degree of similarity to the actual situation in their institutions. Higher points are given to the statement that could better represent the institution. Detailed items can

be found in Appendix 5. Figure 3.8 illustrates the instrument used during the data collection period (the column has been filled to show the possible responses).

Figure 3.8 OCAI Instrument

1	Dominant Characteristics	Now	Preferred
A	The organization is very personal place. It is like an extended family. People seem to share a lot of themselves.	55	35
B	The organization is very dynamic and entrepreneurial place. People are willing to stick their neck out and take risks.	20	30
C	The organization is very results-oriented. A major concern is with getting the job done. People are very competitive and achievement-oriented.	25	25
D	The organization is a very controlled and structured place. Formal procedures generally govern what people do.	0	10
	TOTAL	100	100

3.2.2.2 Semi-Structured Interviews

The views of higher level officials (i.e. the governors and the head of agencies) were explored through a number of semi-structured interview sessions. Each session attempts to explore the individual perception of government elites with regard to the eleven predetermined culture and reform-related issues as summarized in Figure 3.9 below.

Figure 3.9 Perceptions of Government Elites

Main Barriers for Successful Reform	**Period of Tenure**	**Significant Historical Events**	**Management Philosophy**
Organizational Chart Criteria	**Personal Ideas & Strategies**	**Common Problems**	**Expected Outcomes**

Staff Involvement	**Opinion on the Existing Culture**	**Types of Change Initiatives**
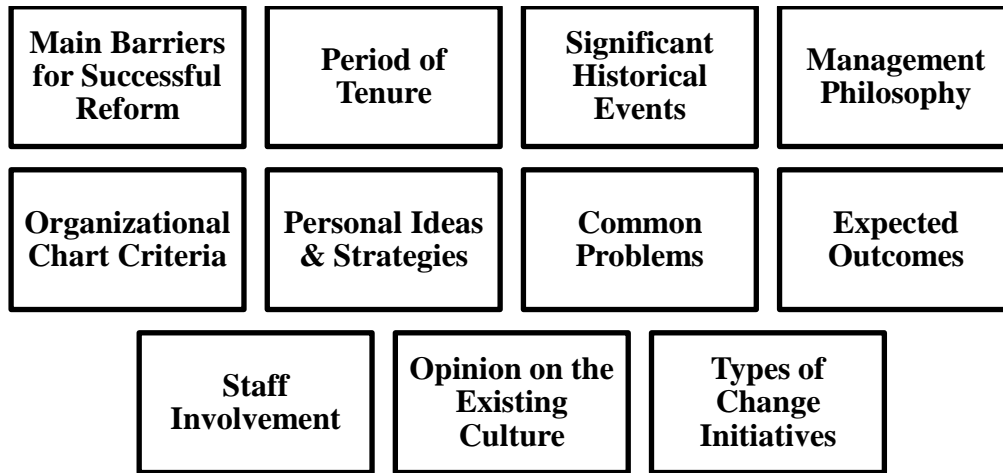
As a valuable starting point, Claver and colleagues (1999) recommend exploring the intersection of the three factors presumed as the origin of administrative culture that operates within a public agency, namely: 1) The general cultural view of the society (e.g. whether we are dealing with a Western or Asian Culture, and specific features of the area); 2) The characteristics of the citizens who are served by the investigated agency, and 3) The basic assumptions of the public managers. Various scholars suggest that culture may consist of artifact synthesis (also known as practices, expressive symbol or forms), values and belief, as well as the underlying assumptions shared among organizational members about the suitable behavior (Cooke & Rousseau, 1988; Gordon & DiTomaso, 1992; Ross-man, Corbett, & Firestone, 1988; Rousseau, 1990; Schall, 1983; Schein, 1992; Schwartz & Davis, 1981).

Based on the suggestion of Claver and colleagues (1999), six issues were explored during the interview session: 1) How long they have held the post; 2) Their knowledge of significant historical events; 3) How they view the management philosophy of the public agency; 4) The criteria to arrange the organizational chart; 5) Their personal ideas and strategy; 6) Their opinion about the existing culture that is currently held by their organizations and public administration in general. Moreover, this study also adopts two issues proposed by Kim, Hornung, & Rousseau's (2011) to investigate the antecendents of change-supportive employee behavior, including the ways in which management wanted employees to get involved in the change process, and the positive outcomes they might expect following a successful reform. Finally, three additional questions examine the most common internal problems found in government institutions, the main barriers that inhibit a successful

reform initiative, and types of change initiatives that are currently/will be implemented in their respective institutions.

The interview analysis, including the coding process, was conducted manually without the use of any qualitative data analysis program. The very first step was to transform all recorded interviews into a written verbatim as the raw material to be analyzed. The coding process generally follows Saldana's (2009) suggestion and includes further technical improvement. As he underlines, "Coding is primarily an interpretive act… The transitional process between data collection and more extensive data analysis" (ibid. p.4). According to Hatch (2002, p.155), a coding pattern can be traced using one out of six following characteristics: Similarity (things happen the same way); Difference (they happen in predictably different way); Frequency (they happen often or seldom); Sequence (they happen in a certain order); Correspondence (they happen in relation to other activities or events); and Causation (one appears to cause another)

Saldana (2009, p.16) describes the mechanics of coding as a process that involves four consecutive stages, including: 1) Pre-coding (it includes the activity to circle and to highlight quotes that strike us); 2) Preliminary Jottings (start writing any preliminary words or phrases for codes); 3) Questions to Consider (it is strongly suggested to keep a copy of all main research materials on one page to maintain focus); 4) Coding Contrasting Data (it is suggested to code one data set first before another).

A four-column format was employed during the coding process. This format was developed from Liamputtong & Ezzy's (2005) earlier idea that formats the data into three columns. Figure 3.10 illustrates the aforementioned format.

Figure 3.10 Four-Column Coding Format

Column 1	Column 2	Column 3	Column 4
Raw Verbatim (in *Bahasa Indonesia*)	Pre-coding	Preliminary Jotting and Translation Process into English	Restructuring based on eleven topics of interview
Jadi.. yang saya terapkan adalah bagaimana ada suatu perubahan budaya kerja terhadap pelayanan pasien. Yang saya kemukakan adalah harus ada indikator untuk kepuasan. Kalau kunjungan pasien itu meningkat, maka pendapatan kita meningkat.	yang saya terapkan adalah **bagaimana ada suatu perubahan budaya kerja terhadap pelayanan pasien** **harus ada indikator untuk kepuasan.** Kalau kunjungan pasien itu meningkat, maka pendapatan kita meningkat	• **Change in Working Culture** 1) (Current change initiative) deals with the issue on how to change the working culture related with patient (customer) services 2) Specific indicators for measuring (customer) satisfaction must be clearly defined	**Types of Change Initiaves** **Change in Working Culture** 1) 2) **Remuneration System** 1) 2) **Performance Indicators** 1) 2)

After the whole data was thoroughly coded and classified based on the relevant topics, a Rechecking Process was conducted afterwards as a double cross-check to ensure that the codes and keywords have been placed under a proper topic. Afterwards, a thematic analysis was carried out to provide valuable insights on particular research issues to supplement the quantitative findings. Finally, several mind maps were developed accordingly to summarize the thematic result outlooks.

3.2.2.3 Document Analysis

Considering that Indonesian administrative reform requires a transformation from the current unproductive culture to a particular ideal culture, this study conducts document analysis to portray what the central government means when defining the term 'ideal culture'. Three main publications were selected to highlight the elements of ideal culture as perceived

by the central government, including: The appendix of Perpres No. 81/2010 concerning the grand design of administrative reform 2010-2015; The Guideline for Implementing Change Management Strategy (*Pedoman Pelaksanaan Program Manajemen Perubahan*): Permenpan No. 10/2011; and The Guideline for Developing Culture Set (*Pedoman Pengembangan Budaya Kerja*): Permenpan No.39/2012.

The results of document analysis were compared with the findings based on the interview series with public official leaders and the OCAI data from the first level administrators to analyze potential interpretation discrepancy (see Figure 3.5 at the beginning of this section). Considering the variation of the assessment instruments (i.e. OCAI, document analysis, and interview analysis), the CVF's four types of cultures was used as the main reference point for indicating the cultural preference of the respective administrative hierarchies.

3.3 Readiness for Organizational Change

3.3.1 High Failure Rate of Change Initiatives

A number of studies reveal that most of the efforts to introduce particular changes across various organizations failed to achieve the predetermined goals (Golembiewski, 2000; Miller D., 2002). Burnes (2004) argues that this low successful reform rate signalizes a serious problem rooted from the inexistence of valid framework to provide a clear guideline on how to effectively direct an organizational change process. Various responsible factors have been identified including managerial error, inadequate crucial resources, and internal resistance (Beer, Eisenstat, & Spector, 1990). This study particularly focuses on further investigation on the role of employees' reluctance as a primary factor that determines a planned change initiative. Growing number of scholars suggest that organizational readiness for change is a crucial factor for various successful change initiatives (Weiner, Amick, & Lee, 2008). However, based on their analysis of 106 peer-reviewed articles on organizational readiness for change, only 4% of the studies were conducted in government organization setting. This indicates lack of scientific efforts to understand how a change initiative should be managed in public sector.

According to internal evaluation, the first wave Indonesian administrative reform that occurred between 2004 and 2009 has failed to achieve its expected goals. Effendi (2004)

underscores that the reform in Indonesian public sector has lagged behind the progress of reform in other sectors. Even to date, the speed of reform still arguably remains as the main concern, both for the government and for the citizen in general. Mardiasmo, et al. (2008) contend that the administrative reform mission to establish a new set of good governance rules has been challenging due to the insecurity feeling, where familiarity with the earlier system has to be replaced by a completely new system that is perceived as 'full of uncertainty'. This argument is also supported by Claver and colleagues (1999) who describe that the modification of administrators' existing daily routine and habits will encourage anxiety and discomfort feeling. Meanwhile, Miller (2002) and Kotter (1996) emphasize the central role of leaders as the change navigators. It is argued that failure rate may increase if leaders overestimate what they have done to prepare the organization and the staffs to support the proposed change initiative. Therefore, a systematic effort is required to clarify administrators' readiness towards the proposed change.

Van de Ven & Poole (1995) describe four theories to explain development and change process in organizations, namely: Life-cycle, Teleological, Dialectical, and Evolution theories. The Life-cycle theory uses organic growth methapor to explain organizational development. According to this theory, change is imminent, i.e. the development entity contains in itself, underlying form, logic, or code that regulates the change process. The change process follows a single sequence of stages, which is both cummulative (characteritics obtained during earlier stages are maintained in later stages), and conjunctive (the overall stages are interconnected as they rooted from a common underlying process). The second theory implies that organization develops toward a particular goals. Therefore, the development follows a repetitive progression: goal formulation, implementation, evaluation, and modification of goals based on the lessons learned. The development process is assessed from the achievement of prerequisites to achieve the predetermined goals. The Dialectial theory suggests that organization exists in a world full of contraditory values and colliding events. Stability and change are defined by the balance of power among several opposing entities. Change occurs when the opposing forces or values obtain adequate power to confront the status quo. The fourth theory describes change as a process towards a continuous cycle of variation (the creation of new organizational forms), selection (the environment chooses the best fits with the resource base of an environmental niche), and

retention (forces that maintain certain organizational form). Change happens as in biological evolution.

Readiness concept, in particular, is identical to the unfreezing concept proposed by Lewin (1951) that reflects organizational members' beliefs, attitudes, and intentions in examining the change necessity and organizational capacity to successfully conduct the expected change. In other word, it serves as a cognitive precursor of individual behaviour, either to support or to resist a change initiative (Armenakis, Harris, & Mossholder, 1993, p.681). Several factors have been identified as essential antecendents that underlie individual support or resistance towards change, including, among others: The level of change-related information, the degree of involvement within change process, legitimate need for change, change efficacy, potential benefits, change efficacy, and leadership support.

Terry & Jimmieson (2003) based on their study employing a stress and coping approach to clarify the intangible process behind employee adaptation to a proposed organizational change reveals that distribution of change-related information and higher participation in the change process promote higher readiness for change level. Both factors (higher information and involvement) improve employees' self-efficacy to deal with the required tasks imposed by the change process. This result is consistent with previous findings resulted from an experimental study conducted by Coch & French (1948) that represents a classical effort to investigate whether an involvement opportunity given to the members of organization to take part in the change process would be valuable or not to reduce their reluctance towards change. Experimental groups were formed to represent variation in involvement level, namely "no involvement", "representative involvement", and "full involvement". The study reveals that members' involvement successfully reduces change resistance. Reflecting from this study, Armenakis and his colleagues (1993) suggest that a successful change initiative requires a proactive attempt made by the change agents to influence the psychological state (i.e. beliefs, attitudes, intentions) of the change targets. Furthermore, Wanberg & Banas (2000), based on their study in a public housing association undertaking a large-scale restructuring plan, find that the adoption of pre-implementation procedure that involves several change-specific variables (i.e. self-efficacy, information distribution, and active participation) was predictive of organizational readiness for change. Holt and colleagues (2007) suggests that change-specific efficacy, appropriateness,

management support, and personal valence are the main determinants of organizational readiness for change.

Based on the theoretical basis explained, the following hypothesis concerning the roles of readiness for change to produce good public service quality is proposed to be examined:

H$_2$: *"Agencies that are ready for change (as characterized, among others, by the existence of well informed and highly involved administrators) are accelerating in their performance"*

3.3.2 Measuring Readiness for Organizational Change

Weiner, Amick, & Lee (2008, p.384) find variation of terms used among related scholars to refer to organizational change readiness, including change acceptance, change commitment, attitudes toward change, reactions to change, and agency capacity. In general, two broad concepts exist to define readiness: 1) Psychological terms (emphasizing organizational members' attitudes, beliefs, and intentions); and 2) Structural terms (stressing the organizational capabilities and resources). Moreover, 43 assessment tools to measure organizational readiness for change were identified, but only 22 instruments appear to include the process for examining content validity. From this 22 tools, merely 7 instruments have been proven to have good psychometric properties. The tool developed by Holt and his colleagues (2007) used in this study is one of them. The instrument was created following a systematic review of 32 existing quantitative instruments. A robust multidimensional construct was produced based on the collected findings.

Readiness for change reflects beliefs, feelings, and intentions regarding the extent to which changes are needed, and individual perceptions and organizational capacity to successfully enact those changes (Armenakis, Harris, & Mossholder, 1993). Holt (2002) proposes five components that underlie the measurement of readiness for change, namely: the extent to which employees perceive a legitimate need for the proposed change and believe that the change is of benefit to the organization (Appropriateness); viewing the change as personally beneficial (Personal Benefits); feeling that they can cope with the change (Change Efficacy); and whether or not management have demonstrated support for change (Management Support). The type of questions asked to the respondents is illustrated in Figure 3.11.

Figure 3.11 RFC Instrument

Please cross (X) the appropriate number for every items that best describe your personal view.

		Strongly Disagree Strongly Agree
1	I think that the organization will benefit from this change	1 2 3 4 5 6 7

In addition, two direct questions were also included to measure the attainment of reform-related information and the degree of involvement provided as perceived by individual administrators. The respondents were asked to provide responses toward the following items:

Figure 3.12 Level of Information and Involvement

Q8 – *To what extent do you think you have received information on the reform conducted at your institution?*

Very Limited	1 2 3 4 5 6 7	Very Adequate

Q9 – *To what extent do you think you have been involved in determining the direction of administrative reform at your institution?*

Very Limited	1 2 3 4 5 6 7	Very Adequate

3.4 Citizen Trust in Government

3.4.1 Trust as A Conditioning Factor for Progressive Reform

Despite the word 'trust' has become increasingly well known in public administration studies, however it does not indicate that sufficient attempts have been made to explore citizen attitudes toward public administrators (Kim, 2005). In public sector setting, Van de Walle (2007) suggests that there are two types of citizen attitudes: Either towards particular public services or towards public sector in general. He argues that most scholars have allocated greater focused on political institutions than on public agencies.

Trust is abstract in nature. However, scholars seem to have consensus on how to define it. Levi & Stoker (2000, p.476) summarize five of them: 1) Trust is relational, i.e. it makes individual vulnerable to another individual, group, or institution that possess the capacity to harm or bertray her; 2) Trust is seldom unconditional, i.e. trust is given to particular individuals or institutions limited over a particular territory. During war time, for instance, citizens would entrust their lives to their government, but during peaceful time, it

may be extremely difficult to trust the bureaucrats who handle the public funds; 3) Trust can be conceptualized dichotomously (either trust or distrust), or based on certain degree (trust or distrust to a degree). Either way, it is also possible that an individual neither trust nor distrust another; 4) The judgment of trust is expected to encourage courses of action. Distrust, for instance, may encourage a person to conduct monitoring upon another, or stimulate uncooperative behavior; 5) Trust reflects individual beliefs on the trustworthiness of another. Interestingly, even when there is no call for trust, an individual or institution could obtain trustworthiness attribute. Furthermore, scholars have different views concerning the basis behind individual judgement to trust or distrust another person or institution, whether it is made based on previous experiences, present evaluation, or future expectation (Bouckaert, Van de Walle, Maddens, & Kampen, 2002). Sztompka (1999), among others, contends that "trust is a bet on the future contingent action of others". On the contrary, Miller & Listhaug (1990) criticize the exclusive use of prospective expectations as it is presumably subject to potential current dissatisfaction.

Bouckaert, Van de Walle, Maddens, & Kampen (2002, p.21) argue that distrust does not necessarily affect political system stability or citizen behaviours because negative attitude towards government may be considered as a fashion or prejudice. Goodsell (1994) also finds that citizens may hold negative status towards government in general, but the negativity would largely evaporates when the 'government' becomes more specific in survey. The so-called 'Spiral of Silence' hypothesis describes that individual perception of the distributed public opinion influences his/her willingness to express the majority opinion, because noone wants to isolate themselves by holding a different opinion (Glynn, Hayes, & Shanahan, 1997; Noelle-Neuman, 1974). Moreover, Kampen and colleagues (2006) highlight that the effect of citizens' negative experience with a certain public agency is more prominent than the effect of their positive experience. Similar evidence was also found by Van Ryzin et al. (2004) who discovers that the three worst-rated services in New York public sector contributes more to citizens' overall service quality ratings than the three best-rated services. Based on this result, Kampen and his colleagues suggest the government to allocate greater focus to reduce the amount of dissappointed citizens than to enlarge the number of satisfied citizens.

As described earlier in the introductory chapter, massive reform in Indonesia was initially triggered by a growing public dissatisfaction towards the government's inability to

handle the impact of economic crisis that led to the fall of a dictator, Suharto. It is argued that a situation in which there was no other alternative available has contributed to make the reform unavoidable. However, who can assure that the new government formed in post-reform period is different and more credible than the former? In such situation, then arguably the role of citizen's trust in government is extremely crucial. The citizens were risking themselves to entrust the new government the authority to act in the name of the society to improve the situation. Baier (1986) states that:

> "*Trust involves the belief that others will, so far as they can, look after our interests, that they will not take advantage or harm us. Therefore, trust involves personal vulnerability caused by uncertainty about the future behavior of others, we cannot be sure, but we believe that they will be benign, or at least not malign, and act accordingly in a way which may possible to put us at risk".*

Heinemann & Tanz (2008, p.4) identify a number of studies that contribute to provide evidence for supporting the primary role of trust behind democratic stability (Uslaner, 2003), political and civic involvement (Knack & Keefer, 1997), and growth (Putnam, 1993; Bengtsson, Berggren, & Jordahl, 2005). Reflecting from these studies, Heinemann & Tanz (2008) conduct an empirical study to examine their proposition on the role of trust behind a successful reform presuming that government officials would be perceived as more trustworthy within a high-trust society, which in turn makes the government policy actions more credible. They conclude that trust is conducive for institutional reforms. This finding is consistent with the results of Bjornskov's (2010) study that suggests both supply of honest politicians and bureuacrats and political responsiveness to the demands of electorates in high-trust societies lead to better governance.

On the basis of the information presented, we propose the following hypothesis for further empirical testing:

H₃: "*Province that enjoys adequate level of citizen trust in government could implement the reform optimally, and thus is able to provide good public service quality"*

3.4.2 Assessing Citizen Trust in Government

The instrument used in this study to measure the level of citizen's trust in the government was developed based on the traditional five-item constructs included in the

National Election Studies (NES) survey. The NES pilot surveys in 1987 were conducted to find a robust measurement alternative to replace the various existing traditional measures of political efficacy and trust that were highly criticized due to their apparent lack of validity and reliability (Craig et al., 1990). Since then, the instrument has been continuously refined throughout periods. Two decades later, the 2006 NES pilot surveys include a number of questions to improve the wordings of NES trust items. Based on the collected evidence, Gershtenson and his collagues (2007) suggest the modification of the set of response options by combining the five-point format options (i.e. "almost always", "frequently", "about half the time", "once in a while", and "almost never") and the "percent of time" scale (0 to 100 scale). They suggest the five format options that include "almost always" and "almost never" are superior than "always" and "never" alternatives mainly because of two reasons: 1) The data distribution shows that only few respondents chose "always" or "never" options; and 2) "always" and "never" are both discrete options, meanwhile the other three alternatives are actually ranges (e.g. about half the time). Moreover, the combination of the five-point and the percent of time formats will enable a closer investigation on what repondents really mean when they select one of the available trust options.

NES instrument was highly criticized, among others, because it does not measure institutional support. On the contrary, Hetherington (2005, p.15) argues that NES instrument is more useful than other instruments to understand the political dynamics mainly because it portrays respondent's feeling that remains varied from time to time, instead of institutional support that is arguably unchanged over time. The final instrument used in this study includes six NES items to investigate citizen's trust in government (CTG). Figure 3.13 illustrates the instrument used during the study.

Figure 3.13 CTG Instrument

Q1	How much of time do you think you can trust the Provincial Government to do what is right?	Almost Never ☐	Once in A While ☐	About Half the Time ☐	Frequently ☐	Almost Always ☐
Q2	From 0 to 100, how much of time do you think you can trust the Provincial Government?	Never ●———————————● Always 0 10 20 30 40 50 60 70 80 90 100				
Q3	Would you say the Provincial Government is pretty much run by a few big interest looking out for themselves or that it is run for the benefit of all the people?	For the Benefit of All the People ☐	Pretty Much Run by A Few Big Interest ☐	Others, Both of Them ☐		

This study also includes one additional open-ended "Yes" or "No" question to encourage respondents to provide further explanation of their earlier responses: *"Do you have any personal experience(s) that may support your perception on the level of trust in government that you have given before?"*. The opportunity to express their opinion was given afterwards to the respondents who said "Yes". Based on the experience gathered during the pilot study, asking "Yes" or "No" question in advance is more effective to encourage further comments than directly asking respondents to elaborate their opinion.

Do you have any personal experience(s) that may support your perception on the level of trust in government that you have given before?   ☐ Yes ☐ No

3.5 Conceptual Framework

Figure 3.14 outlines the conceptual framework used in this study to investigate the three predetermined research questions. As described earlier in the introductory chapter, the progress of reform during the Road Map 2010-2014 period is assessed using three multiple approaches at macro and micro level. At the macro level, the findings revealed by several relevant external surveys were used as the main instrument to evaluate each of the Road Map objectives. Furthermore, the reform progress produced at the micro level is assessed in the investigated agencies with an emphasis on public agencies' performance evaluation in

delivering the required public services. As one of the three primary outputs of the Road Map, public service quality variable is employed in this study as an intermediary factor for a progressive reform. It is argued that the improvement of public service agencies is determined by three independent variables, namely readiness for change, administrative culture, and citizen trust in government. In other words, the change initiative imposed by the reform would not move forward without adequate citizen and public administrator supports. Citizen support towards the reform is arguably indicated from the level of citizen trust in the government that is reflected from the degree of their cynicism towards the government, both institutionally and individually. Meanwhile, the internal support for the reform is characterized by high level of administrators' readiness for change and conducive cultural configuration that are presumed to determine productive behaviours necessary to fulfil the reform expectation.

Figure 3.14 Conceptual Framework

ROAD MAP PLAN 2010 - 2014

STARTING POINT BEFORE THE REFORM

EXPECTED SITUATION AFTER SUCCESSFUL REFORM

Appropriateness

Management Support

Change Efficacy

Personal Benefits

Level of Information

Level of Involvement

Readiness for Change

Self-Rate

Public-Rate

Administrators' Self-Appraisal

Dominant Characteristics

Organizational Leadership

Management of Employees

Organzational Glue

Strategic Emphasis

Criteria of Success

Culture as Imposed by   the Central Government

Culture as Interpreted by Governor

Culture as Interpreted by Head of Public Agency

Administrative Culture

Public Service Quality

Progressive Administrative Reform

Few Big Interests vs All People's Benefit

Wasting Money

Knowing What They Are Doing

Crooked

Time Period of Trusting Government

Citizen Trust in Government

Tangible

Reliable

Responsive

Assurance

Emphaty

Government Success Indicators

CHAPTER 4 RESEARCH METHOD

This chapter overviews detailed empirical research activities conducted to construct adequate answers for the predetermined research questions. The first section provides information concerning the sampling method. The second part specifies how the assessment instruments were developed during the preparation period. Finally, the data collection phase is extensively reviewed in the last section.

4.1 Selection of Research Participants

This study focuses to explore the findings collected from six agencies situated in two provincial governments that are expected to provide benchmark data on the four variables under evaluation. In this section, the criteria and the rational used during the process of selecting research participants are described.

4.1.1 Provincial Selection

The variations in the province's distance from the Indonesian capital (Jakarta) and its public service performance rank were used as the main selection criteria for determining which province(s) to be further examined out of the thirty-three existing provincial governments. In addition, the issue concerning the research access granted by the responsible top level officials was also a part of the main consideration to be managed throughout the early phase of data collection period. The presidential campaign that took place simultaneously across the nation during the field research also contributed to make the situation even more complex situation.

Geographical proximity from the capital remains essential when conducting research related to good governance in Indonesia, as suggested by Mardiasmo, Barnes, & Sakurai (2008), especially considering the primary roles of the central government in Jakarta (as both an advisor and a controller) amid the enactment of decentralization policy that emphasizes more regional autonomy to the provincial and municipal levels.

For the very first time in Indonesian history, the central government (represented by the Ministry of Administrative Reform, henceforth called Kemenpan) published an official public service performance rank in 2012, classifying all thirty-three provincial governments under four performance categories, namely B (Good), CC (Average), C

(Under Average), and D (Poor). Two governments in Java island received B grade, whereas others throughout the country were classified as: eight governments were classified under the CC grade, thirteen governments were ranked C grade, and ten governments (most of them are from the eastern part of Indonesia) obtained the lowest D grade as depicted in the following figure:

Figure 4.1 Indonesia Map Based on Public Service Performance Rank
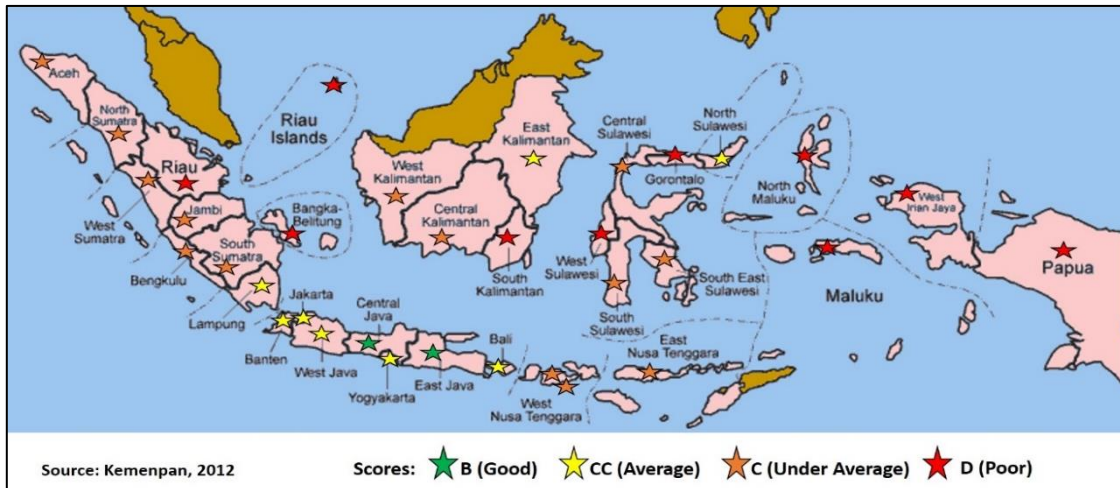
As an effort to accommodate potential performance-based dynamics, it is important to choose two provincial governments from two different performance groups. The most ideal starting point would be to compare two provinces representing the two extremes. However, financial and time limit constraints made it extremely difficult to conduct the aforementioned plan. As a solution, a more realistic alternative plan was developed without neglecting the two predetermined criteria, as well as by considering the growing situation related to the possibility of obtaining the required research access.

The research access was gained through both formal and informal approaches. The formal approach includes the activities to fulfil and to submit the whole administrative requirements at national, provincial, and regional levels. Meanwhile, the latter comprises of continuous attempts to gain access from the respective governors and the head of agencies. Various formal and informal communications were also maintained concurrently to convince the responsible higher level officials that the research content would not bring any negative consequences for the institutions and that the overall research would be conducted for academic purposes only where ethical issues are considered important. The final selection is summarized in the following table:

Table 4.1 Two Selected Provincial Governments

	Close to the Capital	Far from the Capital
Performance Rank	West Java (CC Grade)	West Sumatra Province (C Grade)

4.1.2 Institutional Selection

Two criteria were used as the general guideline to choose six agencies as the unit of analysis for this study. First, considering the context of this study, the selected agencies must be part of the ongoing administrative reform as proven by the number of improvement projects conducted at the agencies by the time of study. The second consideration deals with comparability issues. To enable comparison across the two provinces, it is important to ensure that the types of services provided by the selected agencies exist in both provinces. In addition, the methodology employed by the Ministry of Indonesian Administrative Reform to produce the public service performance rank was also taken into consideration.

Having considered the overall criteria, finally three agencies that are responsible with the provision of three different types of services were selected to represent each government: State hospital, E-procurement, and One-Stop Services. Initials were given for each agency as described in Table 4.2 below:

Table 4.2 Six Selected Agencies

West Sumatra Province (Alpha)			West Java Province (Delta)		
EPRO1	ONESTOP1	HOSPI1	EPRO2	ONESTOP2	HOSPI2

In addition, it is important to note that a pilot study was conducted in advance to test the research instruments in a public sector agency that could similarly represent the real setting on the six selected agencies under investigation. For this reason, a public hospital run by a municipal government was selected to be a part of the feasibility study. The main consideration for this selection is that the selected public hospital possesses the general characteristics of public agencies that are relevant for the study, including, among others, a particular type of services for the public within a governmental jurisdiction and has been subjected to further advancement within administrative reform context.

4.1.3 Respondent Selection

This study analyzes multi-perceptual data on the investigated topics as perceived by two general groups of respondents: the public administrator and the citizen. The first group includes multi-rank public administrators (i.e. high-, middle-, and low-ranking administrators) across four authority levels, namely national, provincial, municipal, and agency levels. The preliminary studies (i.e. online and pilot studies) involve responses from administrators at the national and municipal levels, meanwhile the main survey focuses more on exploring perceptual data at provincial and agency levels.

In order to ensure that the collected data could adequately represent the view of all administrators working at the respective agencies, it was also a part of the main concern that the existing departments at the agencies should be represented by at least one administrator. As a general procedure, following the leader's approval for conducting this study at the agency, an administration staff was appointed to discuss further technical details. Having the organizational structure map on hand, the researcher proposed the number of administrators required from each department. The appointed staff assisted the coordination of when and where to approach the respondents. In some cases, during rush service hour, the composition of respondents was subjected for change. The second group incorporates random citizens in several waiting zones at the agencies who were receiving or have received particular services from the agencies. As the data was collected on the spot, it is presumed that the respondents have already possessed relevant personal experiences as the basis for providing service quality feedback.

Prior to the main survey, two preliminary studies (i.e. a small online study-and a pilot study) were carried out to ensure that the measurement tools used in the main survey could properly investigate the predetermined variables. A small online study was conducted during the literature review period, incorporating fifteen public administrators who work in various government institutions in Indonesia. The online study respondents were selected purposefully to obtain the first insights of the actual administrative reform status as perceived by administrators. It covers four main issues, including the types of administrative reform plan implemented at their working environment, (dis)advantages of supporting the reform plan, individual/group that may encourage or discourage their support towards the reform plan, and personal considerations that underlie their individual support or reluctance towards the reform plan. Afterwards, a pilot study was carried out

during the data collection period prior to the main survey and included the following respondents: The mayor, the director of the investigated public hospital, thirty-two public administrators working at the hospital, and sixteen citizens.

Finally, the main survey includes two governors, six heads of agencies, two hundred and seven public administrators, as well as two hundred and forty eight citizens. The following table summarizes the detailed information on the respondents involved throughout the study:

Table 4.3 Summary of Respondents

	Citizen	**Administrators**	**Top Officials**
Small Online Study	-	15	-
Pilot Study	16	32	1 Mayor; 1 Head of Agency
Main Survey	248	207	2 Governors; 6 Head of Agencies

It is important to note that the number of citizens who were dropped from the main study due to their incomplete responses was not included in Table 4.3 above. Considering that the data collection was conducted during normal public service hours, a number of citizens was not able to provide complete responses due to various technical issues (e.g. when citizen's name was suddenly called during a service line, or when the administrator was unexpectedly need to leave the office). Such circumstance quite often appeared, particularly when collecting data from citizens. A detailed demographic information on the respondents can be found in Appendix 2.

4.2 Development of Assessment Tools

As described in the earlier section, the study employs a mixed method approach combining quantitative and qualitative tools to collect relevant data. This section provides further information concerning the kind of assessment tools used during the study and how they were developed.

Considering that there are two main groups of respondents so that two sets of questionnaires were developed to collect perceptual data from the citizens who have received

services provided by the six agencies under investigation and from public administrators, who were working at the agencies and were responsible to provide the requested services at various levels. In addition, interview guidelines were also developed and used during semi-structured interview sessions with the respective higher level officials (i.e. the governors and the head of agencies).

The following diagram provides an overview of technical steps taken to produce final sets of questionnaires used in this study:

Figure 4.2 Questionnaire Development
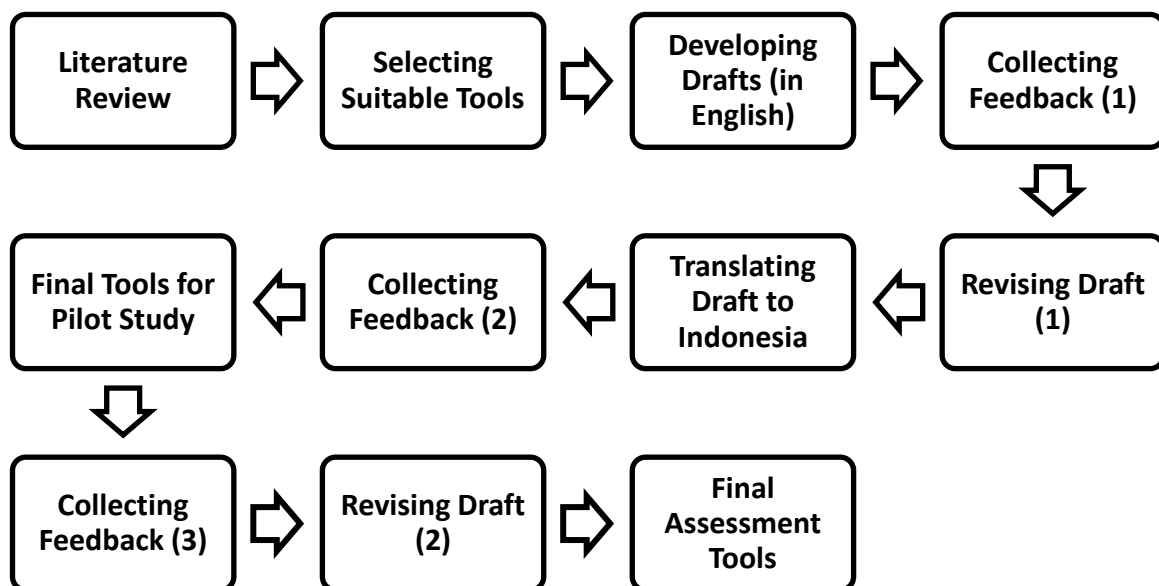
Literature review activities were conducted mainly to explore various existing tools and theories to measure the investigated variables, namely public service performance, organizational culture, readiness for change, and citizen trust in government. The list of relevant findings were summarized and reviewed as the pre-material prior to deciding which tools are more suitable to be used in the research context. After the suitable measurement tools were chosen, instrument drafts were developed in English. The first revision was made based on the feedback collected from several Indonesian and non-Indonesian doctorate students. The revised draft was then translated into *Bahasa Indonesia* as the main language used by the targeted respondents. Further comments from several Indonesian-English bilinguals were gathered to produce a set of instruments to be employed in the pilot study. In addition, a back translation was carried out by a doctorate colleague, who is also an Indonesian civil servant. During the pilot study, the respondents were asked to provide

feedback on the clarity of the instructions and the items' wording. Accordingly, the final sets of questionnaires, as well as interviews and observation guidelines were developed.

4.3 Data Collection

The data used in this study were collected during a field research in Indonesia conducted between May and September 2014. The field research consists of three main stages, namely the preparation, the pilot study, and the main survey stage. Detailed activities can be seen in Appendix 1.

4.3.1 Types of Data

This study compiles quantitative and qualitative data as the basis for investigating the predetermined variables. Detailed information on the collected data can be found in Appendix 4.

4.3.2 Preparation

The preparation phase deals with technical things (i.e. accommodations, enumerator recruitment & training session) and is related to administrative issues at various jurisdiction levels that were necessary to ensure the access to collect the required data. In addition, prior to the pilot study, the assessment tools were reviewed by a group of five psychological master students in order to collect more feedback on the questionnaire items and the interview guidelines. Minor revision on the assessment tools were done accordingly.

4.3.3 Pilot Study

A pilot study was carried out in advance to pretest the research instruments in a real setting and to identify relevant logistical issues that may exist during the main study. It involves four main activities: 1) Trying out two sets of questionnaire drafts in the real setting to see whether the drafts are technically acceptable for the respondents (i.e. the written and oral instructions are easy to be followed; and the items are easy to be understood) or some corrections were still needed; 2) Trying out the draft of interview guidelines developed to gain information from higher level officials (such as governors, and head of agencies) in the real setting; 3) Understanding the bureaucratic procedure to conduct research in public sector in Indonesia at national, provincial, and local levels; and 4) Developing technical strategy to

collect various data from numerous respondents simultaneously in public sector setting in a very limited time space.

Two main issues were considered prior to choose an appropriate sample unit for the pilot study, namely: 1) Time- and money issues; and 2) Research access. The first issue is quite common for researchers across field of studies, but the second issue regarding the granted permission (issued by top level officials) to conduct research within their jurisdiction is the most challenging part for those conducting research in public sector, especially in Indonesian context. In addition, it is expected that the selected institution's characteristics shall somehow be identical to the targeted agencies in the primary study. As a general guideline, the following criteria were made as the basis for selection: 1) The sample unit should be accessible and low-cost to be reached by the researcher; 2) The investigated unit is running under a certain governmental jurisdiction and is providing particular service(s) that are relevant to the predetermined services to be investigated further during the primary survey (either e-procurement, one-stop service, or state hospital); and 3) It is possible to gain research access (including interview sessions with higher level officials) within the given timeframe

Considering the aforementioned situation and criteria, finally a state hospital run by a municipal government was chosen as the suitable sample unit for the pilot study. Due to ethical reason, the original name of the agency remains anonymous.

4.4.4 Main Survey

The main survey was conducted in nearly three months from the first week of June until the second week of September 2014. Considering the distance between the two investigated provincial governments, the data was collected separately within the given timeframe. For that reason, two small research teams were prepared at the respective regions. Each team consists of one main researcher and two local enumerators. As described earlier, a training session was organized for each team's members to explain the research in general and to train them on how to use the assessment tools.

The data collection was conducted directly at the investigated public agencies during normal service hours. The citizen respondents were selected randomly. Meanwhile, in order to ensure the representativeness of the existing departments available at the agency, the administrator respondents were selected accordingly. As a general strategy, prior to the visit,

the main researcher briefly reviewed the organizational structure of the targeted agency to identify the number of departments available, and then together with the responsible officer finalized the numbers. As most of the administrators were still busy delivering the requested services, it was very important to consider the technical suggestion made by the responsible officer. Based on the pilot study results, considering the available timeframe and resources, a sample size of around 200 from each citizens and administrators is perceived adequate for the purpose of this study. Cochran (1977) justifies the result of pilot study as one out of four procedures to estimate population variance for sample size judgment.

Despite the employment of a set of questionnaire instrument, the citizen-based data was collected individually. This strategy was mainly chosen considering the variation of citizens' educational backgrounds. Furthermore, based on the experience gathered during the pilot study, respondents generally require further information prior to providing individual responses for the SERVQUAL questionnaire. By doing this, although it is time consuming, it is expected that following the data collection period, a number of high quality data survey can be produced. A special concern was given to ensure that each respondent understands the term 'administrative reform' prior to providing their responses. Therefore, having an advantage from the individual data collection strategy, based on interviewee's observation, a brief explanation of what 'administrative reform' refers to was provided when necessary. As a default information, administrative reform is described as "various efforts conducted by the provincial governments, including the management of this agency (name of the investigated agency), to improve the given public service quality". In addition, double-cross check was conducted afterwards by asking the respondents to mention the types of the ongoing reform that they have ever heard before.

The data from administrators were collected during a series of small group sessions. A brief introduction session was conducted in advance to provide general information of the research objectives and respondent anonymity, as well as to present a clear instruction on how to fulfil the given questionnaire. A room for questions was given afterwards to ensure that each respondent understands the general instruction before the assessment was started. Besides general administrators, additional special sessions were organized to interview eight higher level officials, including two governors, and six heads of agencies. The following table overviews the detailed amount of respondents who were involved in the study:

Table 4.4 Detailed Overview of the Main Survey Respondents

Citizens

	EPRO	ONESTOP	HOSPI	Total
West Sumatra	36	15	46	97
West Java	22	54	75	151
				248

Public Administrators

	EPRO	ONESTOP	HOSPI	Total
West Sumatra	14 (out of 14 staffs)	8 (out of 9 staffs)	74 (Out of 415 staffs)	96
West Java	12 (out of 13 staffs)	36 (out of 91 staffs)	63 (Out of 721 staffs)	111
				207

During the data collection, socio-demographic profile of the respondents were also taken into account. Both citizens and administrators were asked to provide information on their age group, gender, education level, ethnic group, and religion. Besides the aforementioned issues, further distinct inputs also collected from each respondent group: The citizen respondents gave a brief information on their place of residence and the amount of visits, meanwhile the public administrator respondents provided more inputs concerning their organizational level and years with organizations. Based on the collected data, as expected, the majority of respondents are muslim and mostly identify themselves as part of the biggest indigenous ethnic group at the respective province, i.e. *Minang* (for the respondents from West Sumatra), and *Sundanese* (for the respondents from West Java). In general, the data adequately represents the population. Detailed information on the demographic background can be found in Appendix 2.

CHAPTER 5 HOW IS THE REFORM PROGRESS?

This chapter investigates the pace of reform within the Road Map 2010-2014 by presenting multi-perspective data as perceived by both citizen (service users) and public administrators (service providers). In addition, relevant external success indicators set by the Indonesian government is also explored to enrich the discussion.

The first part explores the progress by reviewing several success indicators to evaluate the achievement of every single target from year to year. The reform progress as perceived by the citizens is discussed afterwards. Three issues will be scrutinized to identify citizens' perceptual evaluation concerning their awareness of the existing administrative reform, their general evaluation on the reform direction, and the quality of public services delivered by the six investigated institutions across the two provinces. Finally, the administrators' point of view is also taken into consideration to find out how they appraise their own performance and the reform in general. The data collected during series of interview sessions with citizens, public managers, and governors was also used as a valuable basis to further interpret the phenomena.

5.1. Evaluation Based on Government Success Indicators

As described earlier, the Road Map 2010 – 2014 was introduced to produce three specific achievements, including the establishment of a government free from corruption, collusion, and nepotism; improvement in public service quality; and advancement in bureuacrats capacity and performance capability. Table 5.1 summarizes the progress occurred as indicated by the respective indicators. Detailed information on each indicator can be found in the Theoretical Background Chapter, in section 3.1 Evidences of Reform Progress.

Table 5.1 Evaluation Based on Government Success Indicators

GOALS	INDICATORS		BASE LINE (2009)	2010	2011	2012	2013	2014	TARGET (2014)
Free from corruption, collusion, and nepotism	Corruption Perception Index (TI)*)		2.8	2.8	3.0	32	32	34	5.0/50
	"Un-qualified Opinion" (BPK RI)	Central (%)	42.17	56	63	77	74	76	100
		Regional (%)	2.73	3	9	16	27	35	60
Improved public service quality	Public Service Integrity Survey (KPK RI)	Central	6,64	6,2	7,1	6,86	7,37	7,22	8,00
		Regional (%)	6,46	5,3	6,0	6,3	6,82	n.a.	8,00
	Ease of Doing Business Index Ranking (World Bank)		122	121	129	128	120	114	75
Upgraded bureaucrats capacity and performance accountability	Government Effectiveness Index (World Bank)		-0,29	-0,20	-0,25	-0,29	-0,24	-0.01	0,5
	LAKIP (Internal Agency)	Central (%)	47,40	63,30	82,90	95,10	94,05	98,76	100
		Province (%)	3,80	31	63,30	75,80	84,85	87,88	80
		Regional (%)	5,10	8,80	12,80	24,40	30,30	44,90	60

Source: Kemenpan (2015)

5.1.1 Free From Corruption, Collusion and Nepotism

Two primary indicators were employed to investigate the anti-corruption success rate following the Road Map 2010-2014 implementation, including the 'Corruption Perception Index' from Transparency International (TI), and the amount of government agencies receiving the so-called 'Unqualified Opinion' (UnO) from the Indonesian Auditory Board (BPK RI) at central and regional level. Figure 5.1 illustrates the achievement throughout the 2010-2014 period. The baseline level (as the starting point) and the expected targets (to be achieved in 2014) are shown respectively on the far left and right.

Reflecting from the data, the government's attempt to create a "free from corruption, collusion, and nepotism" atmosphere in public sector area seems to show a little advancement. Although they show a gradual progress towards the expected direction, none of the predetermined targets were successfully achieved. In 2014, according to TI's report, Indonesia was only able to be in the 107th place out of 175 countries (Transparency International, 2014, p. 3). With the score of 34 out of 100 full points, Indonesia's achievement was left behind its closest neighbouring countries, such as Malaysia (52), Singapore (84), Philippines (38), and Thailand (38).

Figure 5.1 Free From Corruption, Collusion & Nepotism
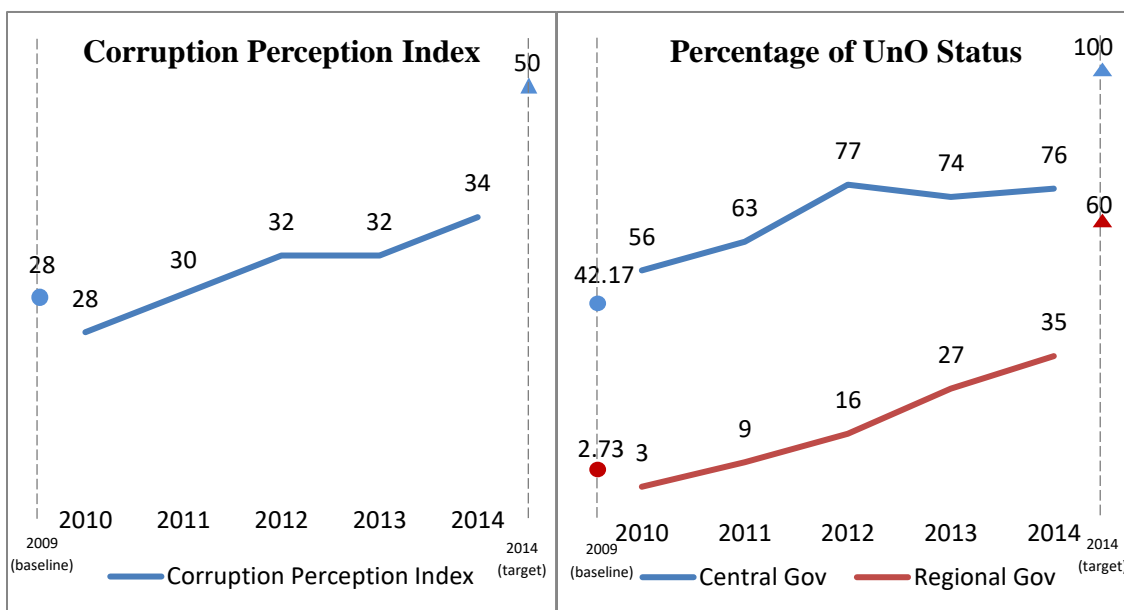
Source: Kemenpan, 2015

Furthermore, the data showing the number of government institutions that have successfully received "unqualified opinion" (UnO) from BPK/Indonesian Auditory Board

also indicates the same trend: Gradual progress can be seen throughout the period, but overall had failed to achieve the predetermined targets. McLeod & Harun (2014, p.246), based on their study examining the progress of public sector accounting reform in three local governments in Indonesia, find that lack of staff with adequate accounting skills is one of the main responsible factors for the tardiness in public accounting sector. They argue that the local government's inability to recruit new competent accountants to directly fill-in particular high-level positions has contributed to complicate the situation. Moreover, Kemenpan's policy to recruit only new administrators with a minimum graduate educational level on one side, without replacing the traditional seniority-based promotion system on the other side, is inadequate to deliver a proper solution to sudden new human resources requirement as the consequence of decentralization policy, mainly because the young administrators have to slowly follow the long way before they could reach a higher position level.

5.1.2 Improvement in Public Service Quality

Improvement in public service quality was assessed based on the result of Public Service Integrity Survey (PSI) conducted by Indonesia's Anti-Corruption Commission (KPK) and based on the rank achieved by Indonesia within the World Bank's Ease of Doing Business Index (EDBI) ranking. As general information, the PSI Index ranges from 0 to 10 in which the higher score indicates better quality. Meanwhile, the EDBI ranking shows the country's position in comparison with a total of 189 countries under investigation. A lower numerical rank means that the country is more conducive for business operation than the higher one. As depicted in the following Figure 5.2, both indicators show that the Indonesian government's effort to improve public service quality by implementing various reform strategies within the 2010 – 2014 period is still far from optimal. Despite the fact that the reform has resulted in minor achievement towards the right direction, none of the predetermined goals were successfully achieved.

Figure 5.2 Evaluation of Public Service Integrity & Ease of Doing Business
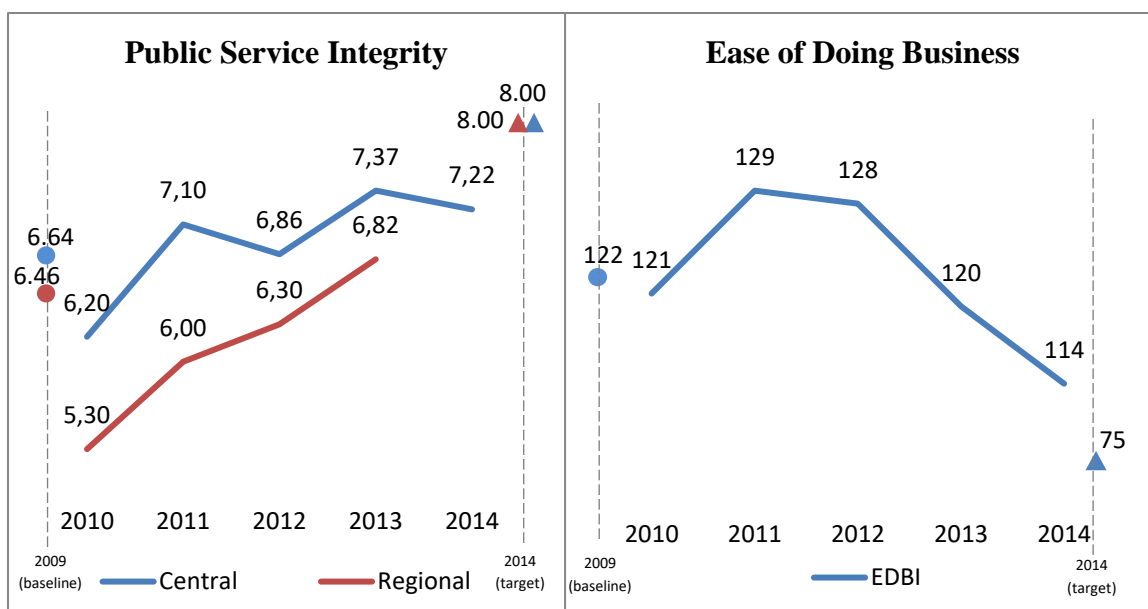
Source: Kemenpan, 2015

In 2014, the PSI survey that includes 1.200 respondents from 40 service units situated in various minister offices was conducted (Direktorat Litbang KPK, 2015). The survey investigates two main variables, namely 'Experienced Integrity' (based on citizens' personal experience with any corruptive behaviour or misconducts that occur in the agency) and 'Potential Integrity' (based on citizens' reflection on the factors that may potentially trigger corruptive behaviour). Further analysis that explores citizens' experience with informal/illegal "additional fees" to be given during service delivery process reveals that 11.76% of the respondents admitted that they paid additional fees either at the beginning, during, or after the process. Expectation to shorten the service duration has been the respondents' most common reason for such illegal fees payment for individual administrators.

Brinkerhoff & Wetterberg (2013, p.443) highlight the fiscal incentives problem caused by ineffective budget transfer from the central to local governments. It is quite often the case when the local governments do not receive sufficient information from the central government regarding the amounts and the timing of transfers. In addition, inadequate monitoring towards public spending at the local level has also contributed to discourage public service improvement at the local level.

According to the EDBI, by 2014 the Indonesian government ranks 114th from a total of 189 investigated countries. The result is still far from the predetermined target set by

Indonesian government, which is to obtain the 75th position following the Road Map 2010-2014 implementation. In comparison with other nine ASEAN countries, Indonesia was only able to hold the bottom four positions after Cambodia (135th), Laos (148th), and Timor-Leste (172th); lagging far behind the achievement of Singapore (1st) and Malaysia (18th)

5.1.3 Upgraded Bureaucrats Capacity and Performance Accountability

The World Bank's Government Effectiveness Index (GEI) and the Internal Performance Evaluation (LAKIP) are served as the main point of reference to investigate the advancement in bureaucrats' capacity and performance accountability. The GEI Index ranges from -2.5 to +2.5, meanwhile the LAKIP data shows the percentage of governments institutions that have been classified as an "accountable government" according to internal government evaluation.

As depicted in Figure 5.3, despite the fact that the overall targets were not successfully reached, there was a significant improvement according to the World Bank's Government Index figure, particularly in the 2013-2014 period. The data also shows promising advancement in terms of the number of governments that have successfully managed to obtain accountable status according to the LAKIP.

Figure 5.3 Evaluation of Government Effectiveness Index & LAKIP
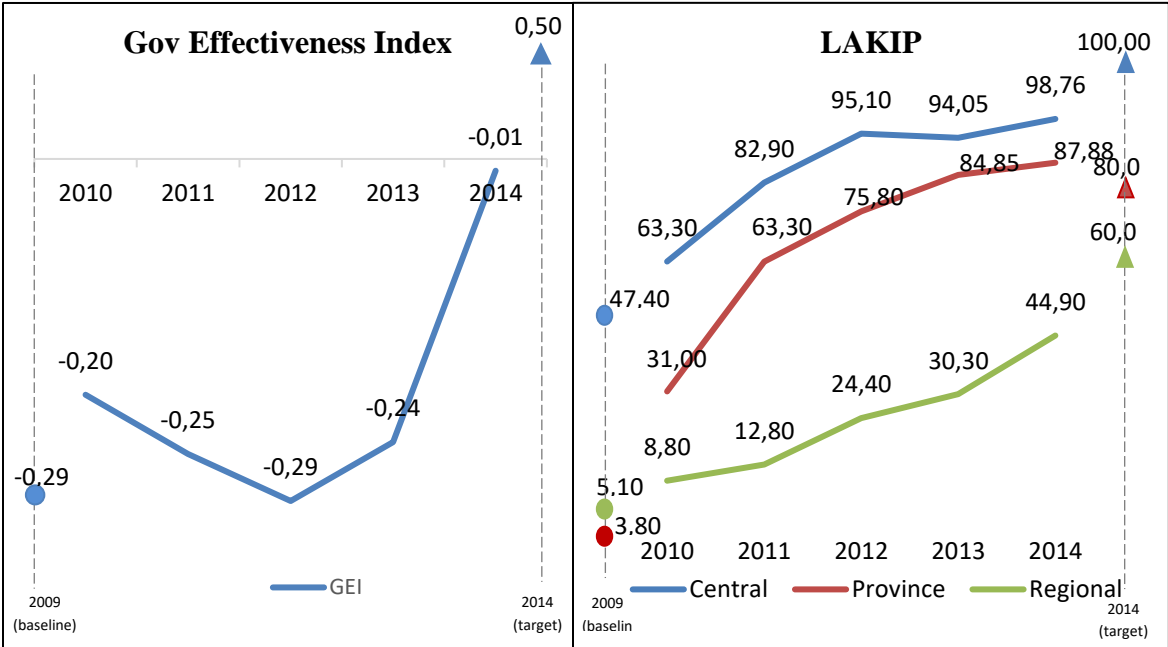
Source: Kemenpan, 2015; The World Bank,

5.2 Reform As Perceived From Public Perspective

Administrative reform progress as perceived by the citizen is explored in this section based on two main focal points, namely their general evaluation on the current reform direction and their specific evaluation on the service quality provided by the concerned public service units.

5.2.1 General Evaluation on Reform Direction

The citizens who said that they have ever heard about the reform (n = 84) were asked to provide comments on the reform direction, "Does the ongoing administrative reform has been going into the right direction?", and were requested to provide further explanation on their opinion. Figure 5.4 shows the overall results.

Figure 5.4 Evaluation of General Reform Direction

"DOES THE REFORM HAS BEEN GOING INTO THE RIGHT DIRECTION?"

	WEST SUMATRA PROVINCE	WEST JAVA PROVINCE
NOT YET ON THE RIGHT TRACK	15,38%	15,52%
SOME OF THEM ARE ON THE RIGHT TRACK	53,85%	70,69%
IT HAS BEEN ON THE RIGHT TRACK	30,77%	13,79%
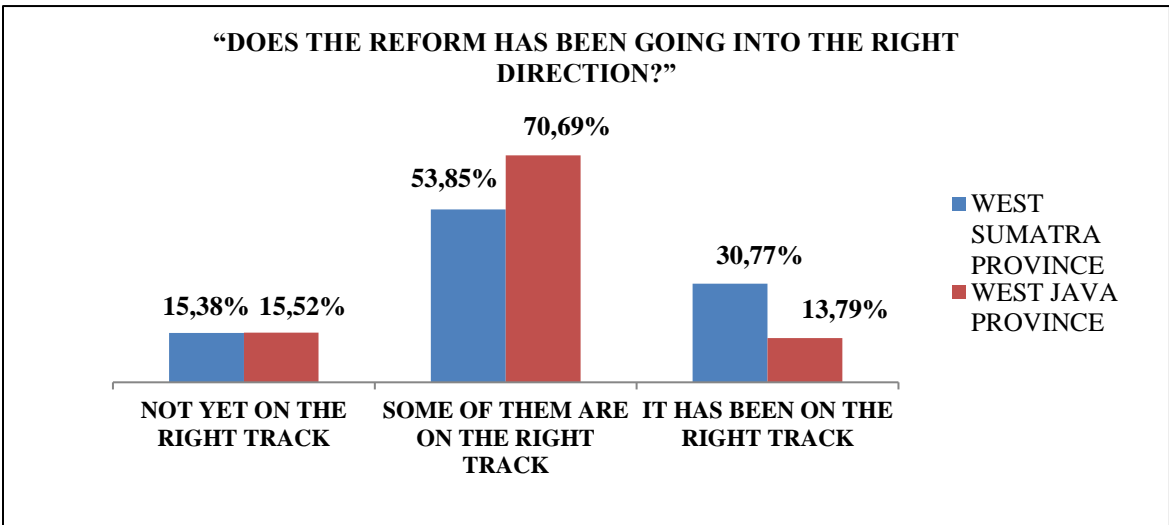
As seen in Figure 5.4 above, most of the respondents who have ever heard about the reform believe that, at least, some parts of the reform implemented by their provincial governments have been going into the right direction, while only a small group of respondents thinks the opposite. Based on the interview analysis, the respondents who belong to the "central opinion group" generally consider minor improvement in public sector following the reform implementation. However, the government should and could do more. They emphasize, in particular, the necessity for improving the following four public service-related issues: 1) Facilities of public agencies; 2) Simplicity in the current public service line; 3) Clarity on service instructions to be fulfilled prior to receiving the requested services, and 4) Daily queuing duration occurs in public agencies.

Meanwhile, those who believe that the reform is not going towards the appropriate direction see that there was no noticeable advancement to evidence the reform progress. A respondent expresses her concern that the reform status at the agency level is currently still in socialization phase and it has not yet stepping into the expected implementation phase. This standpoint is also supported by others who think that the flow of services remains the same as before, i.e. "too complicated", and "the facilities are far from adequate". In addition, the issue concerning public servant recruitment system was also underlined. It is expected that the governments should improve the way they recruit new employees by involving experts from academician in the selection committee and by avoiding staff recruitment from political parties.

Respondents who tend to be more optimistic about the reform direction are generally contented with the fruits of the current reform. Reflecting from their personal experiences at the investigated public agencies, the current service process is quite good that "the customers do not need to come back again on the other day", and the development pace of the physical facilities and services at public service agencies is fast.

Despite the fact that West Sumatra Province has a lower percentage of "central opinion group" than West Java Province, the earlier has a higher proportion of citizens who think that the reform is already on the track than the later. This finding is interesting to note, considering the result of Public Service Performance Rank Survey conducted by Kemenpan in 2012 that classified the Alpha Province under category C (Rank 16 out of 33 Provinces) far below the Delta Province that possesses higher category CC (Rank 3 out of 33 Provinces). It is argued that the reason for this finding is related to the variation in customers' zone of tolerance towards service quality (i.e. the minimum level of service quality that is still acceptable) across the two provincial governments. This issue will be further discussed while exploring findings related to service quality at the investigated agencies.

5.2.2 Citizen Assessment of Public Service Quality

This section provides the results of citizens' perceptual evaluation on the quality of service(s) they have received from the agencies. Using the SERVQUAL (SQ) instrument developed by Parasuraman and his colleagues (1985; 1988; 1994), how well the customers feel that their expectations have been fulfilled by the respective agencies on a consistent basis was assessed. Service quality is defined as "the degree of discrepancy between customers'

normative expectations for the service and their perceptions of the service performance"
(Parasuraman et al., 1994 p.202). As shown in Figure 5.5 below, at the provincial level, the
result of statistical analysis (Kruskal-Wallis Test and followed by Sidak Test) reveals that
the cumulative SQ score of West Sumatra Province is significantly lower than the score of
West Java Province at 1% Significance Level.

Figure 5.5 The Difference of SQ Scores between the Two Provinces

Prov	Obs	Rank Sum
0	151	20673.00
1	97	10203.00

Chi-squared =   11.549 with 1 d. f.

Probability =   0.0007

Row Mean-Col Mean	0
1	-.381695
	0.000

Furthermore, the findings from six investigated public agencies (n = 248) are
classified based on four percentile-based groups to ease the comparison at the agency level.
The classification includes "Poor Performer" (PP); Under Performer" (UP); Mid-Performer"
(MP); and "High Performer" (HP). The following table summarizes the comparative SQ
scores among the six agencies:

Table 5.2 Summary of SQ Scores

Agency	n	SQ Rank	SQ Score		SD	Min	Max
ONESTOP2	54	1st	-0.44	MP	0.62	-1.33	2.43
ONESTOP1	15	2nd	-0.63	MP	0.48	-1.43	0.10
EPRO2	22	3rd	-0.66	MP	0.52	-1.52	0.10
HOSPI2	75	4th	-0.74	UP	0.63	-2.05	1.05
EPRO1	36	5th	-0.76	UP	0.62	-2.29	0.24
HOSPI1	46	6th	-1,31	PP	1.07	-5.10	0.81

According to the citizens, none of the agencies deserve to be classified as "High Performer". This finding is not surprising, considering that this study initially compares two provincial governments that are in the "average" and "under average" public service performance groups (see Section 4.1 Selection of Research Participants). In general, the scores of three agencies are located above the 50th percentile (i.e. "Mid-Performer"), meanwhile the three others are listed below. The minus scores indicate that the citizens think that the actual service quality provided by the agencies does not adequately fulfil their expectation. However, as depicted in the Figure 5.6 below (based on a comparison between the minimum, the reality, and the ideal scores), the current service quality across the six agencies is still acceptable for the citizens.

Figure 5.6 Comparison of Minimum, Reality, and Ideal Scores across Six Agencies
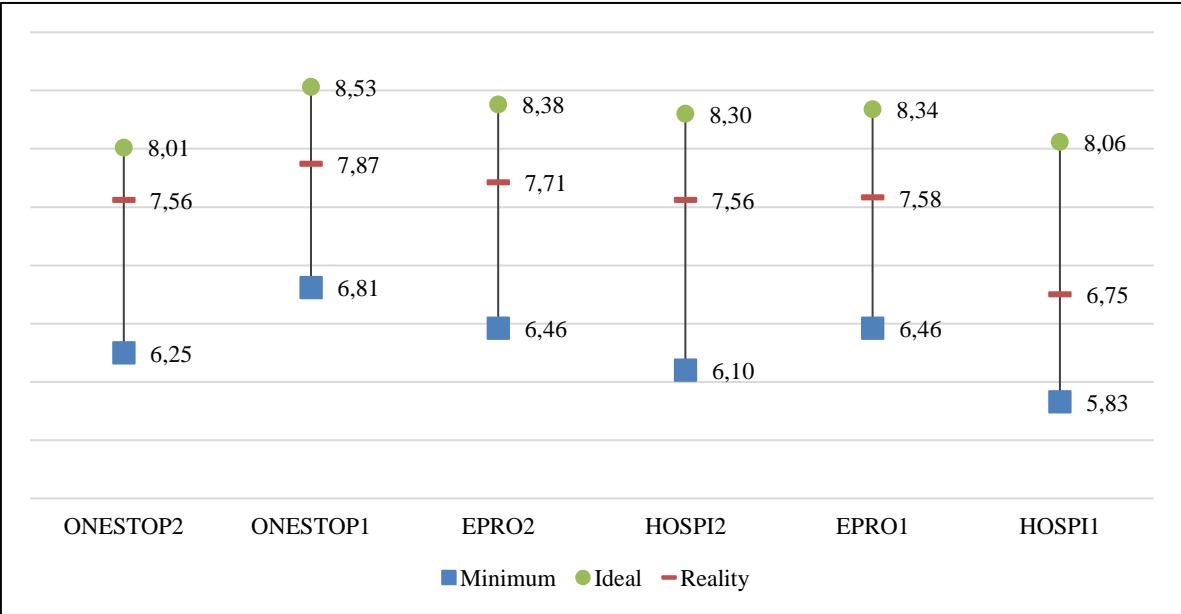
5.3 Reform As Perceived From Internal Perspective

As a complementary data for the two previous investigations on external success indicators and on the reform as perceived by the citizen, this section explores public administrators' internal point of view towards the ongoing reform. The respondents include multi-rank administrators in order to properly represent the actual condition as occurred at the provincial and agency levels.

5.3.1 Types of Reform Implementation

This section explores the existing change initiatives that have been or will be conducted within the investigated jurisdictions as parts of the administrative reform implementation. In order to provide a comprehensive picture on the topic, two sources of data were used in combination to complement each other. The first data was derived from the questionnaires that ask administrators at the first line level to provide information on the types of reform programmes implemented at their agencies, meanwhile the second was collected during interview sessions with top level officials.

Administrators at the first line level confirm the implementation of diverse performance appraisal tools in their work setting. As depicted in Figure 5.7 below, the integration of performance appraisal system remains as the most common reform initiative implemented at the investigated agencies. Both governors agree on the importance of implementing strict control to ensure all administrators are moving and are supporting the change initiative. Controlling culture is presumed by most leaders as a natural part of the daily working situation in government agencies, especially considering the existence of hierarchical management system in public sector and of various regulations to be obeyed as the working corridor for every individual administrator.

Figure 5.7 Types of Reform Initiatives as Perceived by Public Administrators
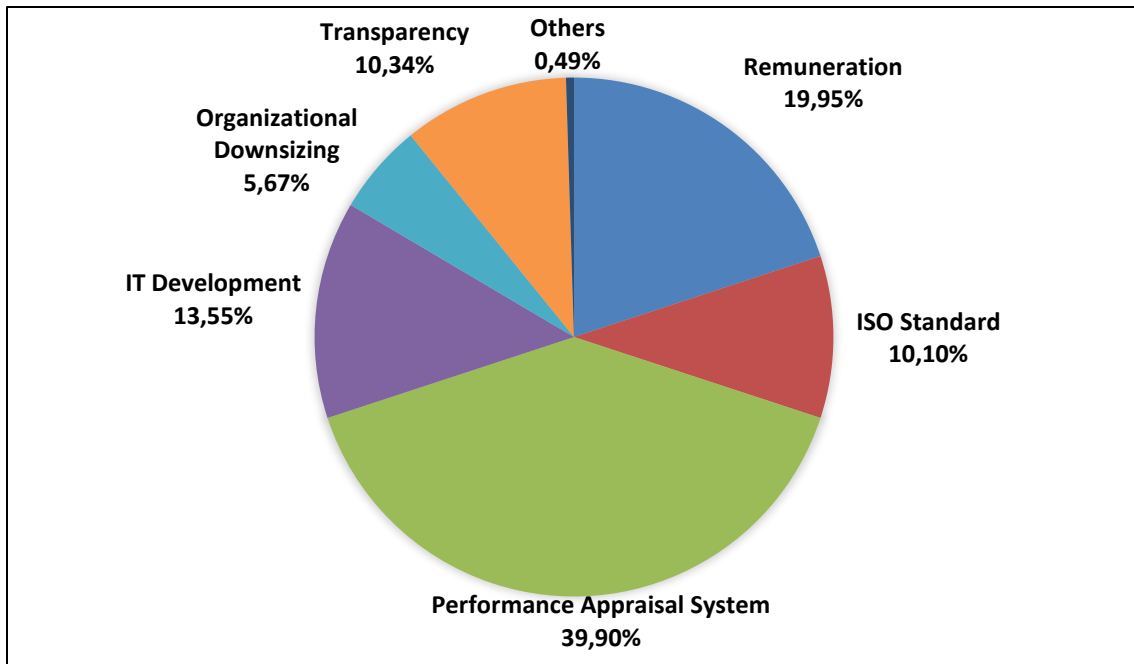
Source: Own calculation

As a comparison, Figure 5.8 summarizes the types of reform implemented as perceived by the top level management. Based on the interview, the introduction of various monitoring and evaluation strategies is quite common across agencies. The strategy ranges from the adoption of various performance appraisal tools (such as fingerprint attendance system, multi-level meetings, systematic filing report, and performance contract) to the standardization of services by implementing ISO-based management system, establishing written standard operating procedure (SOP), and publishing basic information for citizens to make them aware of their rights to receive proper service(s) from the agency. In addition, the two governors also underscore their concern on upgrading administrators' competencies by providing better opportunities to participate in various training and personnel upgrading events. This finding shows consistency between central and provincial governments in terms of including the issue of administrator' low productivity level as one of the main problems to be solved through reform implementation.

Furthermore, remuneration system is introduced as the replacement for the earlier honorarium system that was criticized as an unfair bonus system. The main idea is to create a proportional bonus system based on performance-related indicators. By applying the remuneration system, it is expected that the good performers would receive sufficient

acknowledgement of their achievement while encouraging other public administrators to improve their individual performance. At the provincial level, remuneration is given based on the regulation issued by the respective governor (Pergub).

According to the Head of EPRO1, remuneration for administrators working in West Sumatra Province is given based on individual achievement in fulfilling a monthly performance target. Meanwhile, in West Java Province, according to Pergub No. 119/2009, the bonus is calculated in monthly basis based on individual performance measurement conducted by the responsible direct supervisor. The measurement aspect involves two main indicators, namely behavioural and achievement aspects.

The first aspect also includes bonus reduction for administrators who violate the behavioural rules, such as late in coming to work, going home earlier than the set office hour, absent from work, and failure in performing given tasks. Meanwhile, the second indicator varies across rank levels. For functional officers, for instance, the achievement measurement is conducted using a predetermined quantitative performance credit; meanwhile for structural officers at the III and IV levels, the evaluated components may include individual working quality, cooperation and social relations, taken initiatives, management priority, and supports given to their subordinates.

The West Java Governor believes that improvement in administrator's welfare would also make internal supervision much easier, mainly because administrators no longer need to look for side-income (e.g. other non-related activities, illegal job, etc.), and thus are able to properly allocate greater focus on their work at the office according to the existing regulation corridor. In return for better welfare, administrators are highly demanded to show considerable achievement. He emphasizes that while good achievers are appreciated, bad performers will be replaced by others quickly.

Figure 5.8 Types of Reform Initiative As Perceived by The Leaders

WEST SUMATERA

Proper recruitment

Proper personnel transfer and promotion

Human allocation

Training and development — Governor Alpha

Proper managerial system

Organizational aspects

Legality aspects

Standardization of service performance

Balance score cards of 3rd Echelon staffs — Head of EPRO1

Introducing one stop services

Migration plan to electronic system — Head of ONESTOP1

Improving admin and filling report

Performance indicators

New legal status — Head of HOSPI1

Macro perspective

WEST JAVA

Multilevel Meetings

Introducing structured programs

Scholarly upgrading programs — Governor Delta

Fingerprint attendance system

Salary improvement allowance

Creating SOP for service delivery

Implementing ISO standards — Head of EPRO2

Clarifying distribution of tasks

Recruitment system

Responding citizen expectation — Head of ONESTOP2

Centralized permit issuance services

Change in working culture

Remuneration system — Head of HOSPI2

Comfortable working facilities to increase working motivation

5.3.2 Performance Self-Appraisal

This study also incorporates administrators' point of view about their own performance in delivering the requested public services as an additional comparison to the traditional citizen-based performance assessment. It is argued that within an administrative reform context, imposing a certain change occurs in the way administrators manage their daily working activities so that internal point of view remains critical to enable cross-checking efforts, investigating the gap between what are perceived by the service recipients (citizens) and by the service providers (administrators). Administrators' self-reflection on their own performance was identified using the two following questions:

- *"From your perspective, how the citizens would rate the current performance of your institution in delivering the requested public service(s)?"*(Public-Rate)
- *"From your perspective, how would you rate the current performance of your institution in delivering the requested public service(s)?"* (Self-Rate)

The administrators at the investigated public agencies were asked to express their view by choosing one out of seven available options (Likert Scale) ranging from one (very poor) to seven (very good). The following table shows the result:

Table 5.3 Evaluation from Internal Perspective

SQ Rank	Agency	Self-Rate		Self-Rate Rank	Pub-Rate		Pub-Rate Rank	Delta-Rate
1st	ONESTOP2	5.63	High	4th	5.43	High	4th	-0,20
2nd	ONESTOP1	5.75	High	3rd	5.50	High	3rd	-0,25
3rd	EPRO2	6.75	High	1st	6.50	High	1st	-0,25
4th	HOSPI2	5.32	High	6th	4.86	Mid	6th	-0,46*
5th	EPRO1	6.36	High	2nd	5.86	High	2nd	-0,50**
6th	HOSPI1	5.47	High	5th	5.18	High	5th	-0,29**
Average		5.88	High		5.56	High		

Notes: Delta-Rate shows the discrepancy between the two scores obtained by subtracting Pub-Rate from Self-Rate scores. In addition, the results of Wilcoxon signed-rank tests to investigate whether their mean ranks are statistically different or not are also included. The significance level is indicated by: *5% level; **1% level

The Public-Rate and the Self-Rate scores are classified based on the following criterion: $1 - 3$ (low); $3 - 5$ (mid); and $5 - 7$ (high). Reflecting from the finding shown above, the administrators across the six agencies believe that the problem of underperformance does not exist in their respective working environments. Such confidence can be seen from the Self-Rate scores that show general tendency to the right (higher scores). Even the Pub-Rate scores, although they are lower than Self-Rate scores in all six agencies, also support the argument. The Pub-Rate scores range from 4.86 at the lowest to 6.50 at the highest, which are still located above the midpoint.

Furthermore, interestingly when all six agencies are ranked based on their Self-Rate and Pub-Rate scores, the sequence patterns of both variables are the same. The data reveals that the level of institutional self-confidence follows the types of service pattern. Figure 5.9 shows a boxplot comparing Pub-Rate and Self-Rate across the six agencies:

Figure 5.9 Pub-Rate & Self-Rate Scores Across Agencies
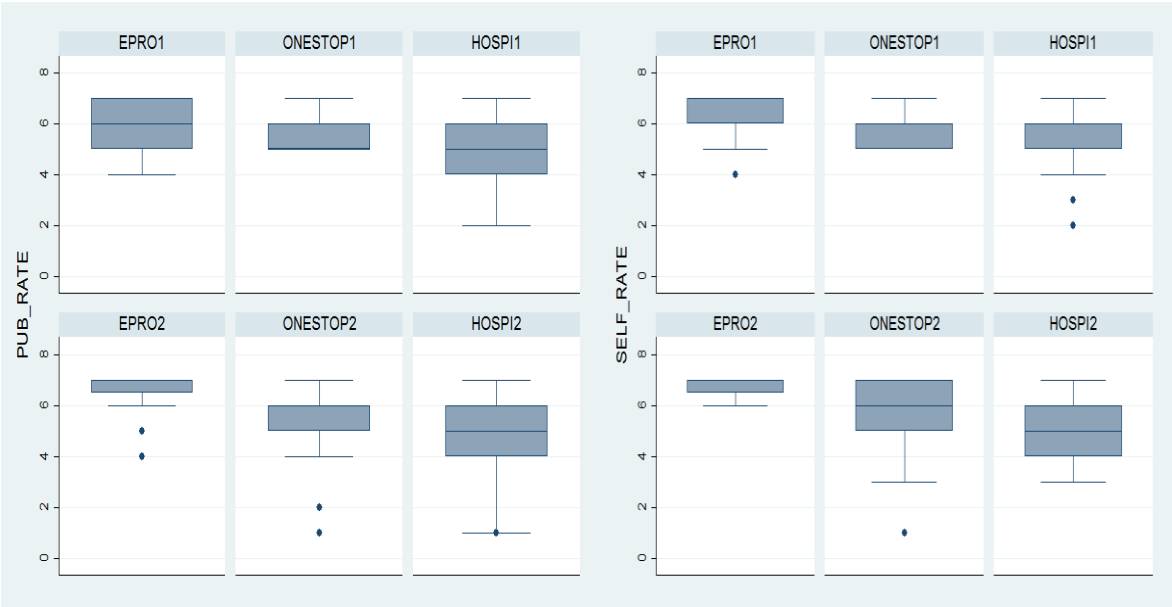
As seen in Figure 5.9 above, the administrators working at EPRO-type agencies hold the most confident attitude on their performance among the three, followed consecutively by their colleagues from the ONESTOP-type agencies and from the HOSPI-type agencies. Furthermore, it is important to note that according to the data shown under the Delta-Rate column in Table 5.3, the administrators at all of the investigated agencies presume that the citizens generally have the tendency to provide underrated ratings in evaluating public service performance. Further statistical investigation reveals that the three lower performing

agencies possess statistically significant difference between their respective Pub-Rate and Self-Rate scores. Further discussion on the implication of this finding on the reform progress in general will be thoroughly discussed in section 6.6 Potential Implication of Administrators' Pessimism towards Citizen Rating.

5.4 Summary

The collected evidence shows that the reform progress during the Road Map 2010 – 2014 is not significant. At the macro level, the government success indicators show that none of the three predetermined reform objectives had been successfully achieved. However, a steady but low progress towards the expected direction is consistently noticed.

The implementation of Road Map 2010-2014 at the investigated agencies across the two provinces puts a great focus on controlling and monitoring administrators' performance. The application of diverse performance appraisal tools (e.g. fingerprint attendance, multi-level meeting, systematic report, and performance contract), as well as the introduction of remuneration system are the two most popular types of reform implemented at the agencies. The two governors agree that only by implementing strict control, they could assure that all individual administrators perform as expected and support the change initiative. Meanwhile, the inception of a new remuneration system, as the replacement of the earlier honorarium system, mainly aims at creating a better bonus system based on performance-related indicators. By doing this, it is expected that the good performers could receive sufficient acknowledgement for their individual achievements. West Java Governor, in particular, believes that improvement in administrators' welfare would enable them to allocate greater focus on their work. Consequently, higher achievement is expected in return of better welfare. In addition, the two governors also share a similar idea, which is to include staff upgrading program as another reform priority in order to provide individual administrators with better opportunities to participate in various training and personnel upgrading events.

Further evaluation from citizen perspective towards the reform direction reveals that the majority of public respondents believe that some of the administrative reform programs implemented by their provincial governments are already on the track, while some others are not. Most respondents underscore their expectations that in the future the provincial government could and should allocate greater efforts to improve four service-related issues,

namely: 1) Better facilities of public agencies; 2) Lower complexity in public service line; 3) Greater clarity of service instruction; and 4) Shorter daily queueing duration.

Concerning the quality of public services provided by the six investigated agencies, the analysis reveals that none of them, according to the citizens, deserve to be classified as a high performing agency. Three agencies are rated as Mid-Performers, two of them belong to the Under-Performer group, and one agency is listed as Poor-Performer. Regardless the fact that no agency is able to optimally fulfil the citizen's ideal expectation, the current service quality provided by all agencies is still perceived acceptable for the citizens. Moreover, the accumulated SQ score of West Java Province is proven to outperform the West Sumatra Province.

As a comparison with the internal perspective, the self-appraisal data suggests that generally, administrators do not consider that any underperformance problem occurs in their working environment. Furthermore, it is important to note that growing pessimism among the administrators toward citizen-based rating is consistently found across the six agencies under investigation.

CHAPTER 6 EXPLAINING THE REFORM TARDINESS

Based on the initial findings discussed in the previous section, this study reveals that the reform progress within the period of 2010 – 2014 was running in a slow pace. Generally, without neglecting some minor progress toward the expected direction, none of the predetermined four targets had been successfully achieved following the Road Map 2010-2014. Reflecting from this finding, this section provides explanation on 'why such stagnation occurs' based on the evidence resulted from this study.

The issue concerning citizen awareness of the ongoing reform is assessed in the first place. The discussion continues with an investigation to reveal the common problems and barriers for successful reform as summarized from series of interviews with higher level officials, including the governors, and the respective head of agencies. Furthermore, the issue about administrators' readiness for change will be thoroughly discussed. The fourth part explores the cultural configuration of the respective agencies and analyses the variation that exists between the current and the expected culture as perceived by administrators at various levels. Subsequently, the discussion on the roles of public trust in government in the reform progress will be given, including further analysis in relation with political cynicism issue. Finally, the potential implication of administrator's performance self-appraisal towards the reform progress, as well as the possible perceptual discrepancy concerning public service performance between the administrators and the citizens are thoroughly explored.

6.1 Citizen Awareness towards the Existing Reform

Having known that the Indonesian administrative reform was initiated as government's response towards public pressure, it is presumed that the reform resonance must be heard by general citizens as a proof that the reform does exist. A simple question was asked to the respondents to examine whether they have ever heard about the ongoing reform conducted at the investigated agencies or not. Considering the variation in respondents' educational level, a special concern was given to ensure that each respondent has understood the term 'administrative reform' prior to providing individual responses. Therefore, having advantage from individual data collection strategy, based on interviewee's observation, a brief explanation of what 'administrative reform' refers to was provided when necessary. As a default information, administrative reform is described as "various efforts conducted by the provincial governments, including the management of this agency (name

of the investigated agency), to improve the given public service quality". Double-cross check was conducted afterwards by asking the respondents to mention the types of the ongoing reform that they have ever heard before.

Figure 6.1 shows the proportion of citizens who admitted that they have heard about the administrative reform conducted in the province and those who have not within the two provinces. The finding reveals that only a small number of respondents across the two investigated provinces have ever heard about the ongoing administrative reform. This data is quite surprising, especially considering that various reform-related advertisements have appeared in various locations in the respective public offices. It raises further question, doubting the effectiveness of public managers' current communication strategy to let the public know that the government is currently conducting a reform to accommodate the general public expectation to tangibly improve public service a reform to accommodate the general public expectation to tangibly improve public service quality.

Figure 6.1 Citizen Awareness on the Existing Reform
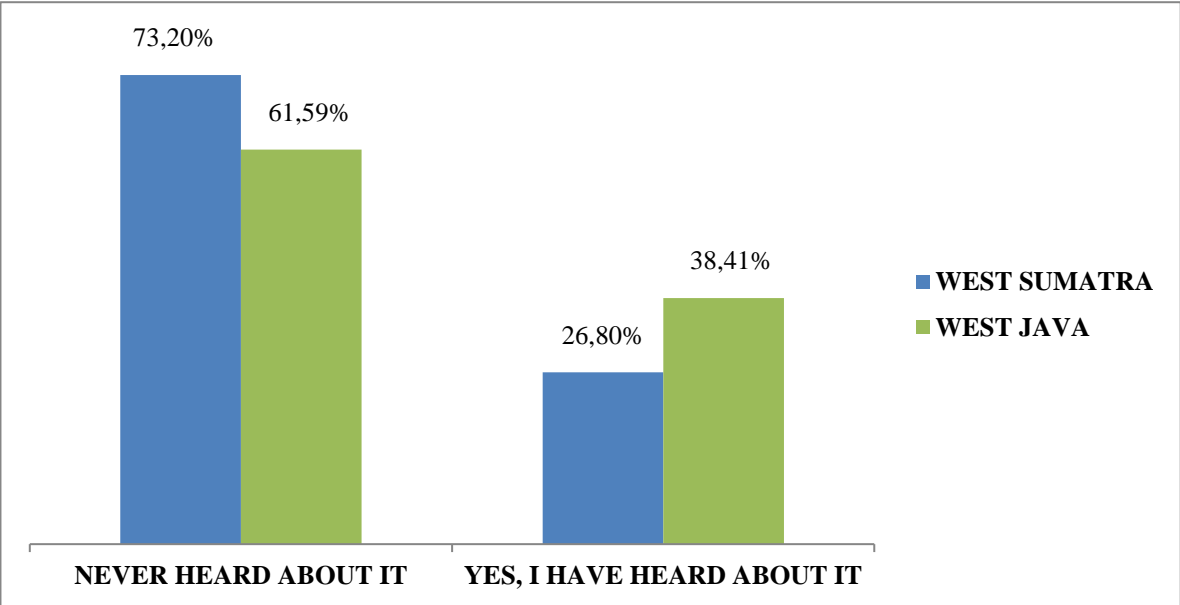
Reflecting from this evidence, consequently, it would not be unexpected if a considerable number of people say that the governments are doing nothing to improve public sector because they have never heard about it at all. Further analysis was conducted to examine how individual sociodemographic characteristics, i.e. age, gender, education, and amount of visits (independent variables) influence their individual awareness on the existing

reform (dependent variable). Table 6.1 summarizes the result of logistic and probit regression (n = 248):

**Table 6.1 Influence of Individual Demographic Background
towards Reform Awareness**

Logistic Regression

Awareness	Coef.	P>|z|
Age	.2957645	0.020
Gender	1.119035	0.005
Education	.5969665	0.000
Amount of Visit	-.0655993	0.603

Probit Regression

Awareness	Coef.	P>|z|
Age	.1688372	0.025
Gender	.6518111	0.004
Education	.357595	0.000
Amount of Visit	-.0414663	0.582

Two types of statistical model (Probit and Logistic Regression) were employed to validate the findings by comparing the outputs from the two models and thus a robust result on the investigated issue can be obtained. Based on the results shown above, both statistical results consistently show that, at five percent significance level, citizens' age, gender, and education level positively influence their awareness on the existing reform. Respondents from older age group with higher education level tend to have a higher awareness than younger group. Comparing two genders, male respondents show better awareness on the reform existence than female respondents.

6.2 Notes from the Leaders: Common Problems and Barriers for Successful Reform

Two governors and six head of agencies were asked to provide information on problems that consistently occur in daily basis in their working environments and also to describe the barriers for successful reform. Figure 6.3 overviews a full list of the issues as perceived by the administrator elites.

At the provincial level, based on the interview analysis, both governors point out the existence of administrators' reluctance for change as a common problem found in their institutions. The two top leaders believe that this problem can be properly handled by

implementing good and strong leadership. The West Java Governor contends that such resistance should not be viewed as a serious principal obstacle because the expected change would not harm anyone. Furthermore, despite the variation in individual management styles, the two governors agree that the major drawback shown by Indonesian bureaucrats, in general, is their low initiative. They only do what the leaders told them to do. Therefore, in an administrative reform context, they believe that the staffs will only change following the leaders' initiation of change.

The West Sumatra Governor underscores the problem of inadequate human resources input at the region; an issue that is not part of the challenge for his colleague from West Java Province. The governor explains that low regional salary makes his office unattractive for candidates from the country's best universities. However, considering the limited natural resources available and the minimum object of tax at his region, it is extremely difficult to increase the salary offer. Therefore, there is no other choice other than using the already existing human resources. This human resources-related concern is confirmed at the agency level. All of the three investigated public managers express their problems of inadequate qualified staffs with specific expertise at the respective agencies. In addition, two agencies, namely ONESTOP1 and HOSPI1, are understaffed. In West Java region, only the Head of EPRO2 highlights the problem related to limited number of staffs. However, none of the leaders in that region mentions the issue of inadequate qualified staffs.

The analysis also reveals several common problems faced by the institutions that provide the same type of services. Both heads of EPRO agencies indicate an issue related to several staffs who cannot cooperate with others as a system. Meanwhile, the heads of ONESTOP agencies express their concern about their inability to effectively execute reward and punishment policy, mainly because such authority is held by their superiors.

6.3 Administrators and Their Readiness for Change

This section consists of three interrelated parts that investigate the roles of readiness for change in the reform tardiness. The earliest part explores the level of administrators' knowledge on reform-related information across the agencies. Meanwhile, the second part highlights the available room for involvement as perceived by general administrators. Finally, the last part further elaborates the roles of readiness for change as a primary factor that may differentiate higher and lower performing agencies.

6.3.1 Knowledge on Reform Related Information

As the main actors behind the Road Map implementation, it is presumed to be critical that public administrators have sufficient knowledge on the ongoing reform implemented at their respective agencies. Investigating this issue, each respondent was asked to provide an answer towards the following question: "To what extent do you think you have received information on the reform conducted at your institution?". Each respondent has the opportunity to choose one out of seven points, ranging from very limited to very adequate. Figure 6.2 below summarizes the finding:

Figure 6.2 Attainment of Reform-Related Information
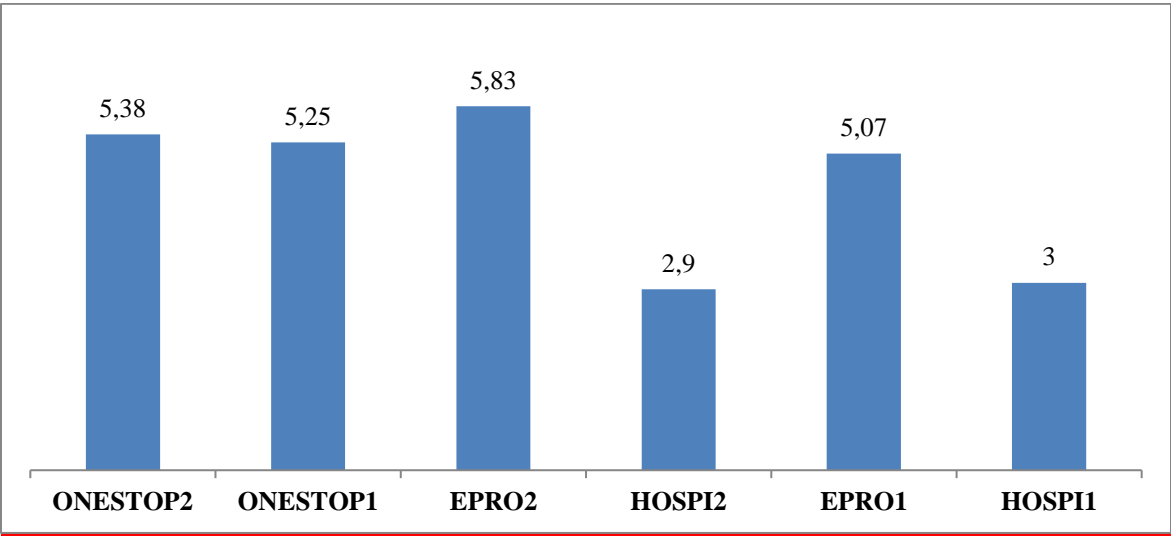
Source: Own calculation

Figure 6.3 Common Problems & Barriers for Successful Reform As Perceived by the Leaders

WEST SUMATERA

Lack of qualified HR Input

"The King Mindset"

Reluctance to change — **Governor Alpha**

Document transit duration

Leaderships issue

Leaders' commitment for change

Discipline

Responsibility

Cooperation with the staffs — **Head of EPRO1**

Limited staffs with specific expertise

Perception gap between public customers and
EPRO1 staffs

Limited number of staffs

Staffs with low learning motivation

Inability to execute reward and punishment
mechanism — **Head of ONESTOP1**

Customers' unwillingness to provide feedbacks

Difficulties to change working paradigm

Friendliness/hospitality towards customer

Money is the main standard

The burden to conduct continuous supervision — **Head of HOSPI1**

Lack of number of staffs

Limited staffs' capacity

WEST JAVA

Governor Delta —
Weak innovation staffs

Public pessimism toward the reform's outcome

Employees resistance for change

Head of EPRO2 —
Over workload

Employees who cannot work as a system

Inadequate external support from related
agencies

Head of ONESTOP2 —
Problems with senior members' mindset

One problematic senior employee

Problems with senior members' mindset

Misuse of business trip

Conflict of interest between regional and central
governments

Inability to move problematic staffs

Reluctance from related agencies due to money-
related matters

Head of HOSPI2 —
Lack of understanding on the basic service
principles

Staff's motivational issue

Unsatisfied IT system

As a point of reference, four general classifications were created based on percentiles to interpret the finding: 1 – 3 (Very Limited); 3 – 4 (Limited); 4 – 5 (Adequate); 5 – 7 (Very Adequate). As depicted on the Figure 6.2, administrators working in four agencies generally believe that they have very adequate knowledge about the ongoing reform that occurs in their workplaces. Meanwhile, their colleagues working in HOSPI-type agencies think that they only know a little bit about the reform.

At the individual level, as shown in Table 6.2, the result of a linear regression (n = 206) examining the influence of administrators' demographic background (age, gender, education background, organizational level, and organizational years) towards the attainment of reform-related information shows that, at five percent significance level, organizational level and duration of employment tenure negatively influence individual attainment of information. In other words, administrators from lower rank level and shorter organizational year tend to perceive higher attainment of reform-related information. This finding is quite surprising and contradictory to the previous study conducted by Mardiasmo and colleagues (2008), which suggests that higher level officials are better informed than their juniors on the reform process. Further investigation is required to clarify the main reasons behind.

Table 6.2 Influence of Individual Demographic Background towards Attainment of Reform-Related Information

Information	Coef.	P> |t|
Age	.2380898	0.116
Gender	.1601551	0.493
Education Level	-.0373887	0.789
Organizational Level	-.2825974	0.020
Organizational Year	-.1637585	0.027

Further statistical analysis at the unit level was conducted to analyse the difference in Information scores among the six agencies under investigation. The statistical findings also support the previous argument, which implies that the public administrators working in HOSPI-type agencies generally have significantly lower information scores than their colleagues from other agencies. Table 6.3 shows the results of Kruskal-Wallis rank test followed by Sidak test to further describe the difference.

Table 6.3 The Difference in Reform-Related Knowledge across Agencies

Agency	Obs	Rank Sum
1	14	1884.50
2	8	1194.50
3	74	7005.50
4	12	1894.00
5	35	4883.00
6	63	4459.50

chi-squared = 51.880 with 5 d.f.
probability = 0.0001

Row Mean - Col Mean	1	2	3	4	5
2	.178571				
	1.000				
3	-1.27413	-1.4527			
	0.039	0.101			
4	.511905	.333333	1.78604		
	0.999	1.000	0.001		
5	.014286	-.164286	1.28842	-.497619	
	1.000	1.000	0.000	0.995	
6	-1.92857	-2.10714	-.65444	-2.44048	-1.94286
	0.000	0.002	0.119	0.000	0.000

Notes: 1 (EPRO1); 2 (ONESTOP1); 3 (HOSPI1); 4 (EPRO2); 5 (ONESTOP2); 6 (HOSPI2)

6.3.2 Involvement throughout the Reform Process

Besides the level of individual knowledge on the ongoing reform conducted at the agency, another issue related to how far the administrators are being involved in the reform process is also scrutinized. Figure 6.4 concludes the related finding.

Figure 6.4 Level of Administrators Involvement within the Reform Process
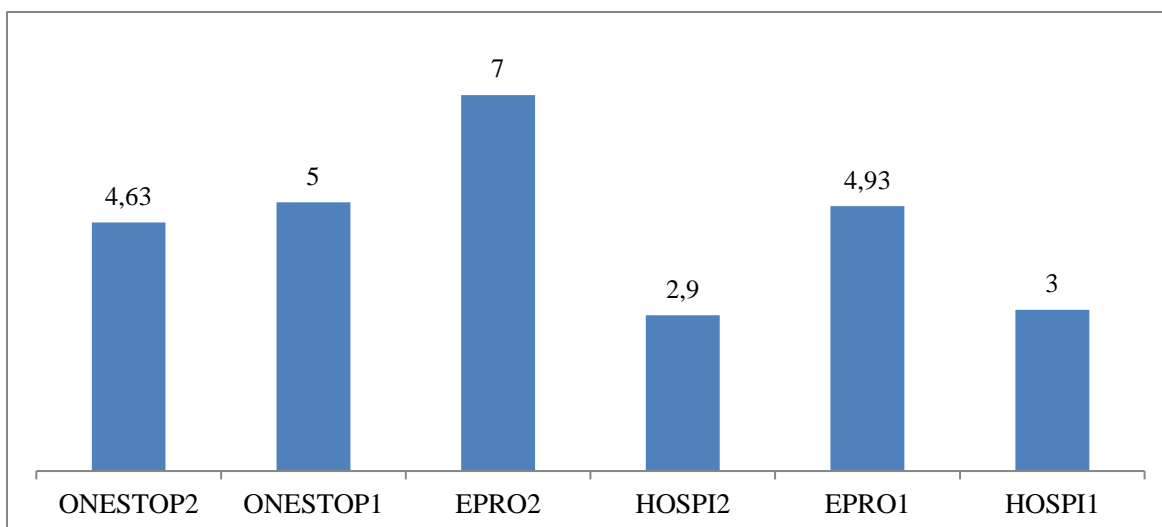
Source: Own calculation

A general classification was also created using percentiles to interpret the finding: 1 – 2 (Very Limited); 2 –3 (Limited); 3– 5 (Adequate); 5 – 7 (Very Adequate). Public administrators working in EPRO2 and ONESTOP1 feel that they have adequate opportunities to be involved throughout the reform process. Meanwhile, their colleagues working in HOSPI1 and HOSPI2 feel the contrary that they only have limited involvement within the reform.

Table 6.4 The Difference in Involvement Level across Six Agencies

Agency	Obs	Rank Sum
1	14	1950.50
2	8	1189.00
3	74	6714.50
4	12	1842.00
5	35	4609.00
6	63	5016.00

Row Mean - Col Mean	1	2	3	4	5
2	.071429				
	1.000				
3	-1.7529	-1.82432			
	0.006	0.052			
4	.404762	.333333	2.15766		
	1.000	1.000	0.001		
5	-.385714	-.457143	1.36718	-.790476	
	1.000	1.000	0.001	0.922	
6	-2.05556	-2.12698	-.30266	-2.46032	-1.66984
	0.001	0.012	0.994	0.000	0.000

chi-squared = 39.410 with 5 d.f.
probability = 0.0001

Notes: 1 (EPRO1); 2 (ONESTOP1); 3 (HOSPI1); 4 (EPRO2); 5 (ONESTOP2); 6 (HOSPI2)

The results of Kruskal-Wallis and Sidak tests show that public administrators working in the two HOSPI-type agencies only have limited involvement throughout the reform compared to others who are working in both ONESTOP-type and EPRO-type agencies. This finding is quite contradictory with the interview results from asking the two leaders of HOSPI-type agencies to express their opinion on administrators involvement throughout the reform process conducted at the respective agencies. Both hospital directors agree that the staffs' involvement remains strategic for a successful change initiative. The Director of HOSPI2 involves his staffs through a series of discussion session. Meanwhile, the HOSPI1 Director even offers one step further. Besides continuous socialization in various occasions, she also introduces a transparent financial plan and possibilities for her staffs to draft a particular proposal on how should the spending be allocated. The unique feature possessed by EPRO2 as an institution with the highest staffs' involvement is that it regularly organizes meetings with the whole staffs twice a day, from Monday to Friday. Figure 6.5 summarizes the individual leaders' perspectives.

The data shows that every individual leader has his/her own personal emphasis in managing staff involvement. The Head of EPRO1, for instance, encourages staff involvement by ensuring the distribution of all available tasks to all staffs. Meanwhile, the Head of ONESTOP2 describes administrator involvement as a mutual communication between the

superiors and the subordinates. Furthermore, the two governors seem to have different focuses. The Governor of West Sumatra, on one side, underscores the top-down approach that seems to limit general administrator's room for creativity. Meanwhile, his colleague in West Java puts particular attention to encourage more innovation from staffs.

The result of linear regression, summarized in Table 6.5 below, shows that none of the administrators' demographic background is proven to influence individual involvement in the reform process.

Table 6.5 Influence of Individual Demographic Background towards Involvement within the Reform Process

Involvement	Coef.	P> |t|
Age	.3310163	0.053
Gender	.2490962	0.345
Education Level	-.0500659	0.750
Organizational Level	-.2090271	0.127
Organizational Year	-.138026	0.098

Figure 6.5 Employees' Involvement from the Leaders' Perspective

WEST SUMATERA   **WEST JAVA**

Top-Down approach is preferable **The nature of staffs: heavily dependent on the leader**	**Governor Alpha**	**Governor Delta**	**Innovative staffs are highly valued**
Distributing tasks to all individuals	**Head of EPRO1**	**Head of EPRO2**	**Staffs' involvement in every decision is a must**
Continuous socialization on reform plan **Possibility to propose spending allocation plan** **Transparent financial plan**	**Head of ONESTOP1**	**Head of ONESTOP2**	**Discussion sessions are necessary to encourage staffs' commitment and motivation**
Top-down and bottom-up approaches are both required **Creative staffs are expected without waiting for leader's instruction**	**Head of HOSPI1**	**Head of HOSPI2**	**The superiors and subordinates are providing feedback to each other**

6.3.4 Readiness for Change Level

The readiness scores of the six agencies (n = 207) were classified based on percentiles under four categories: 0 – 4.64 (Reluctant/RL); 4.64 – 5.20 (Moderate Reluctant/MRL); 5.20 – 5.81 (Moderate Readiness/MRE); and 5.81 – 7.00 (High Readiness/RE). As shown in Table 6.6, one agency possesses high readiness score (RE), three out of six agencies have moderate readiness for change, and two HOSPI-type agencies reveal to have moderate change reluctance.

Table 6.6 RFC Scores across the Six Agencies

SQ Rank	Agency	n (N)	RFC	Category	SD	Min	Max
1st	ONESTOP2	36 (out of 91)	5.46	MRE	0.89	2.80	6.72
2nd	ONESTOP1	8 (out of 9)	5.76	MRE	1.09	3.60	7.00
3rd	EPRO2	12 (out of 13)	5.87	RE	0.66	4.68	7.00
4th	HOSPI2	63 (out of 721)	5.03	MRL	0.63	4.04	6.72
5th	EPRO1	14 (out of 14)	5.35	MRE	0.81	4.20	6.80
6th	HOSPI1	74 (out of 415)	5.04	MRL	0.85	3.06	6.76

Examining the influence of five demographic backgrounds, namely age, gender, education level, organizational year, and duration of employment tenure, towards individual readiness for change, the statistical analysis shows that administrator's educational level influences their readiness for change as shown in Table 6.7.

Table 6.7 Influence of Individual Demographic Background towards Readiness For Change Level

RFC	Coef.	P> |t|
Age	.0911861	0.220
Gender	.2240656	0.051
Education	.1972379	0.004
Organizational Year	-.0054769	0.879
Organizational Level	-.0664393	0.264

Furthermore, comparing the three types of services under investigation, the data also shows that the RFC scores of the HOSPI-type agencies are statistically significant lower than the EPRO- and ONESTOP-type agencies, respectively at 1% level (using Kruskal-Wallis and one way Scheffe). The box plot below also supports the argument.

Figure 6.6 RFC Scores across Three Types of Services

Analysis at the dimensional level provides valuable information to interpret the findings shown at the general organizational level. Conceptually, individual readiness for change level is determined by four underlying dimensions, namely change appropriateness, level of support shown by the responsible higher level officials, individual self-efficacy to fulfil the required change action, and possible personal benefits. It reveals that administrators working at the two "medium reluctance" institutions, although varied in the degree of problems, perceive two existing common obstacles that undermine them from supporting the change initiative as depicted in Figure 6.7. Firstly, their leaders do not show adequate support for the proposed change initiative; and secondly, the administrators are not sure about their capacity to fulfil the required action imposed by the initiative. In addition, the staffs at HOSPI 1 also consider that the personal benefits offered following a successful change initiative are not attractive. This finding is also supported by the testimonies shared by the respective leaders on the earlier subsection (see Figure 6.2 Common Problems and Barriers for Successful Reform). The HOSPI1 Director, for instance, expresses her concern regarding the primary role of money-related issue as the main standard for the administrators. Meanwhile, her colleague at HOSPI2 underscores staff's motivational issue that is related to remuneration system.

Figure 6.7 RFC Dimensions
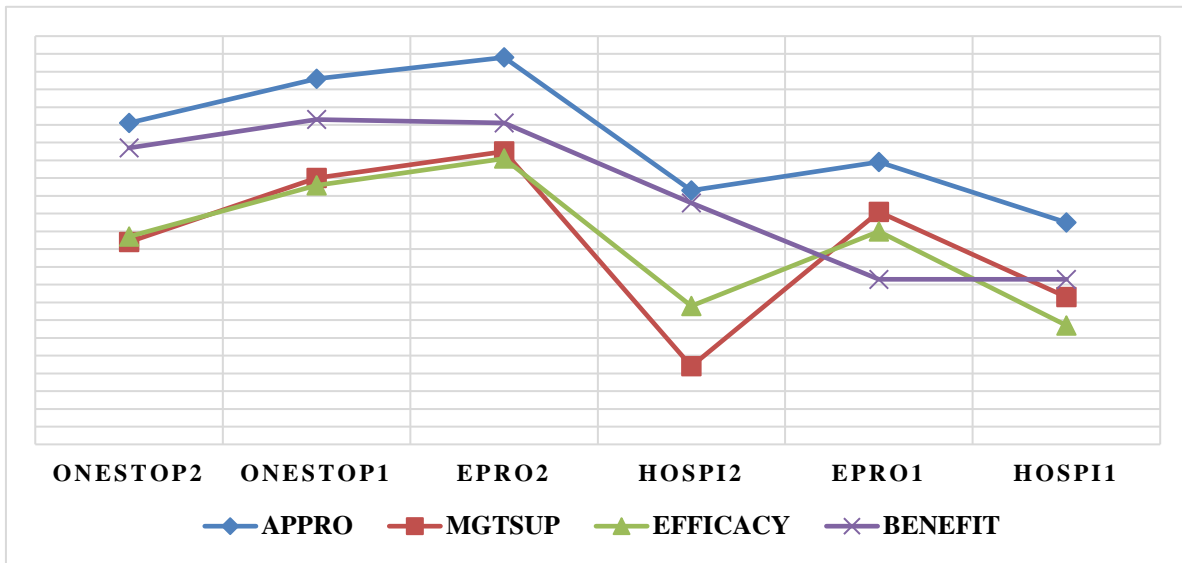
Source: Own calculation

Moreover, administrators at the EPRO1 also think that the benefits of change is not attractive, despite the fact that they consider the change is urgently required. The following classification was created based on the percentiles of each dimension ranging from A to D to facilitate better interpretation:

Table 6.8 RFC Dimensional Scores across the Six Agencies

SQ Rank	Agency	Appro		Mgtsup		Efficacy		Benefit	
1st	ONESTOP2	5,81	B	5,14	B	5,17	B	5,67	B
2nd	ONESTOP1	6,06	B	5,50	B	5,46	B	5,83	B
3rd	EPRO2	6,18	B	5,65	B	5,61	B	5,81	B
4th	HOSPI2	5,43	C	4,44	C	4,78	C	5,36	B
5th	EPRO1	5,59	C	5,31	B	5,20	B	4,93	C
6th	HOSPI1	5,25	C	4,83	C	4,67	C	4,93	C

Notes: Considering the classification groups were made based on the percentiles, therefore the range scores for every group within the respective dimensions are varied.

Reflecting from the classification shown in Table 6.8 above, administrators from the three upper performers are relatively more receptive towards change than the three lower performers because apparently they do not have any issues related to change appropriateness, management support, self-efficacy, and personal benefits. Further statistical analysis was

conducted to investigate the contribution of each dimension to the overall RFC scores. The result is summarized in Table 6.9 below:

Table 6.9 Correlation between Five Dimensions and General RFC Scores

	RFC	appro	mgtsup	efficacy	benefit
RFC	1.0000				
appro	0.9120	1.0000			
mgtsup	0.6650	0.4496	1.0000		
efficacy	0.7252	0.6273	0.3629	1.0000	
benefit	0.6048	0.5007	0.1372	0.3729	1.0000

According to the data, all four dimensions are evidently important for individual administrators as the basis for determining their readiness for organizational change. Collective uncertainty rooted in a combination of these four factors may potentially complicate the process towards a successful reform. Among the four dimensions, the consideration of change appropriateness remains as the most important issue, followed sequentially by their reflection on individual efficacy to properly conduct the required change-related action, management support, and lastly personal benefit.

It is very interesting to note that administrators' careful thought on personal benefit is in fact listed as the very last consideration. Reflecting from this finding, it is suggested that public managers should start considering shifting their current managerial approach that prioritizes more on implementing welfare improvement strategy towards a formulation that embraces more on developing individual change-required competencies and that promotes better understanding about the need for change. Furthermore, it is argued that the remuneration strategy, as imposed by the central government, might not be feasible for provinces with limited regional income, such as West Sumatra. In this case, the richer provinces (e.g. West Java) have a greater advantage in terms of policy-making flexibility.

6.4 Exploring the Roles of Administrative Culture

The roles of administrative culture behind the reform tardiness were assessed in this study by investigating two main focal points at the agency level, namely: 1) Whether the general administrators think that a particular cultural change is required or not; and 2) Whether perceptual conformity across four administrative hierarchies (namely, the central

government, the governor, the head of public agency, and the general public administrators) concerning the ideal culture to be institutionally developed exists or not.

This section provides detailed results of the cultural analysis conducted using the OCAI instrument developed by Cameron & Quinn (2000) at the agency level to provide comprehensive cultural explanation behind the reform tardiness. The instrument investigates six key dimensions of organizational culture as perceived by the employees, identifies the most dominant cultures and subcultures, and highlights particular needs for cultural change as the basis for further development of cultural transformation strategy at the unit level.

6.4.1 Current and Expected Culture: Do We Need Cultural Change?

The administrative culture analysis shows that public administrators across six agencies generally expect to have a more clan-oriented culture, despite the fact that the Clan culture is already predominant in five out six agencies. Figure 6.8 summarizes the cultural profiles of the respective six agencies. The red line represents the current existing culture, and the green line portrays the expected culture to be developed in the near future as perceived by the administrators in each agency. As depicted in the figure, at least three agencies, namely ONESTOP1, HOSPI1, and EPRO2, appear to show considerable discrepancy in one or two aspects of their cultural configurations. Further investigation was conducted to clarify whether a significant culture change is required to be introduced at their work places or not, based on the administrators' point of view.

Figure 6.8 Administrative Culture of the Six Investigate Agencies

West Java	EPRO2	ONESTOP2	HOSPI2
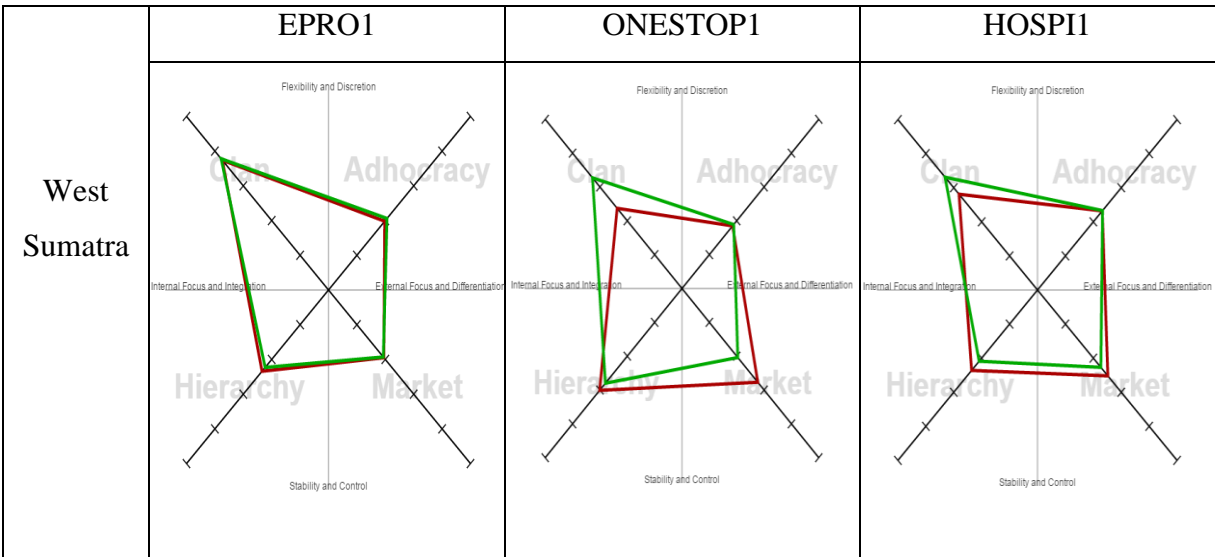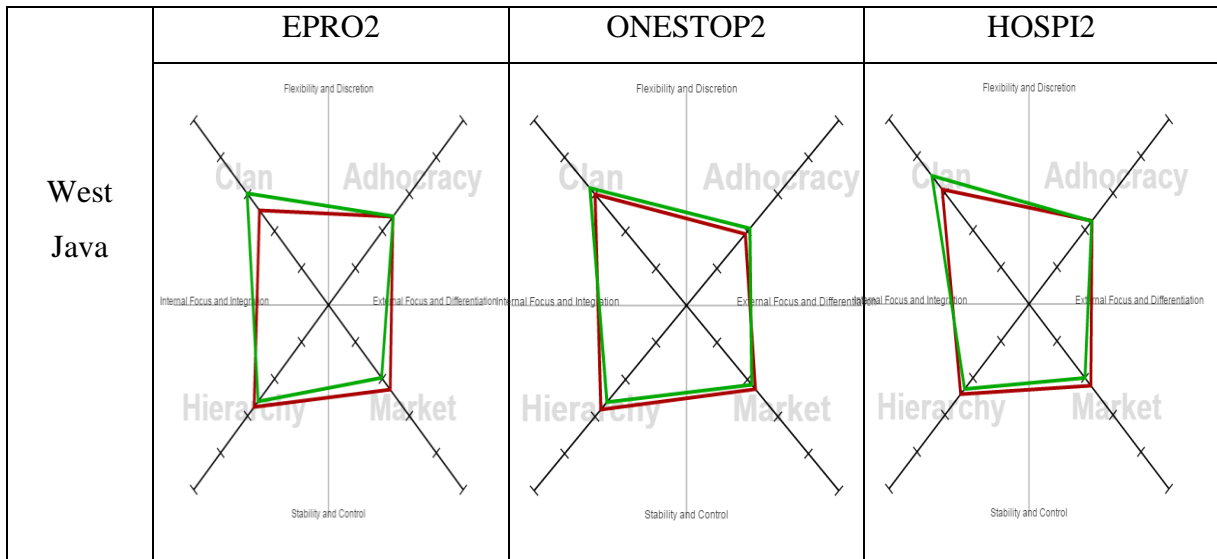
Table 6.10 provides detailed cumulative scores of four culture types in the respective agencies. Discrepancy scores and the agency's rank based on SQ scores are also included to enable additional considerations. As a general guideline, Cameron & Quinn (2011, p.82) suggest to be particularly attentive to the difference between five and ten scores, which indicates the need for a substantial cultural change initiative. According to them, statistically significant difference in discrepancy scores cannot be used as the basis because the OCAI instrument uses an ipsative response scale.

Table 6.10 Administrative Culture across Six Agencies

SQ	Agency	CLAN			ADHOCRACY			MARKET			HIERARCHY		
		Now	Exp	+/-	Now	Exp	+/-	Now	Exp	+/-	Now	Exp	+/-
1st	ONESTOP2	30	31.7	1.7	19.3	20.8	1.5	22.6	21.4	-1.2	28.1	26.1	-2.0
2nd	ONESTOP1	27.6	33.0	5.4	18.6	20.3	1.7	26.8	20.9	-5.9	27	25.7	-1.3
3rd	EPRO2	25.6	30.2	4.6	23.9	24	0.1	22.9	19.7	-3.2	27.6	26.1	-1.5
4th	HOSPI2	30.7	34.5	3.8	22.8	22.3	-0.5	22.1	20.3	-1.8	24.5	22.9	-1.6
5th	EPRO1	37.4	37.8	0.4	19.8	20.6	0.8	19.5	19.3	-0.2	23.4	22.3	-1.1
6th	HOSPI1	28.1	33.1	5.0	23.2	23.3	0.1	25.2	22.7	-2.5	23.6	20.9	-2.7

Notes: Current (Now) and expected (Exp.) predominant cultures at the respective agencies are highlighted in dark color

Consistent with the earlier finding, Table 6.10 also shows a common desire to maintain a clan oriented culture. Considerable willingness for particular culture change is expressed by the administrators working in the three out of six investigated agencies, namely:

1) ONESTOP1 (Clan + 5.4 points; Market – 5,9 points); 2) EPRO2 (Clan + 4,6 points); and 3) HOSPI1 (Clan + 5,0 points). Despite the fact that ONESTOP1 also shows significant need for reducing market-based aspects, all six agencies confirm an identical shifting towards higher Clan orientation as indicated by the darkly highlighted column. Almost all of them feel that their institutions need to be organized based on higher Clan culture orientation, as described by Cameron & Quinn (2011):

> *A very friendly place to work where people share a lot of themselves. The leaders are considered to be mentors. Success is defined in terms of sensitivity to customers and concern for people. Teamwork, participation, and consensus are essential.*

As shown in Table 6.11, the result of regression analysis examining the influence of administrators' demographic background towards individual preference to have a clan-oriented culture reveals that educational level negatively influence the preference towards clan orientation. It means that administrators with lower educational level tend to expect higher clan-oriented culture than their colleagues with higher education.

Table 6.11 Influence of Demographic Background towards Individual Preference of Clan Culture

Preferred Clan Culture	Coef.	P> |t|
Age	-.0721394	0.919
Gender	-.128501	0.906
Education Level	-1.529705	0.020
Organizational Level	-.0601521	0.915
Organizational Year	-.191436	0.578

Moreover, in comparison with the profiles of most public administrations around the world that mainly hold a predominant Hierarchy culture, the intention shown by the administrators working in the six investigated agencies is basically unique. Further dimensional investigation was carried out to gain a better understanding of this phenomenon. Table 6.12 summarizes the cultural shifting that occurs at the dimensional level to portray the dynamics in the respective agencies.

Table 6.12 Cultural Dimensions of Six Agencies

Cultural Dimension	ONESTOP2	ONESTOP1	EPRO2	HOSPI2	EPRO1	HOSPI1
Dominant Characteristics	C	M → C	H	C	C	C
Organizational Leadership	H	M → C	H → C	C	C	C
Management of Employees	C	H → C	H	C	C	C
Organizational Glue	C	H → C	C	C	C	C
Strategic Emphases	C	M → C	C	C	C	C
Criteria of Success	C	C	C	C	C	C

Notes: C (Clan); H (Hierarchy); M (Market); and A (Adhocracy). M → C, for instance, means that the organization is currently dominated by Market culture, however the administrators are willing to make the Clan culture as the future predominant culture. Meanwhile, H means that Hierarchy culture remains as both current and preferred predominant culture. Significant discrepancy is highlighted in dark (more than 5 points of discrepancy).

The dimensional data shows interesting cultural dynamics. As illustrated in Table 6.12 above, the three lower performers tend to consistently maintain the status quo (Clan culture) without further doubt. Meanwhile, some dynamics are identified among the three upper performers, although consistent aspiration towards a Clan oriented culture is generally observable. Administrators of ONESTOP1, for instance, consider the Market culture dominates their current daily working situation, influences the leadership style implemented in the agency, and defines their organizational focuses. Their colleagues working in EPRO2 apparently feel comfortable to maintain hierarchical-based management of employees; although at the same time expect to have a leader who is able to facilitate greater involvement and higher personal development opportunities. On the other hand, administrators working in ONESTOP2 prefer to retain the current predominant hierarchical style of leadership. Cameron & Quinn (2011, p.85) contend that temporary congruence may indicate

organizational aspects that are out of focus or unacknowledged dysfunctional cultural aspects of the organization. It is expected that this situation encourages higher motivation to conduct a cultural change. However, it is important to note here that administrators' desire for culture change does not necessarily confirm their full support towards the overall reform package. What kind of cultural transformation imposed by the reform is arguably part of the main consideration? The later notion is discussed in the following subsection.

6.4.2 Defining the Ideal Culture: Between the Elites and the Grassroots

Different emphasis in operationalizing the concept of ideal administrative culture into a more practical basis at different government hierarchical levels is arguably one of the inhibiting factors for Indonesian administrative reform. Reflecting from the findings discussed in the previous section, it is obvious that at the first line level, the administrators prefer to develop a culture that represents the clan oriented culture. Cameron & Quinn (2011) describe the Clan Culture as follows:

> *"A very friendly place to work where people share a lot of themselves. The leaders are considered to be mentors. Success is defined in terms of sensitivity to customers and concern for people. Teamwork, participation, and consensus are essential".*

The rest of this section will investigate the ideal culture as perceived by the three higher hierarchies, including the central government, the respective governors, and also the individual head of agencies as a comparison to the earlier findings on the type of culture expected to be grown according to the general administrators' opinion. The CVF's four culture-type quadrants framework is used to enable multi-level comparison.

Despite the fact that the central government allows the top leaders at the provincial and agency levels to formulate a specific type of culture to be introduced within their jurisdictions (see Kemenpan, 2011), the previous provides a clear emphasis on what kind of values to be developed and the change management strategy to be adopted, regardless of the diversity at the local level. The result of document analysis reveals that the Indonesian government is interested in imposing a new type of culture that intensifies the application of market-oriented culture, while at the same time maintaining the existence of the traditional hierarchical values. Detailed information on the analysis can be found in Appendix 8.

An organization that is mainly driven by the Market Culture can be characterized by its accentuation in attaining good reputation, accomplishing tasks, and implementing result-oriented strategy (Cameron & Quinn, 2011). The analysis shows that as a part of its strategy to reach its vision to obtain the 'world class government' status by 2025, the central government underscores the creation of a new mind set and culture set of government apparatus that encourages more outcome-based attitude and working behaviour that are derived from the awareness of high working productivity to properly serve the citizens (Kemenpan, 2012, p.3). Moreover, "the culture set is correlated with the behaviour in completing (the required) tasks" (ibid. p.6). Meanwhile, the Hierarchy Culture is generally known as the default culture of most public administrations around the world (Cameron & Quinn, 2011). In Indonesian case, the following characteristics indicate the emphasis of hierarchical culture style: 1) Top leaders as the dominant key players who highly determine the existing administrative culture; 2) As a government apparatus, it is important to ensure that all aspects of her/his daily activities are based on the existing rules; 3) Measurable, efficient, obedience, and monitories that are classified among the ten main principles of Indonesian administrative reform adequately represent the existence of dominant hierarchical culture. The following figure summarizes the keywords representing the two aforementioned cultures that were found during the document analysis :

Figure 6.9 Ideal Culture According to the Central Government
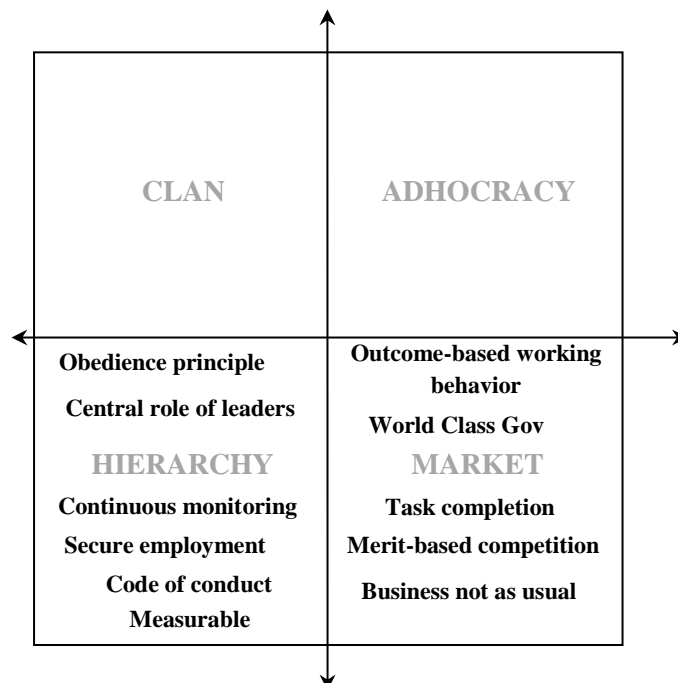
Further analysis was carried out to examine the cultural orientation of the two governors in implementing the administrative reform at their respective provinces. Considering the abundance of interview contents, this study employs identification of statements that represent each culture type. Plus sign (+) is given for every single statement that precisely supports one out of four culture types. The overall amount of plus signs that are assigned under each culture type column determines the governor's predominant orientation.

Interestingly, the data shows that despite the fact that the two governors accentuate the prominent use of Market & Hierarchy oriented cultures, each has different level of emphasis for the respective cultures. The West Sumatra Governor reveals to have a greater application of hierarchy-based (17+ points) than market-driven strategies (4+ points). Meanwhile, the Governor of West Java underscores more substantial implementation of Market Culture (16+ points) and then followed by Hierarchy Culture (10+). Moreover, the latter also applies the Clan Culture approach as an additional composition of his ideal culture configuration, which differentiates him from the previous. For instance, during the interview, the West Java Governor underscores the essential roles of togetherness and collaboration values that are believed to represent the local philosophy of West Java region. He said that, "The most important thing is: Let us perform together, we stand together, and we move forward together… It is impossible to work alone". Figure 6.10 illustrates the comparison between the two governors:

Figure 6.10 Ideal Culture as Perceived by the Two Governors

The Governor of West Java		The Governor of West Sumatra	
6+ Points Combination of Top-Down & Bottom-Up CLAN Togetherness Collaboration	ADHOCRACY	CLAN	ADHOCRACY
10+ Points HIERARCHY Strict control Central role of the leaders "Tupoksi" corridor	**16+ Points** MARKET Merit-based system Creativity Competition Achievement	**17+ Points** HIERARCHY Strict control Rules-based practices Top-down approach Central role of the leaders	**4+ Points** MARKET Serving public interest Leader's out of the box decision

Both governors express similar concept, implying the superior position of formal leaders within the institution whose directions are part of the rules to be followed by the subordinates. The West Sumatra Governor stated that "Within a change plan context… If the leader wants to change, the employees will undoubtedly have to change. In the case of reluctance, sanction will be imposed, because refusing to change means a failure to fulfil the expected performance". Furthermore, strict and continuous control is commonly used across the two provinces as an effective strategy to ensure consistent individual performances. However, compared to one another, each governor has different views on two main issues, namely 1) The size of space to be given to facilitate administrator's creativity; and 2) The existence of competition value within public sector. The West Java Governor believes that being creative (within the main duties and functions/*Tupoksi* corridor) is important to ensure progress. He also encourages his staffs to keep a distance from their own comfort zone. Meanwhile, the West Sumatra Governor allows a more limited room for individual creativity that is accessible only after leader's approval. This approach suitably reflects his individual preference to employ a top-down management style as an effective strategy to be implemented in West Sumatra Province. He argues that the bottom-up approach is difficult to be implemented in the region, especially considering the general administrators' perceptions of themselves as an ordinary staff, not a leader who is expected to be creative. With regard to competition issue, the West Java Governor considers competition as a necessary aspect to gain higher achievement. In contrast, the West Sumatra Governor believes that the provincial government focuses on serving the society in the absence of competitors.

The last analysis was conducted to investigate the ideal culture as perceived by the respective head of agencies. It is important to note that personal sharing on cultural implementation challenges shared by individual head of agencies is not the focus of this section (please refer to earlier Section 6.2 Notes from the Leaders: Common Problems and Barriers for Successful Reform). Table 6.13 summarizes the findings.

Table 6.13 Ideal Culture as Perceived by the Head of Agencies

SQ Rank	Agency	Clan	Adhocracy	Market	Hierarchy
1st	ONESTOP2	**8+ points** • Networking & cooperation • Parental value • Collaboration • Involvement	-	**4+ points** • Citizen expectation • Competitive • Dynamic move	**4+ points** • Strict control • Discipline • Regulation • Standard Operating Procedure
2nd	ONESTOP1	**2+ points** • Collaborative culture	-	**2+ points** • Performance appraisal system • Customer satisfaction	**1+ points** • Given organizational structure
3rd	EPRO2	**10+ points** • Staffs are called ‚friends' • Open for ideas • Democratic • Togetherness • Involvement	-	**8+ points** • Standard Operating Procedure • ISO standards • Replacing underperforming staff	**4+ points** • Governor's mandate • Systematic task & functions • Obeying the rules
4th	HOSPI2	**4+ points** • Greeting habit • Comfortable feeling • Treating patients as family • Collaboration	-	**13+ points** • Higher revenue • Entrepreneur • Merit-based incentive • Competition • Creativity • The first public choice	**+3 points** • Main tasks & functions • Controlling • Predetermined rules
5th	EPRO1	**6+ points** • Informal chat • Involvement; • „All persons are equal; • Democratic	-	**10+ points** • Standardized service • Performance target • Merit-based incentive • Flexible working pattern • Innovative	**+2 points** • Following provincial strategic map • A predefined system
6th	HOSPI1	**3+ points** • Staffs are called ‚friends' • Heart to heart approach	-	**10+ points** • Target oriented • Competitive • Seize the market • Quality management • Performance indicators	**3+ points** • Strict control • Four types of monitoring books

Notes: Highlighted columns indicate the most dominant culture perceived by the respective head of agencies

As seen in Table 6.13 above, despite the variation in individual emphasis, the leaders at the agency level generally portray the ideal culture as a combination of the Clan, Market, and Hierarchy cultures. It is argued that at this administrative level, it is important for the head of agencies to play their role as the governor's representative at agency level, while at the same time trying their best to be realistic with the existing situation. Therefore, the maintenance of Market and Hierarchy culture combination at this level can be considered as a manifestation of the earlier function. On the other hand, the recognition of Clan element might be seen as a natural attempt to reconcile with the grass-root aspiration. However, based on the analysis, the degree of accommodation remains varied from one individual to another. In addition, all six leaders apparently perceive hierarchical oriented culture, in particular, as a normative part of every government institution. Features such as continuous monitoring and controlling, predetermined rules, and a given organizational structure are commonly found across the six agencies.

It is interesting to note that if the dominance level of the Market and Clan cultures is sorted, a particular pattern is recognized: All the leaders of the three upper performing agencies prioritize the application of the Clan Culture in their institutions; meanwhile the leaders from the bottom three put the Market Culture implementation as their highest priorities.

To sum up, the findings across four level hierarchical administrations confirm discrepancy issue with regard to the operationalization of the ideal culture from conceptual to practical level throughout the investigated administrative levels. The central government's idea to introduce a new culture that emphasizes the combination of Market & Hierarchy cultures is proven to be contradictory to the aspiration from the grass roots that are eager to develop a more Clan oriented culture. This situation is presumed to complicate the government's effort to produce a tangible improvement at the agency level. Based on the evidence derived from the Governor and Head of Agency levels, a greater concern to adopt Clan Culture as part of the main cultural ingredients seems to serve as a promising alternative for Indonesian situation.

6.5 Exploring the Roles of Citizen Trust in Government

This study also investigates the extent to which the level of citizen trust in government serves as a conditioning factor for successful reform at the provincial level. The citizen's

perceived trust in provincial government was explored using six questions developed from the popular NES study. One additional question was also included to provide an opportunity for the respondents to voluntarily elaborate their given responses (see Section 3.4 Citizen Trust in Government for further details).

This section consists of two main parts. The first part explores the general level of citizen trust in the respective provincial governments and clarifies the predominant issues that underlie citizen's perceived trust in government. Meanwhile, the second part investigates the potential roles of citizen trust in government as one of the main determinant factors for higher public service quality.

6.5.1 Citizen Trust in Provincial Government

As suggested by Gershtenson, et al. (2007), two format options, namely the five-point and the percent of time formats, were combined to enable further investigation on what respondents really mean when they choose one of the existing trust options. Figure 6.11 summarizes the responses given by the citizen to the first question, *"How much of time do you think you can trust the Provincial Government to do what is right?"*.

As seen in Figure 6.11, the data across the two provinces shows an identical pattern: Most of the citizens in both provinces think that they 'sometimes' could trust their provincial government. In addition, the data also indicates a fairly substantial amount of respondents who could trust their government often.

Figure 6.11 Much of Time to Trust the Provincial Government
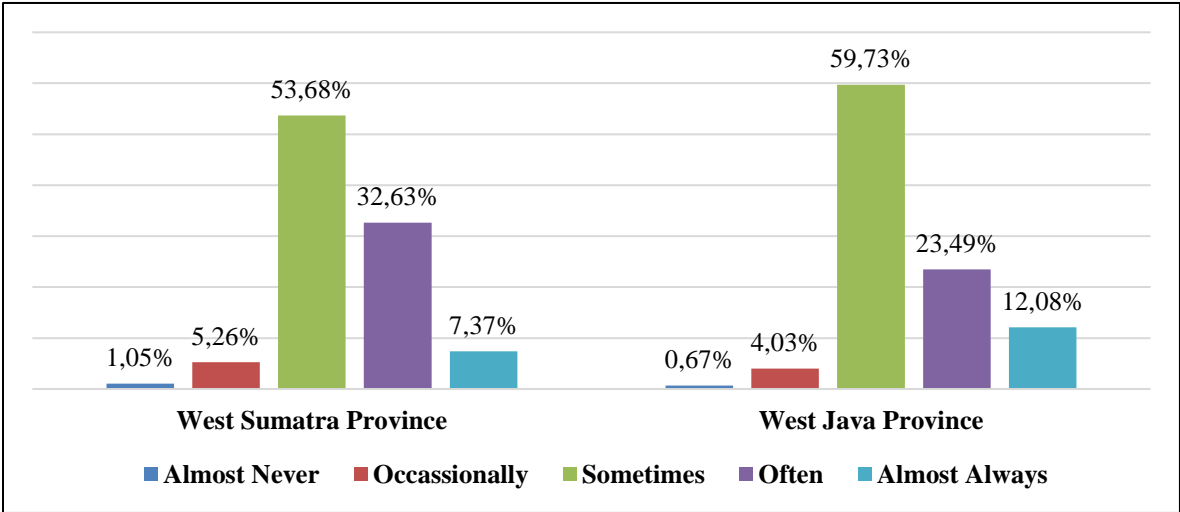
Source: Own calculation

According to the statistical analysis, see Table 6.14 below, none of the investigated citizens' individual demographic background, i.e. age, gender, education, and amount of visits, is proven to significantly influence individual perception on much of time to trust his/her provincial government at five percent significance level.

Table 6.14 Influence of Individual Demographic Background towards Perceived Trust in Provincial Government

Trust	Coef.	P> |t|
Age	.9228523	0.231
Gender	1.121609	0.591
Education Level	-1.332487	0.070
Amount of Visit	-.073179	0.926

A second question was asked afterwards to clarify individual responses toward the earlier question: "*On a scale of 0 - 100, how much of the time do think you believe the provincial government?*". Table 6.15 concludes the findings:

Table 6.15 Much of Time to Believe the Provincial Government

West Sumatra Province					West Java Province			
Average	Median	SD	Mode		Average	Median	SD	Mode
68.16	70.00	12.80	70		67.71	70.00	14.98	60

As described above, citizens' responses towards the second question also support the previous finding. Reflecting from both findings, it is evident that the two provincial governments enjoy a relatively adequate citizen trust in government.

Further analysis was conducted to investigate the level of political cynicism that is presumed to underlie citizens' individual perception of their trust in government. Levi & Stoker (2000) describe the term 'political cynicism' as the extent to which respondents believe administrators are dishonest, do not know what they are doing, waste tax money, serve special interests and not the people, or try to do what is right. Figure 6.12 shows the overall responses given towards the following question:

1) *Would you say the provincial government is pretty much run by a few big interest looking out for themselves or that it is run for the benefit of all the people?*

Figure 6.12 Serving Special Interests
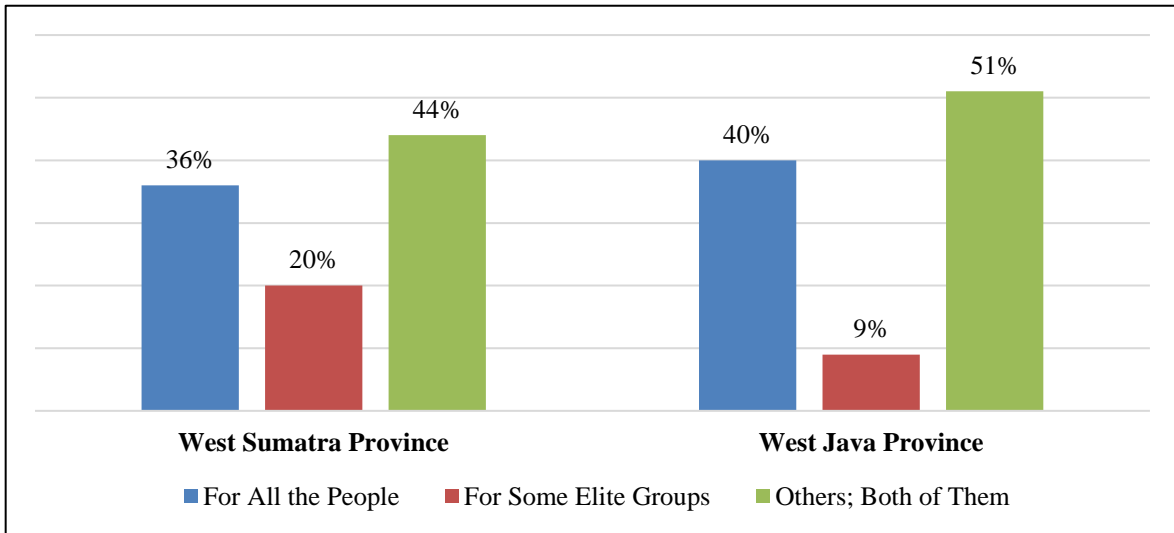
Source: Own calculation

The result shows that only a small number of people think that their provincial government exclusively serves the interests of some elite groups. In fact, a substantial amount of people (representing 44%, and 55% of the total respondents in West Sumatra and West Java respectively) believe that their provincial government might serve mixed interests of both.

2) *Do you think that people in the provincial government waste a lot of money we pay in taxes?*

Figure 6.13 Wasting A Lot of Money
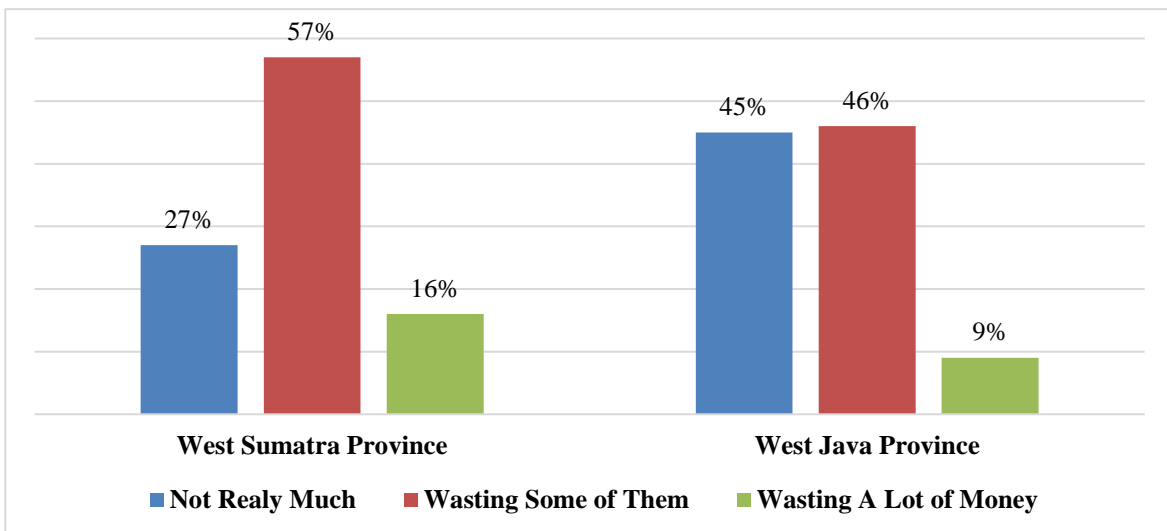
Source: Own calculation

Based on the data, most people think that their government are wasting some public money, but only a small minority of respondents believe that the provincial governments are wasting a lot of public money. Interestingly, in West Java Province, the number of people who think that their government properly manages the allocation of money is nearly the same with those who believe that the government only wastes some of the money.

3) *Do you feel that almost all of the people running the provincial government are smart people who usually know what they are doing?*

Figure 6.14 Knowing What They Are Doing
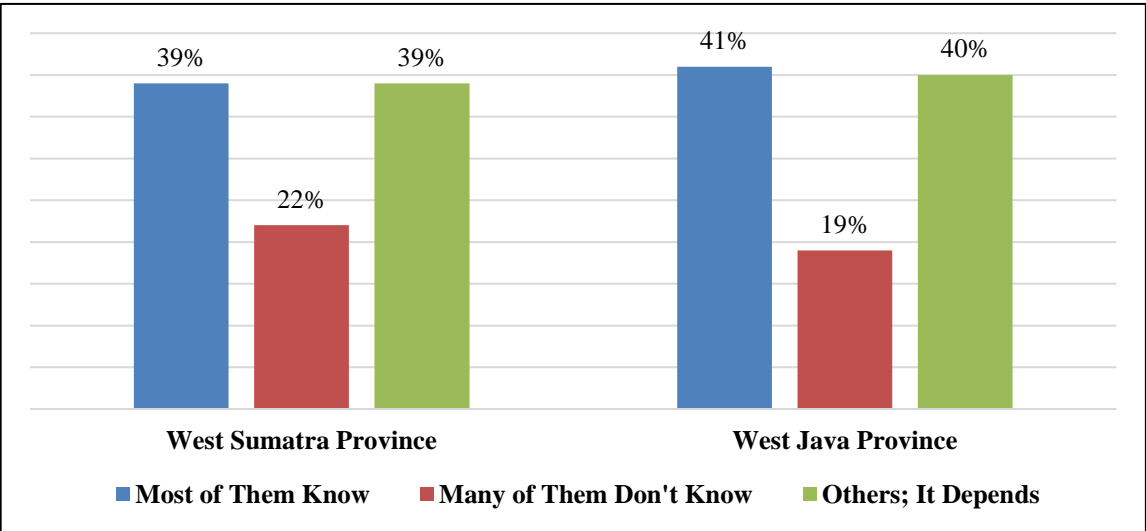
Source: Own calculation

As shown above, the data tends to equally disperse on the two sides. Almost the same amount of respondents thinks that either most of the administrators know what they are doing or it depends on the situations. Only a small group of respondents is reported to think that many of the administrators do not know what they are doing.

Figure 6.15 shows that most of the citizens across the two investigated provinces perceive that the number of dishonest people working for the provincial government is not considerable.

4) *Do you think that the people running the provincial government are crooked?*

Figure 6.15 Dishonest People

West Sumatra	West Java
Service Quality 50,60%	Service Quality 55,40%
Administrator Performance 13,70%	Administrator Performance 11,10%
Corruption Issues 16,40%	Corruption Issues 5,60%
Transparency 9,60%	Transparency 5,60%
Public Infrastructure 5,50%	Public Infrastructure 16,70%
Intergovernmental Coordination 2,70%	Intergovernmental Coordination 5,60%
Legislative 1,50%	Legislative 0%

Source: Own calculation (shown in percentage)

To sum up, it appears that the majority of people living in the two provinces only maintain low to moderate level of political cynicism. This finding is consistent with the earlier result of the responses given to the two direct trust questions. Reflecting from the overall analytical results, the two provincial governments should not worry about the citizen's trust level in government institutions or administrators.

Further analysis of the collected qualitative data on respondents' further comments shows that individual grievances on the quality of public services is found to be the predominant factor that underlies citizens' perception of their trust in government across the two provinces. The two provinces vary in the second and the third most common underlying issues. In West Sumatra, public infrastructure and corruption issues subsequently remain as the other top issues. Meanwhile, the respondents in West Java are considerably influenced by administrators' performance as well as corruption issues. Figure 6.16 summarizes the finding across the two provinces.

Figure 6.16 Underlying Issues Behind Citizen Trust in Government

Legend:
- Service Quality
- Administrator Performance
- Corruption Issues
- Transparency
- Public Infrastructure
- Intergovernmental Coordination
- Legislative

West Sumatra: 50,60%, 13,70%, 16,40%, 9,60%, 5,50%, 2,70%, 1,50%

West Java: 55,40%, 11,10%, 5,60%, 5,60%, 16,70%, 5,60%, 0
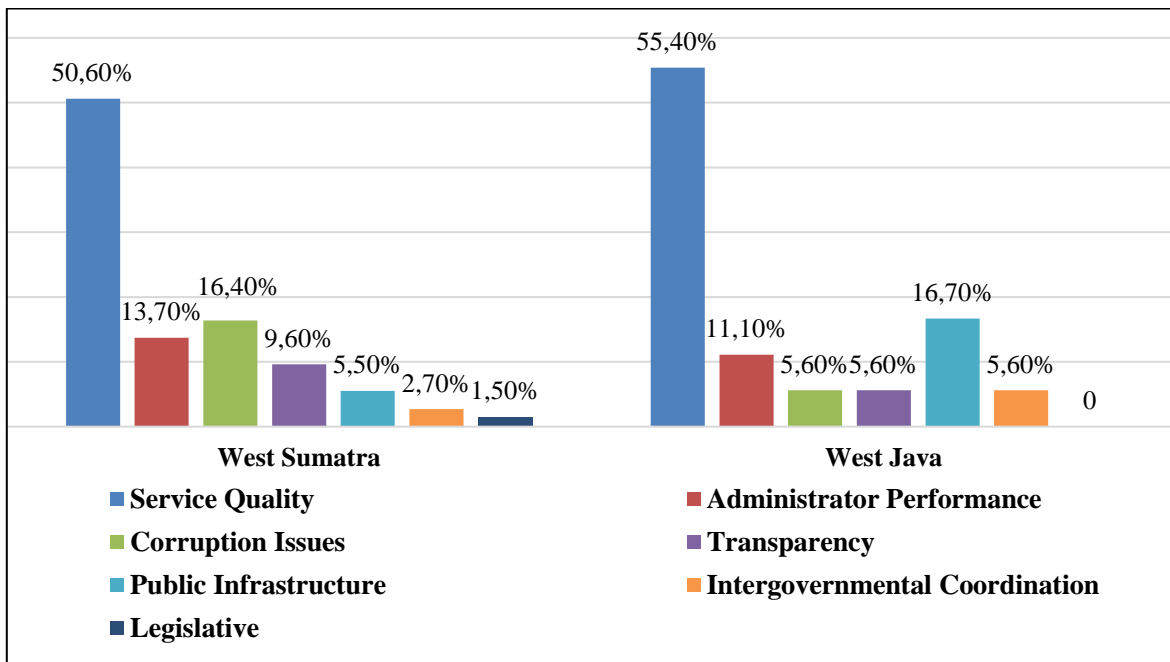
Source: Own calculation

6.5.2 Citizen Trust As A Conditioning Factor for High Public Service Quality

This subsection focuses on exploring the findings related to the roles of citizen trust in government as a conditioning factor for public service quality improvement. The evidence from the previous SERVQUAL analysis (see Section 5.2 Reform as Perceived from Public Perspective) shows that the cumulative SQ score of the West Sumatra Province is significantly lower than the West Java Province at 1% Significance Level. This finding enables further analysis to examine the proposed proposition implying that "the province which enjoys adequate level of citizen trust in government could implement the reform optimally and thus able to provide good public service quality".

Two statistical analyses were conducted to address the aforementioned proposition. The first analysis investigates the relationship between the two variables, namely Citizen Trust in Government/CTG (Independent) and Public Service Quality/SQ (Dependent). Meanwhile, the second analysis examines the difference between CTG scores across the two provinces. Both analyses were carried out to clarify two issues: First, whether the CTG significantly influences the SQ scores or not; and second, if yes, whether CTG is merely a necessary condition or a sufficient condition for SQ. If the difference in the level of citizen trusts between the two investigated provinces was statistically not significant, it means that

SQ is presumably influenced by a number of extraneous factors. The following table shows the result of a linear regression test to investigate the first issue:

Table 6.16 The Impact of CTG towards SQ

Variables	Output
Trust	0.00732**
	(0.00345)
Constant	-1.277***
	(0.239)
Observations	244
R-squared	0.018

**Significant at 5% level; ***significant at 1% level

The result shown above supports the proposition suggesting the role of CTG as a predictor of higher SQ (5% significance level). Meanwhile, further investigation conducted using the Wilcoxon rank-sum test shows that the level of public trusts in the government between the two provinces are not statistically significant as depicted in Table 6.17. In addition, despite the fact that the majority of respondents express general negative feedback on service quality as the basis for their CTG evaluation, but it does not necessarily encourage them to be cynical towards government. Previous study conducted by Kampen, et al. (2006) underline the prominent effect of citizens' negative experience with a particular agency over the effect of their positive experience.

Table 6.17 The Difference in CTG Scores between Two Provincial Governments

prov	obs	rank sum	expected
0	149	18124.5	18252.5
1	95	11765.5	11637.5
combined	244	29890	29890

Ho: trust (prov==0) = (prov==1)

$z = -0.242$

$Prob > |z| = 0.8087$

6.6 Potential Implication of Administrators' Pessimism towards Citizen Rating

This section focuses on exploring the implication of administrators' pessimistic view on citizen-based performance rating within a reform context. As revealed earlier (see Section 5.3 Reform as Perceived from Internal Perspective), the initial finding shows that the administrators across six agencies consistently presume that the citizens generally have the tendency to provide underrated ratings. Moreover, further investigation reveals that the three lower performing agencies possess statistically significant difference between their respective Pub-Rate and Self-Rate scores. In contrast, similar case is not found among the three upper performers.

The potential implication of pessimistic internal view towards the reform progress was examined by investigating the relationship between administrators' self-appraisal variables (i.e. Pub-Rate & Self-Rate) and RFC. Individual administrators were asked to reflect on their own performance by providing personal responses toward the two following questions:

- *"From your perspective, how the citizens would rate the current performance of your institution in delivering the requested public service(s)?"* (Public-Rate)

- *"From your perspective, how would you rate the current performance of your institution in delivering the requested public service(s)?"* (Self-Rate)

Figure 6.17 compares the average of Public-Rate and Self-Rate values across the six investigated agencies in descending order based on the institutional SQ scores attainment.

Figure 6.17 Public-Rate and Self-Rate Scores Across Six Agencies
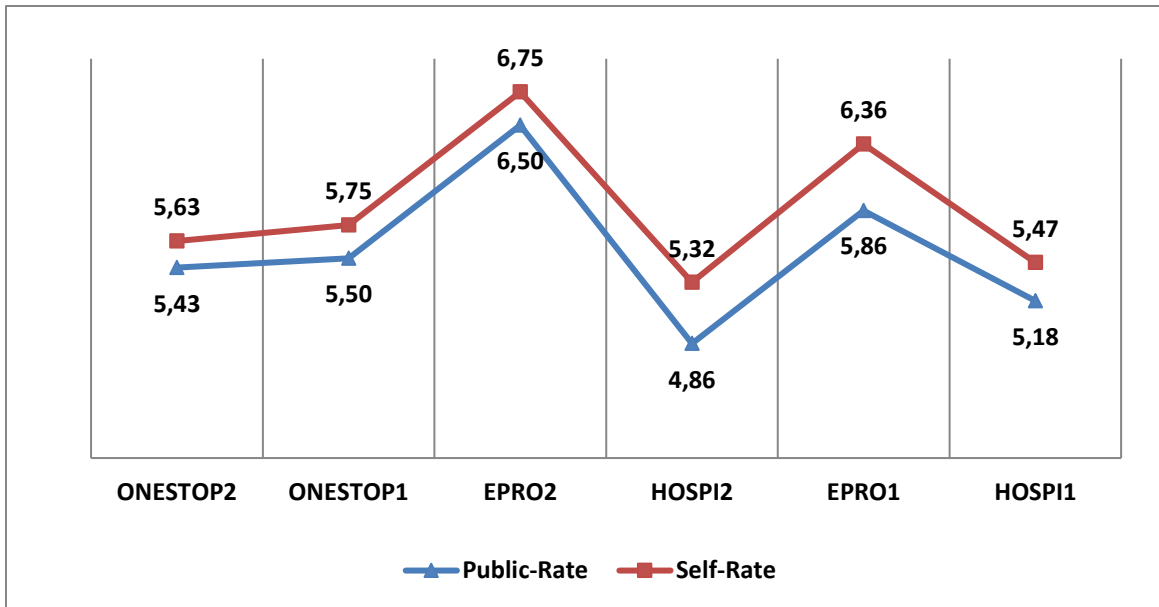
As shown above, the data shows that the Self-Rate scores are consistently higher than the Public-Rate scores across the six agencies under investigation. This finding supports the result of an earlier study that also identifies general public administrators' pessimism toward the citizen-based ratings on public service performance (see Melkers & Thomas, 1998). In addition, reflecting from the distribution of Self-Rate data illustrated in Figure 6.18 below, the administrators tend to presume that their performance is relatively good.

Figure 6.18 Self-Rate Scores Across Six Agencies

As a consequence from the upward skewed Self-Rate distribution, we may arguably expect that the administrators working in the investigated agencies would have the tendency to question the urgency of any performance improvement initiative, mainly because they presume that they are doing fine. As collective individual reflection on his/her own performance (Self-Rate & Public-Rate) is presumed to underlie their attitude towards the reform, a further investigation was carried out to clarify the relationship between Self-Rate & Public-Rate scores and Readiness for Change level. Table 6.18 summarizes the statistical result.

The finding suggests that both Public-Rate and Self-Rate scores positively influence the RFC scores (at 5% and 1% significance level respectively). This result, in particular, practically supports the central role of internal self-appraisal as a valuable complement to the traditional performance evaluation contributed by the citizens. Lack of data concerning administrators' point of view on their own performance would complicate public managers' effort to direct change initiatives in their agencies mainly because their inability to clarify whether citizens' complaint on performance agency is also considered by the administrators or not. The idea of collaborating the evaluators and the evaluated in public sector performance assessment has been supported by a growing number of scholars (see for instance, Poister & Thomas, 2007).

Table 6.18 Relationship between Public-/Self-Rate and RFC

Variables	Output
pub_rate	0.112**
	(0.0533)
self_rate	0.167***
	(0.0590)
Constant	3.697***
	(0.264)
Observations	206
R-squared	0.147

**significance at 5% level; ***significance at 1% level

6.7 Summary

The majority of citizens said that they have never heard about the existing reform (representing a proportion of 73.20% and 61.59% respondents across the two provinces respectively). This finding raises a concern, doubting the effectiveness of government's current communication strategy to promote the existence of the ongoing reform among various public audiences.

The higher official leaders highlight two common problems that inhibit their efforts to improve public service performance, namely administrators' reluctance toward change, and low individual initiative (i.e. the administrators generally only do what the leaders told them to do). However, the two governors argue that internal reluctance should not be viewed as a serious problem as it can be solved by imposing strong and good leadership. They emphasize consistently that if the leaders want to change, the staffs have no other choice other than to follow their leaders.

Comparing the two regions, the evidence reveals that the problem of inadequate human resources input is confirmed by all four higher level officials in West Sumatra Province, but their colleagues in West Java Province did not mention it as a primary issue to be tackled. The West Sumatra governor explains that low regional salary offered by his office makes the job unattractive for good candidates from reputable universities. On the other side, due to limited regional revenue, it is not possible for him to increase the offered salary. Therefore, there is no other choice for him other than to utilize the existing resources. This problem arguably remains as the main responsible factor that makes the performance of West Java provincial government, based on the accumulative citizen's rating of the three investigated agencies, is significantly higher than the West Sumatra government. Furthermore, the study also highlights common problems faced by the agencies providing the same type of services. The EPRO-type agencies commonly share the same issue concerning the existence of several staffs who cannot cooperate with others as a system. Meanwhile, the leaders of both ONESTOP-type agencies express their inability to effectively execute reward and punishment policy at their office simply because they do not have the authority to do that.

Further examination on the two factors presumed to underlie internal reluctance reveals that the administrators working in HOSPI-type agencies think that they have a very limited knowledge of and limited involvement in the reform process conducted in their

working environment. Meanwhile, their colleagues at ONESTOP- and EPRO-types agencies report that they have adequate to very adequate knowledge and involvement. In other words, the lack of reform related knowledge and low involvement issues are only found in the two HOSPI-type agencies. This evidence is quite contradictory with the explanation provided by the two hospital directors who perceive staff involvement as a strategic agenda at their respective institutions. The HOSPI2 director operationalizes such commitment by facilitating series of discussion with the administrators; meanwhile the HOSPI1director even has introduced a transparent financial plan and participatory budget system as a strategy to provide greater opportunities for her staffs to be involved in the process. This finding requires further future investigation to explain this perceived involvement discrepancy between the staffs and the management elites. The results suggest that every individual leader has his/her personal emphasis in managing staff involvements.

The readiness for organizational change analysis conducted at the agency level shows that only two out of six investigated agencies are found to maintain medium level of reluctance toward change. These two aforementioned agencies are HOSPI1 and HOSPI2 that are also reported to have the lowest administrators' involvement and reform related knowledge. Interestingly, based on further dimensional analysis, administrators from the three upper performers appear to be more receptive towards change than the three lower performers mainly because they do not have any issues related to change appropriateness, management support, self-efficacy, and personal benefits. In addition, the study also underscores the significant roles of the internal self-appraisal (Self-Rate and Pub-Rate) in determining administrators' readiness for organizational change.

From the administrative culture aspect, the study identifies a considerable variation in the operationalization of a specific culture to be developed in agencies across four administrative levels: the central government, the governors, the head of agencies, and the first line administrators. The evidence shows that the central government seems to impose a combination of Market and Hierarchy culture. One level below, although the two governors also introduce a mixture of market and hierarchical cultural orientation, each officer expresses different cultural emphasis. The West Sumatra Governor tends to prioritize Hierarchy over the Market culture; meanwhile his colleague in West Java Province prefers to involve a greater Market ingredient than Hierarchy. In addition, the latter also introduces a touch of Clan-based culture as the third main elements, representing the ideal culture to be

implemented in the region. The two governors have different views on the two issues concerning the space for individual creativity and the existence of competition value within the public sector setting. Further investigation at the agency level reveals that the leaders of the six investigated agencies consistently describe a composition of Clan, Market, and Hierarchy as the proper culture to be cultivated in the respective agencies. However, it is interesting to note that the leaders of the three upper performers tend to prioritize a clan oriented culture; whereas the leaders from the three lower performers apparently emphasize more on a market oriented culture. At the grass root level, a homogenous desire to have a more clan oriented culture has been consistently identified across the six agencies.

Reflecting from the findings, perceptual cultural discrepancy between the elites and the first line level administrators is argued to undermine the government's effort to produce a tangible improvement at the agency level. The adoption of Clan Culture into the main cultural ingredients seems to serve as a promising alternative for Indonesian situation.

The evidence also shows that the two provincial governments enjoy a relatively adequate level of citizen trust in the government. The majority of people living in both provinces only show low to moderate level of political cynicism. Moreover, the statistical analysis supports the role of citizen trust in government variable as a necessary condition (but not a sufficient condition) for higher citizen rating on service quality.

To sum up, Figure 6.19 summarizes ten inhibiting issues found in this study as the reasons behind the reform tardiness occurs in the investigated agencies.

Figure 6.19 Ten Inhibiting Issues for A Successful Reform

Low Citizen Awareness on the Existing Reform	**Significant Discrepancy between Self- and Public-Rate Scores**	**Low Individual Initiative**
Inadequate Qualified Human Resources Input (Due to Unattractive Salary)	**Staffs who Cannot Cooperate with Others as A System**	**Head of Agency's Inability to Effectively Execute Reward & Punishment Policy**
Discrepancy in Operationalizing the Ideal Culture across Four Administrative Levels	**Administrators' Pessimistic View towards Citizen-Based Rating**	**Low Reform-Related Knowledge and Involvement**
	Administrators' Reluctance for Change	

CHAPTER 7 POTENTIAL ROOMS FOR IMPROVEMENT

Ten issues have been identified in the previous chapter to undermine the government's effort towards a successful reform. Accordingly, this chapter highlights five focal points that may be able to improve the current reform management strategy based on the evidence collected in the previous chapters, namely promoting higher public awareness, accommodating greater Clan oriented culture, combining internal self-appraisal and citizen-based ratings, developing a strategy to attract more qualified candidates to work at provincial governments with lower regional revenue, and encouraging the distribution of reform-related materials among administrators and higher staff involvement within the change process.

1. Evaluating current communication strategy to raise public awareness

The study reveals that most of the respondents are not aware that a systematic improvement plan is currently being conducted in various government institutions as a proof of government's responsiveness to provide an acceptable service quality for the citizens. This finding is quite surprising, especially considering that various reform-related advertisements were placed at various locations in the respective public agencies. Reflecting from the evidence, the use of conventional media publication is not enough to attract citizens' attention. Further investigation is required to find out the main reasons why the current government's communication strategy appears to be ineffective.

It is argued that "marketing by action" may serve an interesting alternative strategy to promote awareness of the reform existence. This strategy is inspired by a popular wisdom that suggests 'action as the strongest and the most powerful form of communication'. In other words, every administrators at the first line level would play a great role in promoting the reform existence if they are able to show, for instance, prompt services, responsiveness to citizens' request, and understanding of the citizen needs. Consequently, a better investment to facilitate the development of individual service-related competencies is required.

2. Accommodating greater Clan oriented culture

This study reveals that there are difference emphases across four governmental levels (i.e. central government, governor, head of agencies, first line level administrators) in operationalizing the concept of ideal administrative culture into the practical level, which remain as one of the main inhibiting factors for Indonesian administrative reform. The central government imposes a set of ideal culture that emphasizes a combination of "Market and Hierarchy" culture at the top level. On the contrary, grass roots aspiration shows consistent desire to maintain the predominant Clan culture.

Considering the existing discrepancy, there are two alternatives available to solve the situation: Either to force administrators to follow the combined "Market & Hierarchy" culture as imposed by the central government, or to reformulate the existing change management strategy and to accommodate the Clan based approach to compromise. It is argued that based on the evidence gathered in this study, the second option is more promising for Indonesian case. It is found that the leaders across the three upper performing agencies prioritize the application of the Clan Culture in their institutions; meanwhile the leaders from the bottom three put the Market Culture implementation as their highest priority. The same pattern is also revealed to differentiate the cultural emphasis of the two governors. The Governor of West Java, who leads a province with statistically higher public service quality rating between the two investigated provinces, also underscores the central role of togetherness and collaboration values in his province.

Cameron & Quinn (2011, p.138), based on the results of multiple studies, develop three clusters of skills and competencies that embrace Clan oriented culture, including: Managing teams (i.e. facilitating cohesive, smooth-functioning, and high-performance teamwork); Managing interpersonal relationship (i.e. trust and openness, supportive feedback, and listening); and Managing the development of others (i.e. assisting individual staffs to improve their performance, upgrade their competencies, and gain personal development opportunities). Furthermore, they also emphasize that an increase in Clan approach is expected to encourage more staff empowerment, more active participation, and more caring climate. However, it does not necessarily mean fostering a culture of 'niceness' that accommodates unprofessionalism, lack of standards, and tolerant of mediocrity.

3. Combining internal self appraisal and citizen-based ratings

The analysis of performance self-appraisal shows a growing pessimistic presumption among the administrators across six agencies towards citizen-based ratings. Further investigation reveals that the three lower performing agencies possess statistically significant difference between their respective Pub-Rate and Self-Rate scores. In contrast, similar case is not found among the three upper performers. Moreover, the finding also suggests that both Public-Rate and Self-Rate scores significantly influence the RFC scores (at 5% and 1% significance level respectively).

Based on this evidence, this study encourages a better consideration of internal self-appraisal data as a valuable complement to the traditional performance evaluation contributed by the citizens. This idea is also supported by Melker & Thomas (1998), who suggests that administrator predictions are worth to be considered. In addition, Poister & Thomas (2007) reveal that asking public administrators to estimate possible citizen ratings apparently increase their interest in and the value of the real citizen-based survey.

Moreover, accommodating internal point of view on their own performance (in combination with citizen survey) would enable public managers to clarify whether underperformance issue, if considered by citizens, is also realized by the administrators or not. This strategy will supply the responsible public managers with a comprehensive map of the situation in their working environment as the basis for further decision making process.

4. Strengthening government capabilities to attract good candidates

An adequate provision of capable human resources is very crucial to accelerate public sector performance. However, this study finds that the provincial government with limited regional income is not attractive for young candidates from reputable universities, mainly because the government could not offer a relatively high salary. Dal Bo, Finan, & Rossi (2013) contend that higher wages effectively attract better candidates (both quality and motivation) and help bridging low acceptance rate due to distance and worse municipal characteristics. The Governor of West Sumatra expresses his concern on the complexity of managing a given organization where the appointed leader has no other choice other than using the already existing staffs. He argues that administrators with low educational level may face three main difficulties, namely: in anticipating and solving problems; in adapting with new situation; and in being optimally upgraded due to their limited capability. Further

research is required to explore a better alternative strategy to overcome fiscal incentive problem at the local government level.

5. Encouraging distribution of reform related materials among administrators and higher staff involvement within the change process

Limited knowledge on and inadequate level of involvement in the reform process are commonly found in the agencies with moderate reluctance level. It is argued that such situation would encourage unsupportive behaviour among the administrators because they do not understand about the urgency of the reform. Dimensional analysis of RFC reveals that collective understanding of the legitimate need for the proposed change remains as the most important contributing factor that underlies administrators' level of readiness for change.

Considering the predominant Clan culture across the six investigated agencies, consequently administrators may expect that their leader facilitates openness and collaborative atmosphere in their working environment. However, it seems that several leaders were found to be hesitant to provide more room for involvement, especially because they believe that most of their staffs have lack-of-initiative problem and are incapable of providing valuable suggestions on strategic issues. Moreover, most of the leaders involved in this study think that administrators' reluctance towards change can be sufficiently cured by exercising strong and strict leadership. It is argued that this approach is not effective for a longer term, mainly because it may not be able to encourage deeper understanding on the need for change. Armenakis, et al. (1993) contend that a successful change initiative requires a proactive attempt made by the change agents to influence the psychological state (i.e. beliefs, attitudes, intentions) of the change targets.

CHAPTER 8 CONCLUSIONS

8.1 Introduction to the Conclusions

Having known that various government attempts around the world frequently fail to produce the expected improvement in public sector, however only limited scholarly attention has ever been allocated to provide thorough explanation on the reasons why most reforms fail, while some of them are able to meet their goals. In response to this scientific gap, this dissertation has proposed, and subsequently investigated, three theoretical predictions emphasizing the roles of three intangible factors, namely administrative culture, readiness for change, and citizen trust in government to comprehend our understanding on the determinant factors for administrative reform success or failure. It incorporates psychological approaches and concepts into public administration setting to promote further multi-disciplinary integration and thus providing better opportunities to observe from outside the box. In addition, as most studies on public management reform were conducted either in European or American context, this study makes valuable contribution to fill in the gap of knowledge on such issue based on Asian case of study.

As a first step, measurement of administrative reform progress is understood, in this study, as a complex phenomenon that requires accommodation of various perspectives, as well as combination of subjective and objective appraisals. Therefore, we employ the predetermined government success indicators based on a series of secondary quantitative data collected from a number of reputable institutions to examine the reform progress at the macro level. We have provided evidence that Indonesian administrative reform during the implementation of Road Map 2010 – 2014 continuously remains in stagnation as indicated by the failure to produce the three expected outputs.

To collect further insights on the reasons behind continuous reform inertia and to identify the responsible elements, we conduct further investigation at the agency level and integrate the voices of citizens and multi-rank public administrators, i.e. higher- and street-level bureaucrats, on public service quality. This approach is considered superior than exclusively relying on citizen-based feedback or public manager's point of view as commonly used by public management scholars. The most promising advantage of multi-perspective approach is the opportunity to conduct perceptual cross-checking among the responsible actors, and thus providing a better outlook on the actual situation. Furthermore,

despite general criticism of the employment of administrators' self-appraisal as the basis to determine public service performance, benefitting from the existence of diverse multi-perspective primary data, we take this opportunity to simultaneously clarify the actual state of administrators' self-enhancing bias and citizens' pessimistic view towards performance of government apparatus in public service context.

Based on a thorough investigation, this study supports the primary roles of administrative culture, readiness for change, and citizen trust in government behind the progress of Indonesian administrative reform. It offers theoretical and practical insights on the causes of stagnation, as well as to suggest evidence-based recommendation in dealing with this issue.

Ten inhibiting issues as the main reasons behind the reform tardiness have been identified: 1) Low citizen awareness on the reform existence; 2) Significant discrepancy between Public- and Self-Rate scores; 3) Low individual initiative; 4) Inadequate qualified human resources input; 5) Staffs who cannot cooperate with others; 6) Leader's inability to execute reward and punishment policy; 7) Discrepancy in operationalizing the ideal culture; 8) Administrators' pessimistic view towards citizen-based rating; 9) Low reform-related knowledge and involvement; and 10) Internal reluctance for organizational change.

Accordingly, the following actions are suggested as the rooms for improvement to facilitate better change management strategy: 1) It is important to promote the distribution of reform related information and higher staffs' involvement in the change process conducted at agency level; 2) Reformulating the current change management strategy to accommodate higher Clan oriented culture; 3) Evaluating the existing communication strategy to improve public awareness on the ongoing reform; 4) Within an improvement context, performance measurement of public agency ideally employs a combination of internal self-appraisal and citizen-based ratings to obtain a comprehensive map on the situation as the basis for developing decisions; and 5) An alternative strategy is needed to support provincial governments with low regional revenue to become more attractive for candidates from top universities.

8.2 The Culture of Higher Performing Agencies

As described in Sub-chapter 3.2, a growing number of scholars has highlighted an urgent agenda to conduct further investigation on the strategic connection between organizational culture and successful change initiatives, specifically in public sector setting (see Koci, 2007; Schedler & Proeller, 2007). In other words, government agencies that successfully maintain a particular type of culture will accelerate in their performance. In Indonesian case, the central government emphasizes the necessity to conduct radical cultural transformation and provides a general description on the ideal culture to be developed at the agency level. Hence, we propose the first hypothesis:

H_1:*"Suitable culture is one among the main prerequisites for progressive reform so that agencies that predominantly maintain 'the ideal culture' (as defined by the central government) in their work environment would be able to deliver good public service quality"*

The proposed hypothesis was examined through several steps. First, we clarify whether the attempt to conduct radical cultural transformation is also considered as crucial by the street-level bureaucrats. Afterwards, the perceptual conformity across four administrative levels (i.e. central government, governor, public manager, and street-level administrator) in operationalizing the 'ideal culture' was analyzed. Finally, notable differences between upper- and lower-performing agencies with regard to the role of administrative culture as a predictor for higher public service quality were highlighted.

The finding reveals that public administrators at the first line level consistently prefer to have a more clan-oriented culture, despite the Clan culture is already predominant in their workplace. This cultural preference is a unique finding, especially considering that the profiles of most public administrations around the world are mostly towards predominant Hierarchy culture (Cameron & Quinn, 2011). Furthermore, the analysis also suggests that the discrepancy in operationalizing particular culture to be grown at the agency level between the elites and the first line level administrators seems to undermine the efforts to produce tangible improvement. Interestingly, the top officers who accommodate Clan-based approach at their respective institutions (while maintaining the coexistence of Market and Hierarchy cultures as imposed by the central government) are found to have better organizational performance than others who do not. In addition, comparing the two performance-based groups, in contrast to the three upper performers that exhibit some cultural dynamics, the

three lower performers tend to consistently maintain the status quo (Clan culture) without further doubt. Having considered the previous works conducted in this area of study (see for instance, Grindle, 1997) this finding, in particular, serves as an interesting and important point for scholars and government elites. Practically, this study suggests that, in our study context, the accommodation of higher Clan culture would enable the leaders to find a compromise point with the grassroots who have a homogenous desire towards a more clan oriented culture. Considering the results, the proposed hypothesis is partly accepted. As discussed above, suitable culture plays an important role for succesful reform, however the process to determine what type of culture to be grown shall also accommodate the grass root aspiration.

8.3 Readiness for Change in Administrative Reform Context

Our second hypothesis deals with an important research agenda highlighted by Weiner and colleagues (2008) concerning the necessity to conduct more studies exploring the roles of organizational readiness for change as a crucial factor behind successful change initiatives in public sector. As described in Sub-chapter 3.3, the concept of Readiness for Change serves as a cognitive precursor of individual behavior to support or to resist a change initiative (Armenakis et al., 1993). Higher distribution of change-related information and better involvement in the change process have been supported by previous studies as the key factors for higher readiness for change (see Terry & Jimmieson, 2003; Wanberg & Banas, 2000). The hypothesis states as follows:

H_2: *"Agencies that are ready for change (as characterized, among others, by the existence of well informed and highly involved administrators) are accelerating in their performance"*

The two governors confirm that administrators' reluctance toward change is one out of the two most common problems (besides low individual initiative) that inhibits their efforts to improve public sector performance. However, ironically, the two governors said that internal reluctance should not be viewed as a serious problem as it can be solved by imposing strong and good leadership. We argue that such leadership attitude, especially considering the central role of leaders as the principal change navigator (as suggested by Miller, 2002 and Kotter, 1996) potentially complicates the reform progress. Internal reluctance issue is factually existing, and it cannot be solved simply by implementing an extensive use of Power-

Coercive and Empirical-Rational change management strategy (see Table 2.2) as currently emphasized, according to our analysis, by Indonesian government. Considering the predominant Clan culture, the Normative-Reeducative approach is arguably more suitable for Indonesian context.

Furthermore, the administrators working in the two "moderate reluctance" agencies perceive that they only have a very limited knowledge on and inadequate involvement in the reform process conducted in their institution. On the contrary, their colleagues from the other four agencies did not report the same issue. A further dimensional analysis finds that administrators from the upper performing agencies appear to be more receptive towards change than their colleagues who work in the lower performing agencies, mainly because the former does not have any issues related to change appropriateness, management support, self-efficacy, and personal benefits. This finding supports the results of the previous studies that emphasize the central role of organizational readiness for change behind various successful change initiatives (see, for instance, Weiner, Amick, & Lee, 2008). Based on the collected evidence, it is adequate to support the second hypothesis that public agencies which demonstrate sufficient readiness for change are accelerating in their performance.

8.4 Citizen Trust in Government and Progressive Administrative Reform

This study also examines the role of citizen trust in government as a predictor for higher appraisal of public service quality that serves as a proxy for successful administrative reform. In contrast to the hypothesis proposed by the micro-performance scholars which generally suggests citizen trust as an effect of improved public service quality, this study attempts to further investigate the results found by Heinemann & Tanz (2008) that underscore the central role of citizen trust in government as one of the main prerequisites of successful reform. This idea is also supported by Bjornskov (2010) that suggests the existence of honest politicians and bureaurats in high-trust societies might lead to better governance.

The third hypothesis is assigned as follows:

H3: "Province that enjoys adequate level of citizen trust in government could implement the reform optimally, and thus is able to provide good public service quality"

Despite the fact that the majority of respondents express general negative feedback on service quality as the basis for their citizen trust in government evaluation, such pessimistic opinion does not necessarily encourage them to be cynical towards government.

This finding, in particular, encourages further potential discussion on the argument made by previous studies (for instance, Kampen et al., 2006; Van Ryzin et al., 2004) that seem to overstate the central role of citizens' negative experience in shaping their attitude towards government. The statistical analysis supports the role of citizen trust in government variable as a conditioning factor for higher service quality scores. Moreover, apparently the two provincial governments enjoy a relatively adequate level of citizen trust in the government. The majority of people living in both provinces only show low to moderate level of political cynicism. The evidence supports the proposed hypothesis, however, we have to note that further investigation is necessary to improve our understanding on the reason why the citizen trust in provincial government remains high, despite their grievances about the given public service quality. At this point, based on the evidence, apparently the Indonesian citizens participated in this study have a relatively high zone of tolerance towards the variations of service quality level.

8.5 Limitations and Future Research Agenda

Considering the limitation of the context of study that includes only two provincial governments, it is not sufficient to adequately represent the situation in other provinces in Indonesia. We would like to particularly suggest three areas of future research, mainly to clarify the findings revealed in this study and to validate its generalizability in a wider context.

Firstly, future study should examine whether the proposed Clan oriented culture is also a promosing alternative for other regions. As we described earlier, the preference to maintain a clan oriented culture in public sector setting is considered unique, especially considering the predominant hierarchy culture in this setting around the world.

Secondly, it is also interesting to examine whether the finding that supports the primary role of administrators' self-appraisal as a predictor for readiness for change is consistent in wider object of studies. It is particularly interesting to further examine the roles of individual performance related self-confidence within administrative reform context.

Finally, further studies are required to understand why citizens awareness on the existing reform remains low, despite massive administrative reform material can be easily found in public service area. It could serve as a basis to develop effective marketing strategy in public sector to promote greater citizen awareness on government improvement attempts.

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APPENDIX 1: Field Research Activities

Field Research Activities	May				June				July				August				September			
	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV
Final Preparation (Germany)	X																			
Heading to Indonesia		X																		
Discussion with Prof. Prasojo (Co-Supervisor)			X																	
Discussion with the Minister Adviser on "Work Culture of Civil Apparatus"			X																	
Submitting required docs for research permit (National Level)			X	X																
Conducting Pilot Study				X	X															
Heading to Province A (near the capital) – Finding a local stay					X															
Meeting and training the enumerators					X															
Submitting required docs for research permit (Provincial Level)					X	X														
Scheduling Interviews with related higher level officials					X															
Interviewing the Governor					X	X	X	X												
Interviewing the Head of Agency A1					X	X														
Conducting Civil Servant Survey in Agency A1					X	X														
Conducting Customer Survey in Agency A1					X	X														
Interviewing the Head of Agency A2						X	X													
Conducting Civil Servant Survey in Agency A2						X	X													
Conducting Customer Survey in Agency A2						X	X													
Interviewing the Head of Agency A3							X	X												
Conducting Civil Servant Survey in Agency A3							X	X												

Activity																			
Conducting Customer Survey in Agency A3						X	X												
Reviewing all collected data								X											
Heading to Province B (far from the capital) – Finding a local stay								X											
Meeting and training the enumerators								X											
Submitting required docs for research permit (Provincial Level)								X	X										
Scheduling Interviews with related higher level officials								X											
Interviewing the Governor								X	X	X									
Interviewing the Head of Agency B1									X				X	X					
Conducting Civil Servant Survey in Agency B1									X				X	X					
Conducting Customer Survey in Agency B1									X				X	X					
Interviewing the Head of Agency B2													X	X					
Conducting Civil Servant Survey in Agency B2													X	X					
Conducting Customer Survey in Agency B2													X	X					
Interviewing the Head of Agency B3															X	X			
Conducting Civil Servant Survey in Agency B3															X	X			
Conducting Customer Survey in Agency B3															X	X			
Reviewing all collected data																		X	
Discussion with Prof. Prasojo (Co-supervisor)																		X	
Return Back to Germany																			X

Notes: National Holiday "Idul Fitri" (all government offices were closed from July 21 to August 3, 2014) and Presidential Election (to be held on August 9, 2014)

APPENDIX 2 : Demographic Profile of Respondents

Citizens

	West Sumatra Province	Amount	West Java Province	Amount
Age	<20	5	<20	3
	20-29	37	20-29	20
	30-39	29	30-39	45
	40-49	15	40-49	44
	50-59	9	50-59	26
	60+	2	60+	13
Gender	Female	32	Female	36
	Male	65	Male	115
Residence	Padang	49	Bandung	89
	Pariaman	41	West Bandung	2
	Bukit Tinggi	1	Bandung	44
	Others	6	Others	16
Level of Education	Elementary	1	Elementary	21
	Secondary	5	Secondary	21
	High School	40	High School	47
	College/Diploma	15	College/Diploma	14
	Bachelor	35	Bachelor	46
	Master	1	Master	2
	Doctorate	0	Doctorate	0
Ethnic Group	Javanese	1	Javanese	19
	Sundanese	1	Sundanese	126
	Chinese Descent	1	Chinese Descent	2
	Minang	91	Minang	1
	Malay	2	Malay	0
	Arab Descent	0	Arab Descent	0
	Other	1	Other	3
Religion	Moslem	96	Moslem	147
	Christian	0	Christian	3
	Catholic	1	Catholic	1
	Hindu	0	Hindu	0
	Buddhism	0	Buddhism	0
Amount of Visits	1x	13	1x	29
	2x	14	2x	34
	3x	22	3x	13
	More than 3x	48	More than 3x	75

Administrators

	West Sumatra Province	Amount	West Java Province	Amount
Age	<20	0	<20	0
	20-29	20	20-29	28
	30-39	31	30-39	33
	40-49	28	40-49	41
	50-59	17	50-59	9
	60+	0	60+	0
Gender	Female	60	Female	59
	Male	36	Male	52
Religion	Moslem	96	Moslem	110
	Christian	0	Christian	1
	Catholic	0	Catholic	0
	Hindu	0	Hindu	0
	Buddhism	0	Buddhism	0
Level of Education	Elementary	0	Elementary	0
	Secondary	0	Secondary	0
	High School	11	High School	8
	College/Diploma	41	College/Diploma	34
	Bachelor	36	Bachelor	50
	Master	8	Master	18
	Doctoral	0	Doctoral	1
Organizational Level	I	0	I	0
	II	22	II	17
	III	53	III	55
	IV	3	IV	4
	Others	18	Others	35
Ethnic Group	Javanese	3	Javanese	13
	Sundanese	0	Sundanese	95
	Chinese Descent	0	Chinese Descent	0
	Minang	90	Minang	0
	Malay	3	Malay	1
	Arab Descent	0	Arab Descent	0
	Other	0	Other	2
Years with Organization	< 6 months	2	< 6 months	2
	6 m - 1 year	4	6 m - 1 year	5
	1-2 years	15	1-2 years	24
	2-5 years	12	2-5 years	22
	5-10 years	9	5-10 years	12
	10-15 years	14	10-15 years	14
	15-20 years	17	15-20 years	28
	20 years +	23	20 years +	4

APPENDIX 3: Overview of Assessment Instruments

VARIABLES	INSTRUMENTS	DIMENSIONS	INDICATORS	ITEMS
READINESS FOR CHANGE	Readiness for Organizational Change[2]	Appropriateness	The extent to which one feels that the *organization will or will not benefit from the implementation* of the prospective change	1. I think that the organization will benefit from this change 2. It doesn't make much sense for us to initiate this change 3. There are legitimate reasons for us to make this change 4. This change will improve our organization's overall efficiency 5. There are a number of rational reasons for this change to be made
			The extent to which one feels that *there are or are not legitimate reasons and needs for the prospective change*	6. In the long run, I feel it will be worthwhile for me if the organization adopts this change 7. This change makes my job easier 8. When this change is implemented, I don't believe there is anything for me to gain 9. The time we are spending on this change should be spent on something else 10. This change matches the priorities of our organization

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[2] Holt, Armenakis, Feild, & Harris (2007)

		Management Support	The extent to which one feels that the *organization's leadership and management are or are not committed to and support or do not support* implementation of the prospective change	11. Our senior leaders have encouraged all of us to embrace this change 12. Our organization's top decision makers have put all their support behind this change effort 13. Every senior manager has stressed the importance of this change 14. This organization's most senior leader is committed to this change 15. I think we are spending a lot of time on this change when the senior managers don't even want it implemented 16. Management has sent a clear signal this organization is going to change
		Change Efficacy	The extent to which one feels that *he or she has or does not have the skills, and is or is not able to execute the tasks and activities that are associated with* the implementation of the prospective change	17. I do not anticipate any problems adjusting to the work I will have when this change is adopted 18. There are some tasks that will be required when we change that I don't think I can do well 19. When we implement this change, I feel I can handle it with ease 20. I have the skills that are needed to make this change work 21. When I set my mind to it, I can learn everything that will be required when this change is adopted

				22. My past experiences make me confident that I will be able to perform successfully after this change is made
		Personally Beneficial	The extent to which one feels that *he or she will or will not benefit from the implementation of the prospective change*	23. I am worried I will lose some of my status in the organization when this change is implemented 24. This change will disrupt many of the personal relationships I have developed 25. My future in this job will be limited because of this change
ADMINISTRATIVE CULTURE	COMPETING VALUES FRAMEWORK[3] (also known as: The Organizational Culture Assessment Instrument /OCAI)	Dominant Characteristics	Clan Culture: Its characteristics similar to those of a family-type organization, friendly place to work, the leaders are considered to be mentors/parents, and held together by loyalty & tradition.	1. The organization is very personal place. It is like an extended family. People seem to share a lot of themselves. 2. The organization is very dynamic and entrepreneurial place. People are willing to stick their neck out and take risks 3. The organization is very results-oriented. A major concern is with getting the job done. People are very competitive and achievement-oriented 4. The organization is a very controlled and structured place. Formal procedures generally govern what people do.

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[3] Cameron & Quinn (2011)

		Organizational Leadership		1. The Leadership in the organization is generally considered to exemplify mentoring, facilitating, or nurturing
			Adhocracy Culture: Is characterized by dynamic, entrepreneurial, creative workplace, risk taker, innovative leaders, emphasis on becoming the pioneer	2. The Leadership in the organization is generally considered to exemplify entrepreneurship, innovating, or risk taking
				3. The Leadership in the organization is generally considered to exemplify a no-nonsense, aggressive, results-oriented focus
				4. The Leadership in the organization is generally considered to exemplify coordinating, organizing, or smooth-running efficiency
		Management of Employees		1. The management style in the organization is characterized by teamwork, consensus, and participation
				2. The management style in the organization is characterized by individual risk-taking, innovation, freedom, and uniqueness
			Market Culture: Is typified by a results-oriented workplace, leaders are though and demanding, emphasis	3. The management style in the organization is characterized by hard-driving competitiveness, high demands, and achievement
				4. The management style in the organization is characterized by security of employment, conformity, predictability, and stability in relationships

		Organization Glue	on becoming the winner	1. The glue that holds the organization together is loyalty and mutual trust 2. The glue that holds the organization together is commitment to innovation and development. There is an emphasis on being on the cutting edge 3. The glue that holds the organization together is the emphasis on achievement and goal accomplishment. Aggressiveness and winning are common themes 4. The glue that holds the organization together is formal rules and policies. Maintaining a smooth-running organization is important
		Strategic Emphases	Hierarchy Culture: It exhibits a formalized and structured place to work, formal rules, producers govern what people do, the long-term concerns of the	1. The organization emphasizes human development. High trust, openness, and participation persist 2. The organization emphasizes acquiring new resources and creating new challenges. Trying new things and prospecting for opportunities are valued 3. The organization emphasizes competitive actions and achievement. Hitting stretch targets and winning in the marketplace are dominant 4. The organization emphasizes permanence and stability. Efficiency, control and smooth operations are important

		Criteria of Success of the Organization	organization are stability, predictability, and efficiency	1. The organization defines success on the basis of the development of human resources, teamwork, employee commitment, and concern for people 2. The organization defines success on the basis of having the most unique or newest products. It is a product leader and innovator 3. The organization defines success on the basis of winning in the marketplace and outpacing the competition. Competitive market leadership is key 4. The organization defines success on the basis of efficiency. Dependable delivery, smooth scheduling and low-cost production are critical
PERFORMANCE	SERVQUAL[4]	Tangibles	Physical facilities, equipment, and appearance of personnel	1. Modern equipment. 2. Visually appealing facilities. 3. Employees who have a neat, professional appearance. 4. Visually appealing materials associated with the service. 5. Convenient business hours.
		Reliability	Ability to perform the promised service	6. Providing services as promised. 7. Dependability in handling customers' service problems.

[4]Parasuraman, Zeithaml, & Berry (1988, 1994)

			dependably and accurately	8. Performing services right the first trme. 9. Providing services at the promised time. 10. Keeping customers informed about when services will be performed.
		Responsiveness	Willingness to help customers and provide prompt service	11. Prompt service to customers. 12. Willingness to help customers 13. Readiness to respond to customers' requests.
		Assurance	Knowledge and courtesy of employees and their ability to inspire trust and confidence	14. Employees who instill confidence in customers. 15. Making customers feel safe in their transactions. 16. Employees who are consistently courteous. 17. Employees who have the knowledge to answer customer questions.
		Empathy	Caring, individualized attention the institution provides for its customers	18. Giving customers individual attention. 19. Employees who deal with customers in a caring fashion. 20. Having the customer's best interest at heart. 21. Employees who understand the needs of their customers.

TRUST IN GOVERNMENT	Support for Political System[5]	Political Cynicism	The extent to which respondents believe politicians are dishonest, do not know what they are doing, waste tax money, serve special interests and not the people, or try to do what is right (Levi & Stoker, 2000)	1. How much of the time do you think you can trust the government to do what is right? 2. Would you say the government is pretty much run by a few big interests looking out for themselves or that it is run for the benefit of all the people? 3. Do you think that people in the government waste a lot of money we pay in taxes, waste some of it or don't waste very much of it? 4. Do you feel that almost all of the people running the government are smart people who usually know what they are doing, or do you think that quite a few of them don't seem to know what they are doing? 5. Do you think that quite a few of the people running the government are a little crooked, not very many are, or do you think hardly any of them are crooked at all?

[5]American National Election Studies (2014)

APPENDIX 4: Overview of the Collected Data

Overview of the Quantitative Data

Citizen

Demographic Data (DDC)	Age
	Gender
	Domicile
	Education
	Ethnic
	Religion
Reform Practices (RPC)	Consideration about the Reform Existence
	Evaluation about Current Reform Direction
Service Quality (SQ)	General Score
	Tangibles
	Reliability
	Responsiveness
	Assurance
	Empathy
Citizen Trust in Provincial Government (CT)	Percent of Time to Trust the Government
	Government Does What is Right
	Personal vs Public Interest
	Wasting Public Taxes
	Government Knows What They are Doing
	Whether The Government is Dishonest or Not
	Personal Experiences related to Trust

Public Employees

Demographic Data (DDE)	Age
	Gender
	Religion
	Education
	Organizational Level
	Ethnic
	Period of Tenure
Reform Practices (RPE)	Types of Reform Implementation
	Amount of Information Received
	Level of Involvement
	Perceived Public Evaluation
	Perceived Self-Evaluation
Readiness For Change (RFC)	General Score
	Appropriateness
	Management Support
	Change Efficacy
	Personally Beneficial
Organizational Culture (OCAI)	General Score
	Dominant Characteristics
	Organizational Leadership
	Management of Employees
	Organization Glue
	Strategic Emphasis
	Criteria of Success

Overview of the Qualitative Data

Citizens	
Types of Services Received	What kind of services the citizens have received from the respective institutions?
Awareness about the Existing Public Reform	How many percent of the citizen have ever heard about the reform conducted by the provincial government?
Evaluation on Current Reform Direction	How are the evaluations made by the citizen who have heard about the reform toward the direction of current reform? How are the citizen further explanations about the current reform direction?
Feedback on Service Quality In every institution	What are the citizen feedbacks toward the service quality in general as provided by the respective institutions? What are the citizen feedbacks toward every sub-dimensions of the service quality as provided by the respective institutions?
Citizen trust in the Provincial Government	How the citizen perceives every sub-dimensions of trust in the provincial government? How often the citizen feels that they believe the provincial government? How are the citizen personal experiences related to trust in the provincial government?

Public Employees*	
Period of Tenure	How long they have held the post
Management Philosophy	How they view the management philosophy of the public agency
Organizational Chart Criteria	The criteria to arrange the organizational chart
Personal Ideas & Strategies	Their personal ideas and strategy
Opinion on the Current Culture	Their opinion about the culture, which is currently held by their provincial organizations, and public administration in general
Employees Involvement	The ways in which management wanted employees to get involved in the change
Expected Outcomes	What positive outcomes they might expect
Common Problems	The most common problems found within the (internal) provincial government which require to be reformed
Barriers for Successful Reform	The main barriers which inhibit a successful reform initiative in their province
Types of Change Initiative	What kind of change initiative(s) are currently/will be implemented in the province

*Only selected higher level officials: Two governors, and six head of agencies

APPENDIX 5: Questionnaire for Public Employees

Enumerator : …………… /……....../…………..(*diisi oleh enumerator*)

Tanggal   : ………………………

KUESIONER PENELITIAN

TUJUAN

Survey ini bertujuan untuk mengetahui pendapat dan harapan Anda terhadap proses reformasi birokrasi yang sedang berjalan serta mengeksplorasi profil budaya organisasi di institusi Anda. Hasil dari survey ini diharapkan dapat menjadi masukan yang berarti bagi upaya perbaikan institusi Anda ke depan.

KERAHASIAAN

Respon yang Anda berikan akan dijaga kerahasiaannya dan hanya digunakan untuk tujuan akademis. Identitas asli Anda berikut nama institusi tidak akan dimunculkan dalam laporan penelitian.

INSTRUKSI

Petunjuk singkat akan diberikan pada setiap bagian dalam kuesioner. Tidak diperlukan persiapan khusus untuk mengisi kuesioner, dan tidak ada jawaban yang benar atau salah. Yang perlu Anda lakukanhanyalah memberikan jawaban sejujur mungkin berdasarkan pendapat pribadi Anda sendiri.

CONTACT PERSON

Jika Anda memiliki pertanyaan terkait dengan survey ini, silahkan menghubungi peneliti:

Reza Fathurrahman

Email : reza.fathurrahman@sowi.uni-goettingen.de

Bagian 1 – Identitas Pribadi

Berikan tanda silang (X) pada kotak yang sesuai dengan status anda

Q1 –Umur

①di bawah 20 tahun

②20-29 tahun

③30-39 tahun

④40-49 tahun

⑤50-59 tahun

⑥60 +

Q2–Jenis kelamin

①Wanita

②Laki-laki

Q3–Agama

①Islam

②Kristen

③Katolik

④Hindu

⑤Budha

Q4 - Tingkat pendidikan

①SD

②SMP

③SMA

④D3

⑤S1

⑥S2

⑦S3

Q5 – Jenjang Golongan

①Golongan I (I/a; I/b; I/c; I/d)

②Golongan II (II/a; II/b; II/c; II/d)

③Golongan III (III/a; III/b; III/c; III/d)

④Golongan IV (IV/a; IV/b; IV/c; IV/d)

⑤Lainnya, silahkan diisi: ....

Q6 – Suku

①Jawa

②Sunda

③China keturunan

④Minangkabau

⑤Melayu

⑥Arab keturunan

⑦Lainnya, silahkan diisi:

…………………………

Q7 - Jangka waktu bekerja di institusi ini

①Kurang dari 6 bulan

②6 bulan – 1 tahun

③1 – 2 tahun

④2 – 5 tahun

⑤5 – 10 tahun

⑥10 – 15 tahun

⑦15 – 20 tahun

⑧Lebih dari 20 tahun

Bagian 2 – Penerapan Reformasi Birokrasi

Bagian berikut bertujuan untuk mengidentifikasi bentuk penerapan reformasi birokrasi di institusi Anda dan mengetahui pendapat Anda mengenai penerapan reformasi birokrasi tersebut.

Q8 – Bentuk Penerapan Reformasi Birokrasi

Di bawah ini terdapat sejumlah variasi bentuk reformasi birokrasi yang umum diterapkan. Berikan tanda silang (X) pada bentuk reformasi birokrasi yang diterapkan di institusi (Anda diperbolehkan untuk memberikan lebih dari satu jawaban)

① Remunerasi berbasis kinerja

② Sistem manajemen berbasis ISO

③ Sistem penilaian kinerja pegawai

④ Pengembangan dan pemanfaatan Teknologi Informasi

⑤ Perampingan struktur organisasi

⑥ Transparansi anggaran

⑦ Lainnya, silakan diisi:

…………………………………………………………………………………………

…………………………………..

Di bawah ini terdapat sejumlah pernyataan seputar penerapan reformasi birokrasi pada institusi Anda. Pada setiap pernyataan terdapat alternatif jawaban berupa angka 1 sampai 7. Rentang angka ini menunjukkan tingkat persetujuan Anda terhadap setiap pernyataan yang diberikan.

Berikan tanda silang (X) pada salah satu angka yang paling menggambarkan pendapat pribadi Anda. Tidak ada jawaban yang benar atau salah.

Q9 –Seberapa banyak Anda mendapatkan informasi mengenai reformasi birokrasi yang berjalan di institusi Anda?

Sangat terbatas	1 2 3 4 5 6 7	**Sangat banyak**

Q10 – Seberapa banyak Anda terlibat dalam proses reformasi birokrasi di institusi Anda?

Sangat terbatas	1 2 3 4 5 6 7	**Sangat terlibat**

Q11– Menurut Anda, seberapa baik penilaian yang mungkin akan diberikan oleh masyarakat terhadap kinerja institusi Anda saat ini dalam memberikan pelayanan kepada masyarakat?

Sangat buruk	1 2 3 4 5 6 7	**Sangat baik**

Q12 -Menurut Anda secara pribadi, seberapa baik kinerja institusi Anda dalam memberikan pelayanan kepada masyarakat?

Sangat buruk	1 2 3 4 5 6 7	**Sangat baik**

Q13. Pandangan pribadi terhadap jalannya reformasi birokrasi

Bagian ini bertujuan untuk mengetahui pendapat Anda mengenai berbagai perubahan yang terjadi di institusi Anda sebagai bagian dari proses pelaksanaan Reformasi birokrasi.

Di bawah ini terdapat sejumlah pernyataan. Pada setiap pernyataan terdapat alternatif jawaban berupa angka 1 sampai 7, di mana angka 1 menunjukkan bahwa Anda "Sangat Tidak Setuju" sedangkan angka 7 menunjukkan bahwa Anda "Sangat Setuju"terhadap pernyataan yang diberikan.

Berikan tanda silang (X) pada salah satu angka yang paling menggambarkan pendapat pribadi Anda.

		Sangat tidak setuju ← → **Sangat setuju**
2	Menurut saya, institusi saya akan memperoleh manfaat yang positif dari perubahan yang terjadi dalam proses reformasi birokrasi	1 2 3 4 5 6 7
3	Tidak masuk akal bagi kita untuk melaksanakan perubahan tersebut	1 2 3 4 5 6 7
4	Ada sejumlah alasan yang kuat bagi kita untuk melaksanakan perubahan tersebut	1 2 3 4 5 6 7
5	Perubahan ini akan meningkatkan tingkat efisiensi organisasi secara keseluruhan	1 2 3 4 5 6 7
6	Terdapat sejumlah alasan yang rasional mengapa perubahan ini perlu dilakukan	1 2 3 4 5 6 7
7	Dalam jangka panjang, saya merasa perubahan ini akan sangat berguna bagi saya pribadi jika institusi menerapkan perubahan ini	1 2 3 4 5 6 7

8	Perubahan ini membuat pekerjaan saya menjadi lebih mudah	1 2 3 4 5 6 7
9	Jika perubahan ini diterapkan, saya tidak percaya ada suatu manfaat yang dapat saya peroleh	1 2 3 4 5 6 7
10	Waktu yang dibutuhkan untuk menerapkan perubahan ini seharusnya dialokasikan untuk sesuatu yang lain	1 2 3 4 5 6 7
11	Perubahan ini sesuai dengan prioritas institusi	1 2 3 4 5 6 7
12	Para pimpinan (atasan) senior mendorong kami untuk menerima perubahan ini	1 2 3 4 5 6 7
13	Para pengambil keputusan tertinggi pada institusi kami memberikan dukungan penuh terhadap upaya perubahan ini	1 2 3 4 5 6 7
14	Setiap pimpinan senior telah memberikan penekanan akan pentingnya perubahan ini	1 2 3 4 5 6 7
15	Pimpinan institusi yang paling senior telah berkomitmen terhadap upaya perubahan tersebut	1 2 3 4 5 6 7
16	Menurut saya, kita menghabiskan banyak waktu untuk perubahan ini, sementara para pimpinan senior tidak berkeinginan untuk mewujudkannya	1 2 3 4 5 6 7
17	Pihak manajemen telah memberikan sinyal yang jelas bahwa institusi kami akan berubah	1 2 3 4 5 6 7
18	Saya tidak melihat kemungkinan timbulnya suatu masalah apapun dalam menyesuaikan pekerjaan yang mungkin akan saya peroleh jika perubahan ini dilakukan	1 2 3 4 5 6 7
19	Akan ada beberapa tugas tambahan yang mungkin tidak dapat saya kerjakan dengan baik jika perubahan ini diterapkan	1 2 3 4 5 6 7
20	Jika perubahan ini diterapkan, saya merasa akan dapat mengelolanya dengan mudah	1 2 3 4 5 6 7
21	Saya mempunyai kemampuan yang memadai untuk membuat perubahan ini berjalan dengan baik	1 2 3 4 5 6 7
22	Jika saya berpikir saya dapat mengerjakannya, saya dapat mempelajari hal-hal baru yang dibutuhkan untuk mendukung perubahan ini	1 2 3 4 5 6 7

23	Berbagai pengalaman yang telah saya miliki membuat saya cukup percaya diri bahwa saya akan mampu menunjukkan kinerja yang baik bila perubahan ini dilakukan	1 2 3 4 5 6 7
24	Saya khawatir saya akan kehilangan sebagian status/kedudukan yang saya miliki di institusi saya jika perubahan ini diterapkan	1 2 3 4 5 6 7
25	Perubahan ini akan mengganggu banyak hubungan personal yang telah saya jalin selama ini	1 2 3 4 5 6 7
26	Masa depan saya dalam pekerjaan ini akan menjadi terbatas akibat perubahan ini	1 2 3 4 5 6 7

Bagian 3 – Budaya Organisasi

Bagian ini bertujuan untuk mengetahui profil budaya organisasi di institusi Anda. Tugas Anda adalah mendistribusikan 100 poin diantara empat pernyataan yang tersedia di dalam setiap kolom sesuai dengan kondisi yang paling menggambarkan situasi yang terjadi pada institusi Anda. Berikan poin yang lebih tinggi pada pernyataan yang paling sesuai dengan situasi institusi Anda. Sebagai contoh, perhatikan Tabel "Contoh Penilaian" di bawah ini.

	CONTOH PENILAIAN		
1	**Hubungan antara pegawai junior dan senior**	**Saat ini**	**Harapan**
A	Hubungan antara pegawai senior dan junior sangat informal. Tidak ada kesenjangan antara pegawai senior dan junior.	55	35
B	Hubungan antara pegawai senior dan junior bergantung pada kecocokan antara satu sama lain. Pegawai senior lebih senang bergaul dengan junior yang memiliki pemikiran dan hobi yang sama.	20	30
C	Hubungan antara pegawai senior dan junior sangat terbatas. Masing-masing orang sangat terfokus pada peningkatan kompetensi personalnya untuk mendapatkan karir yang bagus	20	25
D	Hubungan antara pegawai senior dan junior sangat kaku. Peraturanmemberikan aturan yang keras mengenai kapan, apa, dan dengan siapa kita dapat berinteraksi.	5	10
	TOTAL	100	100

Tabel di atas memuat empat buah pernyataan (A, B, C, dan D) dan dua kolom isian ("Saat ini" dan "Harapan") mengenai "Hubungan antara Pegawai Junior dan Senior" pada institusi Anda. Kolom "Saat ini" merujuk pada budaya organisasi yang telah ada saat ini, sedangkan Kolom "Harapan" merujuk pada budaya organisasi yang Anda inginkan terdapat pada institusi Anda dalam waktu lima tahun mendatang

Perhatikan kolom "Saat ini" pada tabel di atas. Bila Anda merasa bahwa pernyataan A sangat mirip dengan situasi pada institusi Anda saat ini, pernyataan B dan C agak mirip, dan pernyataan D tidak terlalu mirip, maka Anda mungkin dapat memberikan 55 poin untuk A, 20 poin untuk B dan C, dan 5 poin untuk D pada kolom "Saat ini". Setelah selesai, lanjutkan dengan mengisi kolom "Harapan" yang terletak di sebelah kanan. <u>*Pastikan bahwa total poin keseluruhan pada setiap kolom berjumlah 100!*</u>

Q.14 – Budaya Organisasi

1	**Karakteristik dominan**	**Saat ini**	**Harapan**
A	Institusi kami sepertikeluargabesar. Orang-orang tampaksalingberbagi.		
B	Institusi kami sangat dinamis, dan bernuansa wirausaha. Orang-orang menampilkanhal yang berbedadanberanimengambilresiko		
C	Institusi kamisangat berorientasi pada hasil. Perhatian terbesar terfokus pada penyelesaian pekerjaan. Orang-orang sangatkompetitifdanberorientasipadaprestasi.		
D	Institusi kamimerupakan tempat yang sangat terkontrol dan terstruktur. Peraturan dan prosedur yang baku secara umum mengatur bagaimana orang-orang bekerja.		
	TOTAL	100	100

2	**Kepemimpinan di dalam organisasi**	**Saat ini**	**Harapan**
A	Kepemimpinan di dalam institusi kami secara umum mencerminkan nilai-nilai mentoring, memfasilitasi dan menunjang perkembangan pegawai.		
B	Kepemimpinan di dalam institusi kami secara umum mencerminkan nilai-nilai kewirausahaan, inovasi dan keberanian dalam mengambil resiko.		
C	Kepemimpinan di dalam institusi kami secara umum mencerminkan nilai-nilai rasional, agresif, fokus pada orientasi hasil.		
D	Kepemimpinan di dalam institusi kami secara umum mencerminkan nilai-nilai koordinasi, pengelolaan yang sistematis, atau penerapan efisiensi.		
	TOTAL	100	100

3	**Manajemen pegawai**	**Saat ini**	**Harapan**
A	Gaya manajemen pegawai di institusi kami dicirikan dengankerja tim, konsensus, dan partisipasi pegawai.		
B	Gaya manajemen pegawai di institusi kami dicirikandengan pengambilan resiko individu, inovasi, kebebasan, dan keunikan.		
C	Gaya manajemen pegawai di institusi kami dicirikan dengan persaingan yang ketat, tuntutan yang tinggi, dan prestasi.		
D	Gaya manajemen pegawai di institusi kami dicirikan dengankeamanan dalam bekerja (tanpa resiko dipecat), keselarasan, kondisi kerja yang cenderung stabil, serta hubungan yang harmonis.		
	TOTAL	100	100

4	**Keterikatan dalam organisasi**	**Saat ini**	**Harapan**
A	Perekat dalam institusi ini adalah loyalitasdan rasa saling percaya. Komitmen pegawai terhadap institusi cenderung tinggi.		
B	Perekat dalam institusi ini adalah komitmen terhadap inovasi dan pengembangan. Ada penekananagar selalu menjadi yang terdepan.		
C	Perekat dalam institusi ini adalah penekanan pada prestasi dan pencapaian tujuan. Sikap agresif dan mental juara adalah hal yang penting.		
D	Perekat dalam institusi ini adalah aturan dan kebijakan-kebijakan yang formal. Menjaga agar institusi berjalan dengan baik adalah hal yang penting.		
	TOTAL	100	100

5	**Penekanan dalam strategi organisasi**	**Saat ini**	**Harapan**
A	Institusi memberi penekanan pada pengembangan sumber daya manusia. Rasa saling percaya yang tinggi, keterbukaan dan partisipasi pegawai merupakan hal yang penting.		
B	Institusi memberi penekanan pada upaya memperoleh sumberdaya-sumberdaya yang barudanmenciptakan tantangan-tantangan yang baru. Mental untuk mencoba berbagai hal baru dan mengeksplorasi berbagai peluang sangat dihargai.		
C	Institusi memberi penekanan pada tindakan-tindakan yang kompetitif dan pencapaian prestasi. Mental untuk mencapai target yang tinggi dan memenangkan pasar merupakan hal yang penting.		

D	Institusi memberi penekanan pada kemapanan dan stabilitas.Efisiensi, kontrol, dan proses pekerjaan yang berjalan lancarmerupakan hal yang penting.		
	TOTAL	100	100

6	**Kriteria sukses dalam organisasi**	**Saat ini**	**Harapan**
A	Institusi mendefinisikan kesuksesan berdasarkan pada keberhasilan dalampengembangan sumber daya manusia, kerja tim, komitmen pegawai, dan perhatian terhadap pegawainya.		
B	Institusi mendefinisikan kesuksesan berdasarkan pada kepemilikan produk-produkyangpalingunikdanterbaru. Institusi kami adalah yang terdepan dalam produk dan inovasi.		
C	Institusi mendefinisikan kesuksesan berdasarkan pada kemenangandankepemimpinan di pasaranyangkompetitif. Kepemimpinan yang baik dalam situasi pasar yang kompetitif adalah kunci kesuksesan.		
D	Institusi mendefinisikan kesuksesan berdasarkan pada keberhasilan menerapkan efisiensi. Pelayanan yang handal/terpercaya, penjadwalan yang lancar dan biaya produksi yang rendah adalah komponen yang sangat penting.		
	TOTAL	100	100

==

Mohon periksa kembali jawaban Anda untuk memastikan seluruh pertanyaan telah dijawab.
Terima kasih atas kesediaan Anda untuk berpartisipasi dalam survey ini.

APPENDIX 6: Questionnaire for Public Customers

<div style="border:1px solid black">**CUSTOMER**</div>

Enumerator **: ………… /……....../…………..** (*e.g.001/RF/RSUDA*)

Tanggal : ………………………

<div align="center">**KUESIONER PENELITIAN**</div>

<div align="center">**TUJUAN**</div>

Survey ini bertujuan untuk mengetahui pendapat Anda mengenai kualitas pelayanan publik yang diberikan oleh [NAMA INSTITUSI) dan tingkat kepercayaan masyarakat terhadap Pemerintah PROVINSI DELTA . Hasil survey ini diharapkan dapat menjadi masukan yang berarti bagi perbaikan institusi ke depan.

<div align="center">**KERAHASIAAN**</div>

Respon yang Anda berikan akan dijaga kerahasiaannya dan hanya digunakan untuk tujuan akademis. Identitas asli Anda tidak akan dimunculkan dalam laporan penelitian.

<div align="center">**PETUNJUK**</div>

Petunjuk singkat akan diberikan pada permulaan setiap bagiandi dalam kuesioner. Tidak diperlukan persiapan khusus untuk mengisi kuesioner, dan tidak ada jawaban yang benar atau salah. Yang perlu Anda lakukan hanyalah memberikan jawaban sejujur mungkin berdasarkan pendapat Anda sendiri.

<div align="center">**CONTACT PERSON**</div>

Jika ada pertanyaan terkait dengan survey ini, silahkan menghubungi peneliti:

Reza Fathurrahman

Email : reza.fathurrahman@sowi.uni-goettingen.de

Bagian 1 – Identitas responden

Berikan tanda silang (X) pada kotak yang sesuai

Q1 – Usia

1. Di bawah 20 tahun
2. 20-29 tahun
3. 30-39 tahun
4. 40-49 tahun
5. 50-59 tahun
6. 60 +

Q2 – Jenis Kelamin

1. Perempuan
2. Laki-laki

Q3 – Domisili/Kota Tempat Tinggal

1. Kabupaten Bandung
2. Kabupaten Bandung Barat
3. Kota Bandung
4. Lainnya, silahkan diisi:
   …………………………

Q4 - Tingkat Pendidikan

1. SD
2. SMP
3. SMA
4. D3
5. S1
6. S2
7. S3

Q5 – Suku

1. Jawa
2. Sunda
3. Tionghoa Keturunan
4. Minangkabau
5. Melayu
6. Arab Keturunan
7. Lainnya, silahkan diisi:
   …………………………

Q6 – Agama

1. Islam
2. Kristen
3. Katolik
4. Hindu
5. Budha

Q7 – Jenis Pelayanan Yang Diperoleh

Silahkan diisi:

……………………………………………

Q8 – Jumlah Kunjungan Dalam 1 Tahun Terakhir

1. 1 x
2. 2 x
3. 3 x
4. Lebih dari 3 x

Bagian 2 – Reformasi Birokrasi

Q9. Apakah Anda pernah mendengar mengenai reformasi birokrasi yang diterapkan di lingkungan pemprov Delta ? (Berikan tanda silang pada kotak yang tepat sesuai dengan pengalaman Anda)

☐ **Pernah** ☐ **Tidak Pernah**

__Khusus bagi Anda yang memberikan jawaban "Tidak Pernah" terhadap pertanyaan Q9 di atas silakan langsung melanjutkan ke Bagian 3 (Tidak perlu mengisi pertanyaan Q10).__

Q10. Menurut Anda, apakah reformasi birokrasi sudah berjalan ke arah yang benar?

☐ **Benar** ☐ **Sebagian Benar** ☐ **Belum Benar**

Mohon berikan penjelasan singkat mengenai jawaban Anda:

……

Bagian 3 – Kualitas Pelayanan

Q11– Pelayanan.*Bagian ini bertujuan untuk mengetahui pendapat Anda mengenai kinerja pelayanan [NAMA INSTITUSI). Dalam memberikan pendapat, mohon*

IDEAL – Level kualitas pelayananideal yang sepatutnya diberikan oleh sebuah institusi yang berkinerja baik

MINIMAL – Level kualitas pelayanan minimal yang masih dapat Anda maklumi

---

Untuk setiap pernyataan, berikan penilaian Anda dengan memberikan tanda silang (X) pada angka yang sesuai dengan penilaian Anda dalam ketiga kolom yang tersedia.

Aspek Penilaian	MINIMAL	IDEAL	REALITA
	Rendah — Tinggi	Rendah — Tinggi	Rendah — Tinggi
1. Kesesuaian antara pelayanan yang diberikan dengan yang telah dijanjikan	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9
2. Kemampuan	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9

	pegawai dalam menangan imasalahc ustomer			
3.	Kesunggu han pegawai dalam menyedia kan pelayanan terbaik	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9
4.	Ketepatan waktu dalam memberik an pelayanan	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9
5.	Kualitas informasi mengenai kapan pelayanan akan diberikan	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9
6.	Kecekatan dalam pemberian pelayanan	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9

No.	ASPEK PENILAIAN	MINIMAL	IDEAL	REALITA
7.	Kesediaan pegawai untuk membantu customer	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9
8.	Kesiapan dalam merespon permintaan customer	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9

ASPEK PENILAIAN	MINIMAL		IDEAL		REALITA	
	Rendah	Tinggi	Rendah	Tinggi	Rendah	Tinggi
9. Kemampuan pegawai dalam menumbuhkan kepercayaan customer	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9	
10. Rasa amansaat beraktivitas di lingkungan [NAMA INSTITUSI]	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9	

		1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9
11.	Kesopanan pegawai	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9
12.	Kemampuan pegawai dalam menjawab pertanyaan customer	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9
13.	Perhatian kepada setiap individu customer	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9
14.	Kepedulian pegawai dalam berurusan dengan customer	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9
15.	Kemampuan melayani customer dengan sepenuh hati	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9
16.	Pemahaman pegawai terhadap	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9

kebutuhan customer			
17. Kenyamanan jam operasional	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9
18. Perlengkapan yang modern	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9
19. Keterawatan Fasilitas	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9
20. Kerapihan penampilan pegawai	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9
21. Daya tarik media informasi pelayanan	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9

Bagian 4 – Kepercayaan terhadap Pemerintah Provinsi Delta

Berikan tanda silang (X) pada salah satu opsi jawaban yang paling menggambarkan pendapat pribadi Anda. Tidak ada jawaban yang benar atau salah.

Q12	Seberapa sering Anda percaya bahwa Pemprov Delta dapat melakukan tugasnya dengan benar?	Hampir Tidak Pernah ☐	Sesekali ☐	Kadang-Kadang ☐	Sering ☐	Hampir Selalu ☐
Q13	Dari skala 0 sampai 100, seberapa sering Anda merasa percaya terhadap Pemerintah Provinsi Delta ?	Tidak Pernah 0 10 20 30 40 50 60 70 80 90 10				Selalu

Q14	Apakah menurut Anda Pemprov Delta umumnya dikelola oleh kepentingan elit tertentu yang mengutamakan kepentingan mereka atau semata-mata untuk kepentingan masyarakat?	Untuk Kepentingan Masyarakat ☐	Untuk Kepentingan Elit Tertentu ☐	Lainnya; Keduanya ☐
Q15	Apakah menurut Anda orang-orang di Pemprov Delta menghamburkan banyak anggaran dari masyarakat, menghamburkan sebagian, atau tidak terlalu banyak menghamburkannya?	Menghambur-kan Banyak Anggaran ☐	Menghamburkan Sebagian ☐	Tidak Terlalu Banyak Menghamburkan ☐
Q16	Apakah Anda merasa bahwa sebagian besar orang di Pemprov Delta adalah orang-orang pintar yang mengetahui apa yang mereka lakukan atau banyak di antara mereka tidak mengetahui apa yang mereka lakukan?	Sebagian Besar Mengetahui Apa Yang Mereka Lakukan ☐	Banyak Yang Tidak Mengetahui Apa Yang Mereka Lakukan ☐	Lainnya; Tergantung ☐
Q17	Apakah menurut Anda orang yang berada di Pemprov Delta adalah orang-orang yang kurang jujur, tidak terlalu banyak atau hampir tidak ada yang kurang jujur?	Hampir Tidak Ada Yang Kurang Jujur ☐	Tidak Terlalu Banyak Yang Kurang Jujur ☐	Cukup Banyak Yang Kurang Jujur ☐

Q18 - Apakah Anda memiliki pengalaman pribadi yang mungkin dapat melengkapi pendapat yang telah Anda berikan sebelumnya mengenai tingkat kepercayaan masyarakat terhadap Pemerintah Provinsi Delta? (Silakan tuliskan bila ada)

……
……
……

Mohon periksa kembali jawaban Anda untuk memastikan
seluruh pertanyaan telah dijawab.
Terima kasih atas kesediaan Anda untuk berpartisipasi dalam survey ini.

APPENDIX 7: Semi-Structured Interview Guideline for Higher Level Officials

No.	Points of Interview	Suggested by
1.	How long they have held the post	(Claver, Llopis, Gascó, Molina, & Conca, 1999)
2.	Their knowledge of significant historical events	
3.	How they view the management philosophy of the public agency	
4.	The criteria to arrange the organizational chart	
5.	Their personal ideas and strategy	
6.	Their opinion about the culture, which is currently held by their provincial organizations, and public administration in general	
7.	The ways in which management wanted employees to get involved in the change	(Kim, Hornung, & Rousseau, 2011)
8.	What positive outcomes they might expect	
9.	The most common problems found within the (internal) provincial government which require to be reformed	Additional Questions
10.	The main barriers which inhibit a successful reform initiative in their province	
11.	What kind of change initiative(s) are currently/will be implemented in the province	

APPENDIX 8: Description of the Ideal Culture Imposed by the Central Government

Quotes	Reference	Keywords
"Administrative reform (*Reformasi Birokrasi*) mainly aims at creating professional government bureaucrats possessing the following characteristics: Adaptive; (high) integrity; good performance; free from corruption, collusion, and nepotism; competent to serve the public; neutral; prosperous; dedicated; and upholding the basic values and code of conduct of the state apparatus"	The Guideline for Developing Culture Set Permenpan No.39/2012, p.1	**Characteristics of Professional Bureaucrats**
"(The main target of administrative reform is) to create change in the (current) mind set and culture set of state apparatus towards a (new) culture that encourages outcome-based attitude and working behavior orientation that are derived from both (the awareness of) high working productivity and good performance to serve the public"	Ibid. p. 3	• **Change in mind set and culture of State Apparatus** • **Outcome-based attitude and working behavior** • **High working productivity** • **Good performance**
"In order to achieve the expected goals, therefore an extraordinary efforts are needed to rearrange the bureaucratic process and its apparatus from the highest to the lowest level. For this reason, a change paradigm is required to enable breakthrough or new thoughts outside the existing habits and routines"	Ibid. p.1	• **Change paradigm** • **Breakthrough** • **Outside the current habits**
"The successful rate of developing and maintaining the (expected) administrative culture is highly determined by the behavior of the organizational leaders"	Ibid. p. 4	**The central role of leaders**
"The culture set is correlated with the behavior in completing the (required) tasks"	Ibid. p.6	**Task completion**
"The general principles of the (expected) culture-set: 1) Culture set is derived from administrative culture; 2) Culture set is resulted from the process of internalizing organizational values that are (commonly) expressed in daily working behavior; 3)	Ibid. p.10	**General principles of the expected culture-set**

Culture set is a mental attitude that is developed to encourage continuous improvement, enhancement, and further advancement to what has been achieved"		
"The new values refer to the values that are believed to lead the organization achieving its vision and completing its mission. The main important thing to be considered during value formulation stage that the new values must be based on recognized practices and can be carried out by every single administrators"	Ibid. p.17	**New Values**
"One example of creative monitoring and evaluation process is by organizing inter-group competition on particular credit-based topics"	Ibid. p.30	**Inter-group competition**
"Principally, as a reinforcement process the use of sanction is generally not recognized (during monitoring and evaluation stage)"	Ibid. p. 31	**The use of sanction is not recognized**
„In addition, administrative reform needs to rearrange the bureaucratic process from the highest to the lowest level; and to introduce innovation breakthrough consisting of incremental, concrete, realistic, earnest steps, involving out of the box thinking, a new paradigm, and extraordinary efforts (business not as usual)"	Appendix of Perpres No. 81/2010 on Grand Design of Administrative Reform 2010-2025, p. 4	**Innovation breakthrough Out of the box thinking New paradigm Business not as usual**
"The vision of administrative reform is to become 'a world class government'… it refers to a professional government possessing high integrity and capable of organizing the first class services (*pelayanan prima*) for the citizen…"	Ibid. p. 12	**The vision: A World Class Government**
"The principles of administrative reform include: a) outcomes oriented; b) measurable; c) efficient; d) effective; e) realistic; f) consistent; g) synergic; h) innovative; i) obedience; j) monitorial"	Ibid. p. 15	**Ten principles of Indonesian administrative culture**
"The expected condition to be achieved (following a successful Road Map 2010-2014): 1) Proportional amount of administrators; 2) Clean government and free from corruption; 3) Improved public service quality; 4) Improved bureaucrats' capacity and performance accountability; 5) Professionality of human resources apparatus; 6) Increased mobility of apparatus across regional, central, and between central	The Guideline for Implementing Change Management Strategy, p.9	**Seven achievements following the Road Map 2010-2014**

and regional institutions; 7) increased salary and welfare security "		
"The following are alternative strategies to deal with (change) resistance: 1) Communicate the rationalities behind the leader's decision to implement the administrative reform; 2) Involve the resistant party into the change and decision making processes; 3) Facilitate, and provide supports through assistance, training, etc; 4) Force the resistant party to accept the change, and when necessary imposing sanction. It is important to note that the last strategy is the very last effort to be taken when other alternatives are not successful"	Ibid. p. 38	**Four strategies to deal with resistance**

APPENDIX 9: Ideal Culture as Perceived by the Two Governors

	CLAN	ADHOC RACY	MARKET	HIERARHCY
Governor of West Sumatra Hierarchy: 17 + Market: 4 +			• Employees' initiative and creativity in matters that are not related with policy are allowed (+) • in some cases the leader is expected to take "out of the box" (i.e. creative) decision without neglecting the considerable regulations (+) • All public interests (including complaints) are all served, even sometimes beyond governor's jurisdiction (+) • There are four core values of administrative reform: serving character, respecting others, working efficient, and good integrity (+)	• The bureaucrats are there to maintain the rules-based practices which in turn can enhance the speed of services (+) • In public organization context, it is not possible to create innovation every day; in other words, public organization cannot and is not expected to change rapidly otherwise everything will be messed up (-) • Every single thing has its rule; creativity in policy making is part of the leaders' authority; (+) • Monitoring & controlling employee performance is part of the predetermined rules in public organization (+) • The structure of public organization depends on the organizational needs based on its TUPOKSI (main duties &

				functions); there are various regulations, including PERMENDAGRI & PP about public organizational structure (+)
				• Prior to creating an out of the box initiative, it is important for the leader to find an alternative "regulation umbrella", which properly fits with the concerning matters; when possible, without trespassing the original regulation (+)
				• A policy initiative can be done only by the leader; the subordinates cannot/are not allowed to take initiatives because their job is to work based on the existing rules (+)
				• If there is a necessity to work "out of the box", the subordinates have to ask their leader (in advance) (+)
				• A top-down management approach is more effective to be implemented into the change context

				than the bottom-up approach (+)
				• Bottom-up approach is difficult to be implemented in public organizations because public employees feel that they are (only ordinary) employees, not the superior/leader; it is viewed as a major structured drawback (+)
				• Within a change plan context, the public employees depend on their leader, if the leader wants to change, the employees will undoubtedly have to change; in the case of reluctance, sanction will be imposed, because refusing to change means a failure to fulfill the expected performance (+)
				• The controlling is conducted during a monthly meeting, where all progress of the targeted performance achievements are evaluated (+)
				• The monthly meeting is viewed as an effective way to make the

				employees working hard (+) • Expecting suggestions on administrative reform issues from the bottom is considered as difficult; with an exception on technical matters (+) • The leader's willingness and hope are the rules to be followed; sanction will be imposed to those who breaks the rule (+) • Higher officials who are not able to fulfill governor's expectation will receive three times warning; if the failure keep existing, then they will be removed from their position (+) • There is a performance contract between the governor and all higher level officials (+)
Governor of West Java Hierachy: +10 Market: +16 Clan:	• "Everyone is equal in front of the governor" (+) • "The most important thing is: let us perform together.. we		• Our idea is that employees welfare are determined by their achievement (+) • If their performance are good, their	• The governor explains that across provinces the criteria used to create its organizational structure are identical because there is an existing

+6	stand together.. and we move forward together.. this kind of culture might be surprising for some people" (+) • The governor's office was formerly known as a "scary place" because the fate of public in general outside the office was in the hands of the people in the governor's office; (+) • Currently, the governor's office is now an ordinary place; anyone can visit and enter the office (+) • The local philosophy should be understood only as psychological or togetherness context (+) • Collaboration is essential because it is impossible to work alone (+)		welfare will follow (+) • Providing (better) employees welfare without expecting considerable achievement is meaningless (+) • The governor emphasizes his willingness to implement the merit-based system properly (+) • Employees achievements will be appreciated; (+) • He also often say to his employees that for the governor himself promoting and firing people are both easy (+) • Good employees will be kept, and bad employees will be replaced by another quickly (+) • The governor believes that by improving employees welfareness, the supervision will be better (+) • Mainly because employees no longer need to look for side-income (e.g. other non -elated activities, illegal	guideline to be followed; e.g. how many units are allowed (maximum and minimum) (+) • The general guideline is issued by the central government (+) • Unfulfilling organizational criteria (as imposed by the central government) may consequently lower the performance rank of the Delta Province Government (+) • As the main prerequisite for change, the evaluation/control has to be strict (+) • By implementing strict control, all employees will move (+) • Strict control is necessary to ensure that anytime an obstacle appears, we can always find a solution (+) • Controlling is crucial because without proper control employees may be negligent, lazy, and uncontrolled (+) • The controlling culture, which is

			job, etc) and thus can allocate greater focus to work properly according to the existing regulation corridor (+) • The governor emphasizes that it is very essential to ensure that, in achievement context, no one is allowed to stay in their comfort zone (+) • If someone feels comfort with his/her achievement, then he/she has to find another discomfort as a way to find his/her new comfort zone (+) • Being creative is important because without creativity there will be no progress (+) • Competition is also necessary because competition is also part of the way to gain higher achievement (+) • In general, the governor believes that creativity is something positive (+) • The expected outcome of	theoretically dominant within bureaucratic setting, is also evident, but if the creative side of employees is encouraged then the creativity will eventually emerge; (+) • The creativity in bureauratic setting must be placed within the predetermined "Main Duties and Function" (*TUPOKSI*) corridor. (+) • "if the leader wants to do it that way, then who will not follow?" (+)

			reform is top achievement in various forms, particularly in public service sector and how it could bring bolder and faster welfare impact to the society (+) • In the end, the micro standard would be used to determine what we have done in public service, i.e. how much could we make our citizen happy, how much could we increase public welfareness, how much could we reduce the poverty, how much could we decrease the unemployment rate (+)	

APPENDIX 10: Cultural Dimensions of the Six Investigated Agencies

1) Dominant Characteristics

SQ RANK	UNIT	CLAN		ADHOCRACY		MARKET		HIERARCHY	
		NOW	EXPECTED	NOW	EXPECTED	NOW	EXPECTED	NOW	EXPECTED
1st	ONESTOP2	32.36	31.53	16.53	17.50	25	26.11	26.11	24.86
2nd	ONESTOP1	26.25	34.38	19.38	18.75	30.63	26.25	23.75	20.63
3rd	EPRO 2	20	31.67	20	20	20.42	15	39.58	33.33
4th	HOSPI2	37.94	34.05	19.44	20.63	22.62	22.22	20	23.09
5th	EPRO 1	36.07	35.71	20.71	21.79	22.14	21.43	21.07	21.07
6th	HOSPI1	31.55	35.47	19.53	21.35	26.62	23.31	22.29	19.86

2) Organizational Leadership

SQ RANK	UNIT	CLAN		ADHOCRACY		MARKET		HIERARCHY	
		NOW	EXPECTED	NOW	EXPECTED	NOW	EXPECTED	NOW	EXPECTED
1st	ONESTOP2	28.06	28.61	18.19	20.28	24.17	21.39	29.58	29.72
2nd	ONESTOP1	26.25	31.88	19.38	19.38	27.50	25.63	26.88	23.13
3rd	EPRO 2	25.42	30.67	22.08	23.50	25.42	21.25	27.08	24.58
4th	HOSPI2	29.52	35.24	23.41	21.90	22.06	19.37	25	23.49
5th	EPRO 1	33.57	41.07	18.21	16.79	19.64	16.79	28.57	25.36
6th	HOSPI1	28.38	34.93	22.70	22.97	26.96	22.03	21.96	20.07

3) Management of Employees

SQ RANK	UNIT	CLAN		ADHOCRACY		MARKET		HIERARCHY	
		NOW	EXPECTED	NOW	EXPECTED	NOW	EXPECTED	NOW	EXPECTED
1st	ONESTOP2	29.72	33.19	19.44	20.42	19.86	20	25	27.5
2nd	ONESTOP1	27.5	35	22.5	20	25	17.50	30.97	26.39
3rd	EPRO 2	21.67	25	22.92	23.33	26.25	22.08	29.17	29.58
4th	HOSPI2	31.43	37.09	22.46	20.13	20.87	19.39	25.24	23.38
5th	EPRO 1	43.57	41.43	20.71	20	16.07	17.5	19.64	21.07
6th	HOSPI1	28.58	31.55	24.19	22.84	24.53	23.51	22.64	22.09

4) Organization Glue

SQ RANK	UNIT	CLAN		ADHOCRACY		MARKET		HIERARCHY	
		NOW	EXPECTED	NOW	EXPECTED	NOW	EXPECTED	NOW	EXPECTED
1st	ONESTOP2	29.03	32.36	22.08	22.77	21.53	20.97	27.36	23.89
2nd	ONESTOP1	25	31.88	19.38	21.88	25	22.50	30.63	23.75
3rd	EPRO 2	28.75	30	25	26.67	20.83	20	25.42	23.33
4th	HOSPI2	29.13	33.81	25.16	24.06	20.63	19.59	25.08	22.54
5th	EPRO 1	36.79	36.43	20	22.14	19.29	20	23.93	21.43
6th	HOSPI1	26.35	30.20	26.62	24.95	21.96	22.38	25.14	22.47

5) Strategic Emphases

SQ RANK	UNIT	CLAN		ADHOCRACY		MARKET		HIERARCHY	
		NOW	EXPECTED	NOW	EXPECTED	NOW	EXPECTED	NOW	EXPECTED
1st	ONESTOP2	28.89	31.11	20.28	22.64	24.31	21.53	26.53	24.72
2nd	ONESTOP1	27.5	31.88	14.38	20.63	29.38	16.25	28.75	31.25
3rd	EPRO 2	29.58	33.33	25	24.58	23.75	20.83	21.67	21.25
4th	HOSPI2	26.98	31.59	23.09	24.68	23.41	21.73	26.51	22
5th	EPRO 1	37.14	36.79	20.71	21.79	18.57	19.64	23.57	21.79
6th	HOSPI1	25.61	32.03	23.18	23.51	24.42	23.18	24.79	21.28

6) Criteria of Success of The Organization

SQ RANK	UNIT	CLAN		ADHOCRACY		MARKET		HIERARCHY	
		NOW	EXPECTED	NOW	EXPECTED	NOW	EXPECTED	NOW	EXPECTED
1st	ONESTOP2	32.08	33.47	19.17	20.97	20.97	18.47	27.78	27.08
2nd	ONESTOP1	33.13	33.13	16.88	21.25	23.13	17.50	26.88	28.13
3rd	EPRO 2	28.33	30.42	28.33	25.83	20.83	19.17	22.50	24.58
4th	HOSPI2	29.05	35.08	23.17	22.43	22.86	19.39	24.92	23.09
5th	EPRO 1	37.14	35.36	18.21	21.07	21.07	20.36	23.57	23.21
6th	HOSPI1	27.91	34.23	22.77	24.05	24.53	22.07	24.79	19.65

APPENDIX 11: Complete Interview Analysis

Governor of West Sumatra Province

Main Aspects	Key Points

TYPES OF CHANGE INITIATIVE	**STARTING FROM THE MAIN PROBLEMS**
	• **Public Employees**
	  1) Proper Recruitment
	  2) Proper Personnel Transfer& Promotion
	  3) Proper Human Allocation
	  4) Proper Training & Development (mainly to change public employees' mindset & culture set)
	  5) Proper System (can be adapted from the system owned by good performer province)
	• **Head of Region**
	  1) Organizational aspects (e.g. organizational structure, institutional issues, and SOP)
	  2) Legality Aspects (Pergub, Perda, and other regulations)

SIGNIFICANT HISTORICAL EVENTS	**SIGNIFICANT HISTORICAL EVENTS**
	• **Reformation Movement**
	  1) People's Reformation movement in 1998/1999 demanded change in culture;
	  2) In the previous culture, the society seemed to be the servants for the higher level officials; this kind of culture was inherited from the Dutch imperialist, which must be changed!

MANAGEMENT PHILOSOPHY	**MANAGING PUBLIC ORGANIZATIONS**
	• **"A given organization"**
	  1) The appointed leader has no choice other than using the already existed human resources; some of them have been working for more than thirty years as civil servants
	• **Rules and Bureaucrats**
	  1) Within the bureaucratic world, it is important to be understood that "the rules and the bureaucrats themselves should not be viewed as inhibiting factors; in fact, in the absence of rules, the organization would be messed up"

2) The bureaucrats are there to maintain the rules-based practices which in turn can enhance the speed of services

3) The main challenge to improve the speed of service is related with "how long the documents would stay on the table of one particular public employees prior to be followed up by another employees?"

4) If it is not necessary, the bureaucratic lines can be shortened or deleted (as long as agreed by the respective leader)

- **Handling of Public Complaints: Beyond the Jurisdiction**
  1) Governor frequently receives complaints from public on services that are beyond his authority (i.e. complaints that should be directed to the municipal/central government)

  2) However, all complaints are received (despite the fact that the provincial government has no responsibility on the concerned services) to be forwarded to the responsible institutions

  3) All public interests are all served, mainly because the nature of public's general expectation is directed toward the (figure of) governor; general public would not accept the fact that there are other existing institutional authorities outside the governor's authority

- **Limited Room for Innovation and Creativity**
  1) In public organization context, it is not possible to create innovation everyday; in other words, public organization cannot and is not expected to change rapidly otherwise everything will be messed up

  2) Every single employee has to follow certain rules;

  3) If all (public) employees were asked to be creative, the organization would dissolve; what is the reason for creativity when everything is fine?; every single thing has its rule; creativity in policy making is part of the leaders' authority;

  4) Monitoring & controlling employee performance is part of the predetermined rules in public organization

  5) The structure of public organization depends on the organizational needs based on its TUPOKSI (main duties & functions); there are various regulations, including PERMENDAGRI & PP about public organizational structure;

  6) Such regulations provide limitation for creativity (in creating organizational structure);

  7) Higher level officials in public organization do not enjoy unimpeded opportunity to create rules as their colleagues in private sector

8) Prior to creating an out of the box initiative, it is important for the leader to find an alternative "regulation umbrella", which properly fits with the concerning matters; when possible, without trespassing the original regulation

9) A policy initiative can be done only by the leader; the subordinates cannot/are not allowed to take initiatives because their job is to work based on the existing rules

10) If there is a necessity to work "out of the box", the subordinates have to ask their leader (in advance)

11) Employees' initiative and creativity in matters that are not related with policy are allowed

- **Absence of Competition**
  1) The provincial government does not have competitors; the most important thing is to serve the society in a proper speed
  2) There is no competition with other provincial governments, because there are no indicators to decide the winners and the losers; it is quite different compared to private companies where the loser will be bankrupt;

- **Preferable Top-Down Management Approach**
  1) A top-down management approach is more effective to be implemented into the change context than the bottom-up approach
  2) Bottom-up approach is difficult to be implemented in public organizations because public employees feel that they are (only ordinary) employees, not the superior/leader; it is viewed as a major structured drawback
  3) (Therefore) Within a change plan context, the public employees depend on their leader, if the leader wants to change, the employees will undoubtedly have to change; in the case of reluctance, sanction will be imposed, because refusing to change means a failure to fulfill the expected performance
  4) The controlling is conducted during a monthly meeting, where all progress of the targeted performance achievements are evaluated
  5) The monthly meeting enables the governor to know how particular problems develop throughout times and to take possible preventive or curative action accordingly
  6) The monthly meeting is viewed as an effective way to make the employees working hard

7) Expecting suggestions on administrative reform issues from the bottom is considered as difficult; with an exception on technical matters. The leader would expect technical inputs from the first line as basis for decision making

8) Decision made by the superior is required to take necessary actions to cope with technical obstacles; in some cases the leader is expected to take "out of the box" (i.e. creative) decision without neglecting the considerable regulations

9) In certain circumstances, without a breakthrough from the leader, the subordinate employees could not work;

10) The leader's willingness and hope are the rules to be followed; sanction will be imposed to those who breaks the rule

11) Higher officials who are not able to fulfill governor's expectation will receive three times warning; if the failure keep existing, then they will be removed from their position

12) There is a performance contract between the governor and all higher level officials

13) The recent sanction imposed to an underperformed higher level official (Echelon II) has sent a clear message to all higher level officials that the governor is really serious with his rules

PUBLIC ORGANIZATION VS PRIVATE COMPANY

- **Differences between public organization and private company**
  1) Public organization has abundance of rules to be followed
  2) It is not easy to fire under-performer public employees
  3) It is difficult to promote good employees due to the organizational level requirement to be fulfilled in advance, which directly relates to the seniority factor; in other words the seniors enjoy greater possibility to get promoted than their juniors
  4) Government institutions consists of many types wagons, and therefore it is different from private companies
  5) Private companies does not have a huge amount of employees, which make it easier for them to adapt with the market demand;
  6) In the context of private companies, the values of creativity and the congruence with growing market demands are very essential in order to successfully selling their products

	7) Theories which are taken from private companies experiences cannot be implemented into government institutions; government institutions do not have competitors
	PUBLIC MISCONCEPTION ON GOVERNMENT
	• **Jurisdiction Level**
	1) The low class society (e.g. farmers, fishermen, and small traders) in general cannot understand the different in jurisdiction level when comparing the scope of authority owned by the provincial government and the municipal government or other institutions;
	2) In other words they perceive that there is only one single government which integrates the central, provincial, and municipal governments.
	• **Consequences**
	1) As the consequence of such generalization, if the performance of municipal/regency government was rated as poor, then the provincial government would also be classified as poor
	2) If general public were asking about (the quality of) public services, the first association that comes to their head may (theoretically) relate with the performance of mayor or head of regency; because the governor does not directly interact with the society
	3) From the public perspective, it is the job of the governor to ensure the provision and flow of any public needs in the region
	• **Common Mistake Made by Researchers: Overgeneralization**
	1) Researchers and NGOs who conduct public survey in West Sumatra are also commonly doing the same mistake: abandoning the jurisdiction level between municipal/regency and province, which in turn resulting a wrong research conclusion
	2) It is important to note that the mayor is not governor's subordinate; the mayor is a separate entity
	3) Researchers and surveyors make overgeneralization by treating all situations as a single context and thus producing over generalized& wrong conclusion on situations that are basically different
	4) The failure to have a proper understanding to classify which object of services are belong to the provincial government has led to the wrong conclusion
ORGZ CHART CRITERIA	**TUPOKSI-BASED STRUCTURE** • **TUPOKSI as the main reference**

	1) The structure of public organization depends on the organizational needs based on its TUPOKSI (main duties & functions); 2) There are various regulations, including PERMENDAGRI & PP about public organizational structure; 3) Such regulations provide limitation for creativity (in creating organizational structure);

PERSONAL IDEAS & STRATEGY	**SOLUTION FOR BETTER PUBLIC SERVICES**
	• **Proper recruitment**
	  1) Reviewing "talent, interest, and ability"
	  2) Recruiting the best person
	• **Proper employee rotation and promotion system**
	  1) Better promotion system that enables a good performer to be promoted despite her/his organizational level
	• **Proper human allocation**
	• **Proper training and development** (mainly to change public employees' mindset and culture set)
	  1) Providing special training and development planning for "above average" fresh employees
	• **Proper management system** (can be adapted from the system owned by a good performer province)
	  1) Direct sanction for those who break the rules (e.g. to be "non-jobbed")
	  2) System to create and maintain the expected mindset
	• **Strong leadership**
	  1) The leader sets the ideal standard of doing things through concrete actions (to be shown by the employees as the role model)
	  2) A strong, bold, tough, courageous, and responsible leaders are required for achieving successful reform
	  3) If the reform is not started from the leaders, then the reform itself is non-sense

CURRENT CULTURE	**ROLES OF LOCAL PHILOSOPHY**
	• **Implementation Gap: ABSSBK Philosophy as the Basic Norm**
	  1) Theoretically, general public in the Alpha Province considers the ABSSBK philosophy as a norm that governs their daily behaviors; the philosophy is basically rooted from the religion (i.e. Islam);
	  2) However, from practical perspective, the governor argued that the ABSSBK philosophy serves as the reference for normative religious practices only (e.g. it is obligatory for praying, it is prohibited to drink alcohol, it is important to have a proper interaction with females, etc);

	3) The society may feel confused to bring the ABSSBK philosophy into the working context 4) The ABSSBK philosophy may have some effects to the configuration of administrative culture in Alpha Province, but the public employees perceive the ABSSBK philosophy as something different (from the working culture); 5) All Minang people theoretically admits the ABSSBK philosophy as their philosophy, but it is common that the theory does not fit with the reality. 6) The discrepancy between theory and practice is a general problem faced by all human; it is not only happening in Alpha Province 7) The ABSSBK philosophy is a norm that seen as part of all Minang's identity, but the norm is seldom to have a tangible impact into daily practices **ADMINISTRATIVE CULTURE** • **Influence of the System Created by The Leader** 1) The administrative culture is mainly influenced by the system created by the leader (i.e. system, rules, mechanism, the way of work, and mindset created by the leader) • **Inherited Dutch Imperialist Culture** 1) In the previous culture, the society seemed to be the servants for the higher level officials; this kind of culture was inherited from the Dutch imperialist, which must be changed! **ESSENTIAL VALUES OF ADMINISTRATIVE REFORM:** • **4 MAIN VALUES** 1) Serving character; 2) Respecting others; 3) Working efficient/fast; 4) Good integrity
EMPLOYEES INVOLVEMENT	• See **MANAGEMENT PHILOSOPHY**>**MANAGING PUBLIC ORGANIZATION**> "**Top-Down vs Bottom-Up Management Approach**"
COMMON PROBLEMS	**HUMAN RESOURCES ISSUES (INDIVIDUAL CIVIL SERVANTS)** • Character, way of thinking, mindset, culture, and poor quality **HEAD OF THE REGION (GOVERNOR/MAYOR)** • Leadership issues; commitment for change (organizational & legality aspects)

BARRIES FOR SUCCESSFUL REFORM	**PUBLIC EMPLOYEES**
	
	• **Lack of qualified human resources input**
	  1) Limited Natural Resources & Objects of Tax > Low Regional Revenues> Low Regional Salary > Unattractive for candidates from country's best universities
	  2) Uneducated employees may face three issues:
	    a) Difficulties to masterize, anticipate, and solve problems
	    b) Difficulties to adapt with new situation
	    c) Difficulties to be optimally upgraded, due to their limited capability
	
	• **Character/Mind Set**
	  1) "The King Mindset"
	• **Reluctant to Change** (depends on the leader)
	• **Head of Region**
	  1) Leadership issues
	  2) Commitment for Change
	DOCUMENTS TRANSIT DURATION
	• **Main Challenge for Faster Services**
	  1) The main challenge to improve the speed of services is related with "how long the documents would stay on the table of one particular public employees prior to be followed up by another employees?"

EXPECTED OUTCOMES	**EXPECTED REFORM OUTCOMES**
	
	• **Expected Positive Outcome**(by implementing reform):
	  1) Citizen satisfaction;
	  2) the citizen could feel the existence of their government; the presence of government is noticed by the citizen;
	    If the citizen feels that with or without the government is the same, then such government has failed;
	  3) The government presence can be noticed if the government can facilitate, accelerate, and assist the citizen in settling all their affairs;
	  4) Improving the way of thinking that it is not the citizen who has the obligation to serve the government, but the contrary

Head of EPRO1

Main Aspects	Key Points

TYPES OF CHANGE INITIATIVE	**STANDARDIZATION OF SERVICE PERFORMANCE**
	• **LKPP Supported Programme**
	  1) Organizing BIMTEK to ensure the knowledge transfer on EPRO1 services to the citizens
	  2) Conducting initial assessments in all EPRO1 offices in the province using a tool developed by LKPP (17 indicators and 3 main capacities)
	• **Self-Initiated Programme**
	  1) Improving the physical fasilities of help desk and bidding rooms in accordance with the UU No. 25 on public services
	  2) Providing the first class service (pelayanan prima) to all vendors who enjoy the EPRO1 Facilities in accordance with the service standard (including the time rate)
	  3) Publishing basic informations on EPRO1 to the media; i.e. what should be done during the first visit, how to use the bidding rooms, etc.
	BALANCE SCORE CARD
	• **Partnership Agreement with Central Government**
	  1) The government of Alpha province has signed a partnership agreement with the Indonesian Ministry of Finance in implementing the administrative reform at regional level: using the *Balance Score Card* method as the basis to develop the provincial strategical map (RPJMD/Middle-Term Development Planning referred to Balance Score Card)
	  2) At the current point, the related training provision is still limited to the Echelon 3 Staffs; in the near future it will be further disseminated to the higher level officials (Echelon 2)
	  3) The Echelon 3 employees are obliged by the higher management to prepare a monthly performance target; remuneration will be given based on individual performance

	4) Following the provincial strategic map, at the institutional level, every units will be asked to developed institutional strategic map in the near future

SIGNIFICANT HISTORICAL EVENTS	**FIRST DAYS CHALLENGE**
	• **The Initiator Team**
	  1) The current head of EPRO1 was not part of the initiator team who established EPRO1 at the Alpha Province (one of the head division was part of the initiator team)
	
	• **Changing Provider's Mindset**
	  1) During the first days of his tenure as the head of EPRO1, the main challenge was to change the mindset of the providers towards EPRO1
	  2) Mainly because of their misconception on the roles of EPRO1 (they thought that EPRO1 is a place where people meet and carry out the auction of goods and services);
	  3) The role of EPRO1 is merely to facilitate the auction organizers with the potential providers
	  4) There was a change from traditional to electronic procurement; some providers experienced difficulties due to limited capable human resources to participate in the (electronic) auction
	  5) As a solution, EPRO1 provides a free one-day training every Friday; those who would like to participate can register at the helpdesk room
	
	• **Simultaneous Transfer of Staffs**
	  1) They have experienced a situation where two helpdesk staffs were transferred at a time and caused internal troubles due to limited number of staffs at that time
	  2) The head of LPSE sent a letter to the upper level management to increase the number of staffs; because the frequency of daily visit at that time was between 40 to 50 customers
	  3) Customers rely heavily on the LPSE staffs, particularly to use the e-procurement software
	  4) Staff regeneration is unavoidable, therefore continuous improvement on the current staffs remain as priority
	  5) Considering that EPRO1 provides a specific type of service which requires particular knowledge/ability, it is expected that the upper level management would not conduct personnel transfer for several EPRO1 employees once at a time
	    The personnel transfer should be conducted gradually, mainly because new staff will require another basic upgrading training

	LEADERSHIP TRANSITION
	• **Transition to New Governor**
	  1) The transition from the former to the current governor did not have significant impact for LPSE, mainly because the establishment of LPSE was a pilot project where all members of working group have high responsibility to ensure that the project could be runned smoothly
	BIG CHALLENGE: UPGRADED STATUS
	• **Working Group Dismissal**
	  1) A big challenge existed when the working group was dismissed and the institutional status was upgraded as a single service unit (UPT)
	  2) Each members of the working group were went back to their home institutions

MANAGEMENT PHILOSOPHY	• **Standardized Service Quality**
	  1) If a certain division within a single service unit does not perform as good as the other divisions, public customers will complain. Therefore, the service standard has to be the same (across all divisions)
	  2) (The Head of EPRO1) is working at her best to achieve the predetermined target
	• **Providing Employees Freedom**
	  1) Providing freedom for the employees in the way they manage their working patterns; as long as they could reach their target
	  2) Employees have different kind of working types: some prefer to work alone, some enjoy to work together as a team; some are quite moody, some can consistently fulfilling their tasks every day, while some others manage to conduct all their tasks once a week
	  3) However, the regulation on daily office hour (7.30 to 16.00) must be obeyed by everyone
	  4) If the targets were not achieved, the first step to be taken is to find out the reason of failure/obstacles
	  5) Every employee has her/his performance target to be reported monthly to the manager; once in three months all reports are forwarded to the governor; the governor will then provide "performance score" for every units: either red, yellow, or green

ORGZ CHART CRITERIA	**CRITERIA FOR ORGANIZATIONAL STRUCTURE** • **Working Group's Members Suggestion** 1) The current organizational structure was suggested by the working group based on the experience of working group members

	2) Current structure is quite ideal, though continuous human resources upgrading is always needed

PERSONAL IDEAS & STRATEGY	**IMPROVEMENT STRATEGY**
	• **Strategy to Improve Employees Performance**
	  1) Distributing evaluation questionnaires to the customers
	  2) Conducting evaluation on the obstacles faced by the employees and the customers
	• **Structural Strategy**
	  1) Referring to the expected standard as described in the bureaucracy guideline in providing public services
	• **Working Group Strategy**
	  1) Discussion session to collect more feedback on any issues faced by the employees, e.g. technical obstacles
	  2) Coordination meeting with other EPRO's branches for information sharing; held periodically among the EPRO coordinators about common problems that they face
	
	REGULAR MEETING
	• **Employees Internal Meeting** (held once in two months)
	• **The meeting between EPRO1& Tender Organizer** (held at least twice a year based on the urgency; usually attended also by an invited related expert)
	• **Informal chats** are also quite frequent (Besides formal meeting)
	
	TOP-DOWN VS BOTTOM-UP APPROACH
	• **Both Strategies Are Required**
	  1) In directing the reform (within the EPRO1), both top-down and bottom-up strategies have to be implemented; especially to ensure that all parties (i.e. internal stakeholders) can be involved in the ongoing administrative reform)
	  2) Example of bottom-up strategy: by conducting small meeting with the heads of division to discuss about the obstacles faced by employees and exploring joint solution; the one who directly faces the service users (public customers) are the employees at the staff level
	
	DEALING WITH INADEQUATE NUMBER STAFFS
	• **Anticipation Measurement**

	1) the leader seeks for internal employees who have an interest in IT area to be included during a training session provided by the Administrator; the selected employee will serve as a backup during the administrator's absence
	
	2) Within the service division, all staffs are rotated periodically to enable every individual to masterize the whole tasks (all workloads are managed alternately among the employees)
	
	• **External Alternatives**
	  1) Problem sharing via a regional Admin Forum to look for some suggestions (A forum is conducted regularly among all EPRO Administrators working within the Alpha province jurisdiction)
	  2) Seeking for help from qualified administrator working at city/regency level and therefore creating a backup system among all EPRO units in the province
	
	UPGRADING THE MUNICIPAL EMPLOYEES
	• **Three-Day on the job Training**
	  1) To upgrade the EPROs employees at city/regency level (e.g. new recruited employees), EPRO1 at the provincial level facilitates three-day on the job training: mainly to disseminate all related policies and to simulate daily working situation (e.g. how the help desk and verification officials are working?)

CURRENT CULTURE	**GENERAL PROFILE OF EMPLOYEES**
	• Relativelyyoungandenergetic;
	• Recruited based on their capability;
	• Their educational background are mostly high school, but they possess the willingness to learn
	
	WORKING S.O.P
	• The EPRO1 at alpha province has developed a working SOP, so the employees only need to follow the predefined SOP
	
	ROLES OF LOCAL PHILOSOPHY
	• **ABSSBK: originated from local tradition and religious values**
	  1) The ABSSBK emphasizes that our behavior is primarily based on the local tradition, and the local tradition itself is originated from the religion
	  2) Examples of observable implementation of ABSSBK culture: Uniform; e.g. recommendation for the female muslimah to wear their hijab/head scarf; or to wear traditional dress (*Baju Kurung)* every Thursday and Friday

3) The regulation which enables variation in working uniform is also part of administrative reform, mainly to address workforce saturation while promoting the local tradition
- **Implementation of ABSSBK**
  1) Implementation of ABSSBK also integrates the "*hablumminallah, hablumminannas*" concept which inspires the employees to continuously provide good services for public customers, including when customers (sometimes) come with unpleasant feeling/attitude (e.g. bad-tempered, grumbling, etc)

INSTITUTIONAL MOTTO
- The Institutional Motto is not properly memorized by employees (based on observation)

MINANG CULTURE IS DEMOCRATIC IN NATURE
- The local Minang culture has a democratic culture in nature, all persons are basically equal (*duduksamarendah, tegaksamatinggi*), with some exception for the leaders who obtain slightly higher position in the society
- In a democratic structure, there are some levels associated with the flow of information to communicate problems: Staff > Head of Division> Head of EPRO1
- (At the next level) Head of division and the head of EPRO1 further discuss the problems to find alternative solution as a way to improve the service quality
- When necessary, the head of EPRO1 will submit an official letter requesting the upper level management to facilitate the required needs as part of service quality improvement

CULTURAL CONSIDERATION
- **High Democratic Culture**
  1) All four types of cultures are equally dominant;
  2) The head of EPRO1 personally believes that the most dominant culture is the democratic culture, because problems cannot be solved alone
  3) Working system is conducted democratically, because the Minang people are democratic in nature
- **Competitive Culture is Not Required**
  1) Competitive culture is not necessarily required because the employees (only need) to follow a predefined system;
- **The Important Innovative Culture**
  1) An important culture for EPRO1 is "innovative culture" to create a better system

	• **Collaboration Culture in Nature** 1) (With regard to the "collaboration culture") all team members are naturally dependable to each others; every individual within the team has his/her own responsibilities

EMPLOYEES INVOLVEMENT	**EMPLOYEES INVOLVEMENT**
	• **Distribution of Tasks**
	  1) Available tasks are distributed completely to everyone in the unit
	  2) Every individual has his/her own responsibility to be reported monthly to the related head of division, which in turn forwarded to the head of EPRO1

COMMON PROBLEMS	**COMMON PROBLEMS**
	• **Three Common Problems**
	  1) Discipline
	  2) Responsibility
	  3) Cooperation (among the employees), i.e. some employees are used to work individually (not as a team)
	• **Internal Survey**
	  1) According to an internal survey, the existing obstacles are not that much
	  2) What seems important is how to manage it properly by distributing the tasks to every individual
	  3) By showing various "slogan" and (service performance) declaration, it is expected that public knows what to expect and thus encourages employees to improve their service delivery performance
	• **Staff's Educational Level**
	  1) Staff's educational level is not considered as obstacles (for delivering good services) because the employees have understood the service standard to be delivered and they participate in various upgrading training
	  2) In some cases, employees with high school educational background do not necessarily imply that they have inferior intelligence, but simply because they do not have the opportunity to pursue to a higher educational level (e.g. due to financial issues)
	  3) The most important thing is: they have the willingness to learn
	• **Main Problem: Limited Staffs with Specific Expertise**
	  1) The main problem is "limited staffs with some specific expertise"

	2) Recruitment process: LPSE staffs were recruited from the parent institution, BAPPEDA (mainly from the secretariat division as they have more than sufficient number of staffs); 3) all recruited staffs have to show their interest to join LPSE prior to their transfer 4) LPSE really needs more staffs with specialization in IT 5) There were two IT staffs, but both were transferred to other units 6) If the current IT admin (as the only staff who possesses required IT competency) is transferred, then LPSE will face a big problem

BARRIES FOR SUCCESSFUL REFORM	**BARRIERS FOR SUCCESSFUL REFORM**
	• **Perception Gap between Public Customers and EPRO1 Employees**;
	  1) the employees has provided the best services, yet the customers remain unsatisfied
	  2) Having read the feedback received from the customers questionnaire on the list of aspects to be improved, employees believe that all submitted issues should have been properly improved
	
	• **ExternalFactor**;
	  1) The necessity to change the mindset; currently the regulations have been really supportive to the change and thus there is no other choice for the stakeholders other than to change
	  2) Continuously providing upgrading training for providers and organizers to adapt with the change dynamics; i.e. as an impact from the introduction or development of software/informatics system
	
	• **Limited Qualified Staff**
	  1) Number of staffs in general is adequate, but requires more support in technical department.
	  2) Currently there is only one IT Administrator available, therefore if he is not available at the office (e.g. sick or in business travel), others will be confused what to do if there is a networking error

EXPECTED OUTCOMES	**Expected Positive Outcomes**
	• **System canberunnedproperly**
	  1) By implementing the administrative reform, it is expected that the system can be runned properly
	
	• **Implementing UU No.25/2009**
	  1) Successfully applying the UU No. 25/2009 on public services
	
	• **More Innovation & Ideas**
	  1) It is expected that the employees would not only conduct their daily task routines, but also to have some innovation and ideas

Head of ONESTOP1

Main Aspects	Key Points

TYPES OF CHANGE INITIATIVE	**Introduction of One-Stop Services**
	• **One-Stop Permit**
	  1) ONESTOP1 has been officially providing one-stop permit services starting from January 8, 2013
	  2) ONESTOP1 integrates the process of permitting issuance from fifteen sectors, comprising of ninety seven types of permits
	  3) Formerly, all permit services were issued by each related units
	  4) However, several permit issuance services might be still provided by particular units, therefore re-identification of all types of permit provided by all units within the Alpha Province jurisdiction is necessary to be conducted
	Improvement Planning
	• **Migrating to Electronic System**
	  1) In 2014, there was a plan to improve the service quality by migrating from traditional to electronic system
	  2) In 2014, improvement in infrastructure and facilities was planned mainly to create electronic basis system (computerized system)
	• **Improving Administrative and Filing Report**
	  1) The current focus is to improve the deficiency in administrative and filing report;
	• **Fulfilling the service quality standard as defined by the UU 25/2009**

	1) In 2013 Ombudsman (central government) visited ONESTOP1 to conduct assessment on the fulfillment of UU 25/2009; as the result, ONESTOP1 received "yellow report card", which means that there are still several things to be fixed 2) In 2014 gradual improvement was conducted using the existing sources (e.g. disseminating information brochure on types of service provided by ONESTOP1) 3) One month prior to the interview, Ombudsman had revisited ONESTOP1, but the assessment result has not been announced yet. • **Improving Coordination with All Related Units** 1) Improving coordination with all related units to built the sense of ownership in ONESTOP1; ONESTOP1 is not exclusively owned by BKPM, but by all units
SIGNIFICANT HISTORICAL EVENTS	**Significant Events** • **No Particular Historical Events** 1) The Head of ONESTOP1 believes that it seems there were no particular historical events that may significantly influence current administrative culture in ONESTOP1 **Recent Performance Appraisal System** • **Burden for Employees** 1) The Governor of Alpha Province just recently started the implementation of performance appraisal system as the basis for providing performance bonus 2) However, such performance appraisal system has become a burden for employees instead 3) The targeted goals may gradually be achieved, but the staffs merely focus on their own jobs, while neglecting improvement to provide better standardized services **First Year Challenges** • **Insufficient Budget** 1) ONESTOP1 is a one-year-old unit; during the first year, there was not much things to do due to lack of funds 2) In 2013, ONESTOP1 did not received sufficient budget allocation 3) For the 2014 financial period, the budget plan for electronic system improvement has been allocated, but (until the interview was taken) it has not been started yet • **Difficulties to Get External Support**

	1) During the first year, the Head of ONESTOP1 feels burdensome to collect supports from the respective units
	2) Other units do not have the same perception on the roles and functions of ONESTOP1;
	3) they misunderstood that ONESTOP1 occupied their working territory; but at the current point, supports from related units are expected to be higher
MANAGEMENT PHILOSOPHY	**Dealing With Change Reluctance** • **Keep Patient!** The way to deal with employees' reluctance to change: "just keep patient!"
ORGZ CHART CRITERIA	**Organizational Structure** • **Suggested by BKPM** The organizational structure of ONESTOP1 was created based on suggestion proposed by BKPM and legally approved by the governor regulation (Pergub) • **Echelon Composition** 1) The organizational structure in ONESTOP1 comprises of: Third-echelon (one person); Fourth-echelon (three persons); and Staffs 2) Concerning the (organizational) structure, the Head of ONESTOP1 believes that a structure with three fourth echelon employees should be sufficient; however, the main issue concerns with the lack in staff quality appointed to these three positions
PERSONAL IDEAS & STRATEGY	**Staff Upgrading** • **Providing Opportunities** 1) Staff upgrading efforts are conducted by providing opportunities for all staffs to participate in related trainings on one stop services 2) The Head of ONESTOP1 claims that he is very supportive to any upgrading efforts to improve human resources quality; each time he received information on the training opportunity, he will immediately propose to the Head of BKPM to grant permission for his staffs to participate in the training **Determining Factors for Successful Reform** • **Employees Readiness For Change** 1) The main requirement: employees readiness to change; if employees feel contented with the existing condition and therefore believe that no legitimate reason for change, then everything will be useless

	2) The leader wants to run, change and innovate.
	• **Internal**
	   1) Adequate infrastructure and facilities
	   2) Adequate human resources, both in quantity and quality
	• **External**
	   1) Support from all related institutions which formerly authorized the issuance of various permits
	Roles of ONESTOP1
	• **Administrator**
	   1) Basically, ONESTOP1 only plays the role as an administrator; development, controlling, and the process of granting permits are still involving the related units
	   2) The application is submitted to ONESTOP1; if further technical study is required, the related units are responsible to conduct it, because ONESTOP1 does not have the required expert resources
	   3) ONESTOP1 has technical team comprising of the appointed representatives of all related units
	Education and Performance
	• **A Leader without Higher Educational Background**
	   1) The Head of ONESTOP1 considers himself as a person without a higher educational background (only Diploma);
	   2) However he felt that the reason why he had been entrusted by the higher level officials to become a third echelon official is mainly because of his willingness to learn and to read various things related to his jobs and trying to implement it in earnest
	   3) At the Alpha Province, he is the only third echelon official holding a Diploma degree (others possesses higher educational background)
	• **Impact of Lower Education on Employees Performance**
	   1) The Head of ONESTOP1 argues that from internal perspective, education level does not have any impact on employees performance
	   2) However, he feels some drawback (as an employee without higher educational background) when he interacts with external parties, e.g. when receiving request as a guest speaker. But, he always try his best to overcome this shortcoming

CURRENT CULTURE	**Change Required**
	• **Reconstruction of Current Culture**
	   1) Current administrative culture urgently need to be reconstructed; not only within ONESTOP1, but also valid for civil servants in general
	
	ABSSBK Philosophy
	• **ABSSBK as Part of Minang Personality**
	   1) The ABSSBK philosophy has been inherited in every single individual in Minang society; this philosophy has become part of Minang personality
	   2) However, there is a gap to implement the philosophy into the practical context as civil servants
	   3) Old paradigm "Civil servants enjoy to be served" (instead of to serve) has been the main obstacle to change the administrative culture; there is no motivation to change
	   4) Further description: "If the service format has been described as it is, then why should we think about innovation?"; lack of efforts to deliver best services for the society, thus citizen would feel being appreciated and served properly
	   5) Without prior request, employees should prepare related basic information required by customers in order to shorten the duration of service delivery process
	
	Four Types of Culture
	• **High Collaborative Culture**
	   1) According to the Head of ONESTOP1, ideally the collaborative culture shall become the most dominant culture in every organization
	   2) The Head of ONESTOP1 has tried to implement a collaborative system (in which the employees are supporting and helping each other), however the ONESTOP1 employees seems facing difficulties to working cooperatively
	   3) Without any prior request, ideally all ONESTOP1 employees should helping one another; every time one may require some assistance, others would automatically offer some hands
	   4) This cooperative culture has been described in the service contract
	   5) Younger employees may find that this cooperative culture can be grown, but the Head of ONESTOP1 does not sure if such culture can be cultivated among the older employees; with some exception for some seniors who have been used to cooperate since their early careers.

	6) Therefore, the Head of ONESTOP1 expects to recruit additional younger staffs, who have not been contaminated with the old civil servant way.
	7) The Head of ONESTOP1 in person, despite his status as one of the older employees, is always trying his best not to be contaminated with any negative way of thinking in his institution
	• **Low Creative Culture**
	1) The creative culture in ONESTOP1 seems to be low
	2) Transforming the old paradigm and mindset of civil servant (i.e. to be more creative) is challenging; therefore, the creativity remains low at the institution
	• **Low Competitive Culture**
	1) At the ONESTOP1, competition culture seems low;
	2) The Head of ONESTOP1 argues that the prerequisite for competition culture is the existence of motivation to move forward and the spirit to always perform the best; such motivation does not significantly existing at ONESTOP1; everything just flows as it is
EMPLOYEES INVOLVEMENT	**Top-Down Vs Bottom-Up Approach**
	• Both are required
	1. Both bottom-up and top-down strategy are required as civil servants
	2. First level staffs are expected to be creative, not merely performing daily tasks and waiting for orders (from leader)
	3. Leaders' role is also important to provide mentorship for their subordinate
	4. Either BKPM or ONESTOP1 does not have regular meeting/forum involving all related staffs; meeting is organized when required (on incidental basis)
COMMON PROBLEMS	**Human Resources**
	• **Limited Number of Staffs**
	1) Currently ONESTOP1 has a very limited number of staff; 8 staffs in total are still far from enough
	2) Current staffs resources are still far from ideal
	3) Staffs were all recruited from the mother institution (BKPM)
	4) Head of ONESTOP1 has submitted request for additional staffs to the Head of BKPM and the Head of BKD

5) BKPM itself has a very limited number of human resources, therefore cannot fulfilled the request made by ONESTOP1

6) With a limited number of staffs, the Head of ONESTOP1 feels burdensome in carrying out his duties;

- **Inadequate Qualified Staffs**
   1) General problem: inadequate staff quality; more trainings on service delivery are required
   2) It is very difficult to find a staff with appropriate educational background for her/his task responsibilities
   3) Requesting for additional staffs from external BKPM is extremely difficult, therefore the only option is to employ the currently available staffs
   4) ONESTOP1 urgently requires staffs with computer science background; the absence of staff with IT related expertise has caused difficulties in software development
   5) Current staffs learned how to use computers based on self-taught experience (Autodidact)
   6) The domain of ONESTOP1 is closely related with legal issues, therefore in order to avoid any potential legal problems, ideally ONESTOP1 shall possess qualified staffs that have basic understanding of law
   7) Actually there is one staff with law educational background, but according to the Head of ONESTOP1, the staff does not adequately understand legal issues because he does not possess learning motivation

- **Low Learning Motivation**
   1) In general, the learning motivation (among the employees) is low; the traditional paradigm (i.e. "it does not matter either working or not working we still receive the monthly salary") is extremely difficult to be changed
   2) The civil servants in general are used to work at a slow pace; even without doing nothing they will receive their monthly salary

- **Inability to Perform Reward & Punishment**
   1) The Head of ONESTOP1 does not have the authority to execute reward and punishment mechanism because such authority is possessed by the Head of BKPM
   2) The Head of ONESTOP1 does not have full authority over the staffs, it really depends on the higher level official (Head of BKPM); the Head of ONESTOP1 has the rights to manage staff development planning

- **"Vicious Circle"**

	1) The issue of human service quality is like a "vicious circle" (i.e. a problem that never ends) 2) The Head of ONESTOP1 felt that his staffs, despite their higher educational background (mostly with bachelor degree), do not have the willingness to learn; and therefore the higher level officials do not have much expectations on them **Customer Satisfaction Survey** - **Unsupportive Customers** 1) IKM (IndeksKepuasanMasyarakat; Citizen Satisfaction Index) is conducted by distributing questionnaires to the customers; 2) However the problem is none of these customers are willing to return the questionnaire; it is assumed that the customers might feel that the questionnaire would only add some burden to their existing workload 3) Long questionnaire items are burdensome for the customers 4) As an alternative, PTSP created a simple feedback box equipped with customer satisfaction form (only required to choose between two alternatives: "satisfied" or "not satisfied"), but the customers are not interested either 5) The infrastructure to measure the customer satisfaction has been prepared, but does not receive positive response from the customers; some took the questionnaire back home, but never come back.
BARRIES FOR SUCCESSFUL REFORM	- **Difficulties to Change Paradigm** 1) Difficulties to change working paradigm; willingness to change; transforming the mindset of civil servants that generally prefers to be served than to serve (as a public servant for citizen) 2) It seems easier to change young and fresh civil servants than their seniors (especially those who are 4-5 years prior to their retirement period); possibly because the previous has not been deeply contaminated with the traditional patterns 3) Such difficulties to change the staff mindset have been realized for quite some time by the Head of ONESTOP1 4) Change that may bring some betterment and higher effectiveness from the leader perspective is considered as something burdensome (from employees perspective) 5) Despite the difficulty to change the paradigm/mindset, such changing for a service institution is undoubtedly required

Main Aspects	Key Points
EXPECTED OUTCOMES	**Normative Outcomes** • **Customer Satisfaction** 1) Customer satisfaction; this outcome is a normative standard for civil servants as the state administrators who are obliged to provide services for the society

Head of HOSPI1

Main Aspects	Key Points

TYPES OF CHANGE INITIATIVE	**Performance Indicators**
	• **Commitment between the Director & the Governor**
	  1) As a commitment signed by the Hospital Director and the Governor; the Director has the responsibility to fulfill the given target and provide regular reports to the Governor;
	  2) **Output Basis**; establishing a performance standard; providing report of main performance indicators (LAKIP)
	  3) **Process Basis**; referring to the performance standard (SPM Rumah Sakit) issued by the Ministry of Health; e.g. response time in Emergency Room, humann resources skills, established system/flow of services; information of patient insurance status
	New Legal Status Acquirement
	• **New BLUD Status**
	  1) The new BLUD (*Badan Layanan Umum Daerah*) status enables the HOSPI1 management to be flexible in managing its financial and creating several commercial units (drugstore, car parking area, canteen, land leasing, etc) to gain more revenue
	Top Priorities Change
	• **System & Status**
	  1) From macro perspective, the director thinks that the two top priorities to be changed are the **system** and **status**;
	  2) Both are assumed to be influential in creating good image and raising public trust in the institution;

	3) It can also be used as a contra-argument so that no people could underestimate the hospital quality;

SIGNIFICANT HISTORICAL EVENTS	**Attainment of New BLUD Status**
	• **Management Existence**
	  1) The changing status to BLUD is very influential; because if the management could not allocate sufficient budget to fulfill employees needs, then they might think "then why should the management exist?" such situation may cause a growing distrust in the management; i.e. "even in the absence of the management, we are able to keep moving forward".
	  2) But, with the attainment of BLUD status, their needs can be responded immediately, then the management contribution can be felt by the employees;
	
	• **Financial Flexibility**
	  1) The basic concept of BLUD integrates the concept of flexibility in managing financial; it enables the management to allocate funding to fulfil immediate necessities without waiting for the upcoming annual financial proposal
	  2) The business budget plan does not have to be rigidly included within the annual budget plan (RKA); therefore, the funding issues should not be a problem anymore, because every service-related needs can be fulfilled as long as the money is available
	
	• **Open for Competition Era;**
	  1) It also encourages the hospital management to develop their entrepreneurship skills; in other words, the hospital employees are no longer pure bureaucrats which obliged to follow the basic rules in the absence of competitors
	  2) The management has to encourage the employees way of thinking that "we are no longer a pure bureaucrats who used to act as minimalists"
	  3) In order to cope with the current challenge, the hospital needs to change its way of providing services, its serving character, and being proactive in order to become more competitive with the private competitors;
	  4) It also means that all operational costs, revenue, and services have to be managed by their own (no longer expecting full assistance from the central/provincial government); therefore, the management has to seize the market share and starting to identify the existing competitors; current competitors (under the "C Class Hospital" category) are the two private hospitals, namely: Yos Sudarso and Yarsi; the public now has the full option to choose its preferable hospital

	5) It is no longer an era where the Pariaman hospital was chosen because the patients had no other choice, therefore the hospital needs to make serious efforts to seize the market; in other words, there must be something to be sold: quality services

MANAGEMENT PHILOSOPHY	**Performance Evaluation**
	- **Process-Based Indicators**
	   1) **Response time**: 3 minutes (SPM standard: 5 minutes); based on this fact, we may expect that the level of customer complaints are low
	   2) **BOR (Beds Occupancy Rate);** it shows how attractive the hospital to be selected by potential customers for receiving public health services (BOR: 78% from 143 beds); 52% (2010) → 65% (2011) → 68% (2012) → 74,58% (2013); ideal BOR level established by the Provincial Government: 75%
	   3) **GDR (Gross Death Rate)**; the level of death rate in ER: 5/1000 (SPM standard: 4/1000); it requires further evaluation to determine whether the higher GDR was occuring as a result of the declination of service quality or because of the health cases faced by the ER were getting more complicated than before.
	   4) **NDR(Nett Death Rate)**; the level of death rate in "rawatinap": 2/1000 (SPM standard: 2,4/1000) →it means that the level of nosokomial infection is under controlled
	   5) **Hospital Revenue**;
	   6 Billion Rupiah (2010) → 8,3 Billion Rupiah (2011) → 9,5 Billion Rupiah (2012) → 19 Billion Rupiah (2013) → 25 Billion Rupiah (2014); the increase trend in revenue indicates the existence of creative efforts conducted by the hospital management (outside the regular services) to increase the revenue
	
	   6) **Customer Satisfaction**; annual survey is conducted by a third party (in cooperation with a local university, Andalas University) to get a fair result; Level of customer satisfaction (2013): 74%; The researchers categorize the level of customer satisfaction in the hospital as "between good and very good"; including the facilities, service response, and skills;
	Quality Management
	- **Patient-Oriented Quality Management**
	   1) Quality management is developed in accordance with the existing problems; patient oriented to increase customer satisfaction
	   2) What makes the patients unsatisfied, therein lies our contribution and it occurs continuously

ORGZ CHART CRITERIA	**Organizational Structure**
	• **Quite Ideal Structure**
	  1) In general, current organizational structure is quite ideal; the urgent thing to be improved is mainly the human resources quality in order to prevent an impression that „*direktur itu baban balik sindulang batu*";
	  2) the director feels a heavy burden because all of the friends (the employees) need continuous supervision; there are several tasks that should be distributed to all friends, but due to the limitation everything has to be handled by the director herself

PERSONAL IDEAS & STRATEGY	**BLUD Effects**
	• **Better Employees Welfare**
	  1) Both the increase of revenue and service quality have to affect employees welfare
	• **(Open) Complaint System**
	  1) The hospital management decided to create an open and transparent system for patients to report their complaints (with all risks); such openness is essential because the management eyes could not constantly monitoring the first line employees;
	  2) Personal mobile numbers of the Director, several Heads of Divisions and Heads of Sections have been openly shared to all customers since two years ago
	  3) Customer suggestion box is not sufficient; patients and their relatives need direct communication with the respective higher level officials to file complaints immediately here and now → it enables the management to provide explanation, relieve, and coping with customers problem immediately (24h problem solving);
	  4) The open complaint system also brings some psychological impact to the employees as they feel that patients always observing their working behavior
	  5) The management made a commitment that every tiny issue reported by the customer will be treated as the most serious matter in the hospital
	  6) Every single complaint will be discussed in Director's room thus the psychological impact of change (i.e. improvement) can be felt
	Cultural Strategy
	• **Consideration of Local Culture**
	  1) The Director believes that in order to create appropriate strategy in dealing with customers, the management has to put the local culture and characters of society into account.

Current Focus

- **Seizing the Market**

    1) The current focus is to seize the market within the Pariaman region
    2) The strategic location of Pariaman Hospital (in comparison with the other hospitals) offers several advantages for the Pariaman customers: It is easier for the families to visit their relatives; the operational cost for the families is lower (e.g. gasoline for cars/motorcycle); and the families can easily visit the patient after their works; and no accommodation cost (for staying at night) required because they can return to their home directly after the visit

Dealing with Employees

- **Little Push is Needed**

    1) The Director personally wants to take them (employees) back into the line, because she assumes that most of employees have deviated too much (from the line) for years, and therefore needs a little push

- **Awareness to Work Optimally**

    1) The management hopes that there is an awareness (among the employees) that the six fold increase in revenue that they receive could encourage them to work optimally; in other words a significant increase in revenue is not aligned with an improvement in performance quality

- **Afterlife Orientation**

    1) The Directors personally hopes that the employees have an afterlife orientation (*orientasi dunia akhirat*); feel gratitude with all revenue that they received and thus work sincerely as the act of worship that enable them to enter the paradise in the afterlife
    2) The Director does not use reward and punishment approach in the hospital, but (encourage) more heart approach from religious perspective

- **Continuous Guidance and Control**

    1) Every morning the director needs to control employees performance (i.e. distributing tasks that are basically already attached to them) before carrying out the director's real tasks
    2) If the director think that they are not capable (of doing a particular task), the director feels that she has to directly takeover the task, e.g. Renstra (strategic plan), LAKIP, and LKPD. All of these tasks have to be created and handled by herself (which are basically not part of director's task)
    3) The hospital actually experience staff shortage, but the director believe that with limited employees capacity (i.e. not possible to be upgraded), employees contribution and obedience are something to be thankful;

<table>
<tr><td></td><td>4) The director needs to provide guidance and to control everything closely; though the achievement progress may not be fast, but she feels gratitude that the achievement can be seen and beneficial;
5) Such limitation is a reality that needs to be accepted by the director; it is not possible for the director to replace the existing human resources; therefore what is important to be considered is how to improve the condition without replacing or creating excessive stress for the employees;

- **Four Types of Books as Solution**
  1) The director has four types of books: controlling book, warning book, instruction book, and communication book
  2) Every time the director gives instruction/guideline, she will write it down (on the instruction book) about "to whom the direction is made" and "what is the instruction content"; and then signed by the related employees with a written commitment when will she/he accomplish the task
  3) The communication book also owns by every leaders in the hospital to their direct subordinates; in order to ensure that there is no miscommunication;
  4) Warning book is filled by the director herself; e.g. (the warning will be given) if the employees are too slow in conducting their tasks

Simultaneous Tasks
- **Smart Working**
  1) The employees who work on management division are encourage to work smart; finishing several tasks simultaneously
  2) It is all about upgrading skills and creating good habit to not merely work hard, but also work smart

Leadership Issue
- **Five Required Criteria for All Leaders on Every Level**
  1) Possess related skills on their field of work
  2) Able to control their division, the people and the situation
  3) Knowing the proper indicator
  4) Able to develop a good strategy
  5) Able to make decision</td></tr>
<tr><td>**CURRENT CULTURE**</td><td>**Types of Culture**
- **Equally Distributed Four Culture Types**
  1) All four cultures must be integrated within the hospital daily activities;</td></tr>
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	2) All four cultures shall be distributed equally (among employees), there is no single culture that is more dominant than others because if one (culture) is missing, then it will cause a stagnancy;
	3) All employees are (literally) involved in providing services to a single patient; e.g. if one of them is not creative enough, then others may experience stagnancy
	
	Local Culture
	- **ABSBBK Philosophy**
	  1) The ABSSBK philosophy underscores that the character of Minang people is shaped by local customs and religion;
	  2) In other words, persons who are good in religious practices (i.e. in worship rituals), are expected to have sincere heart, ,and thus classified as the good performers; because the praying itself shall prevent the respective people from misconducts
	  3) The director wonders if there is an employees who were frequently visit the mosque (for praying), but coming late to the office; in this case, there must be something wrong with his worship ritual
	  4) As Rasulullah SAW told us that the best mukmin are those who are the also the greatest in implementing the moral values (e.g. discipline, honest, responsible, and trustable; if they were conducting disciplinary misconducts, then they will feel ashamed (for themselves)
	  5) If the Minang people in general is able to understand the ABSSBK philosophy properly, then all the people with their intelligence and hardworking spirit will become a superior;
	
	- **Pariaman People**
	  1) General Pariaman people in particular do not like to be (verbally threatened) "*Tidak suka diago*"; e.g. if they were (verbally) asked "come on, work harder or your bonus will be reduced!"; their response might be "Ok, no problem.. you may cut my bonus. How big it is by the way?"
	  2) If they were paying their discipline with performance bonus, then everything will be useless.
	  3) But if the Director were saying that "my friends, all of you are responsible to Allah and will have to report everything in the hereafter.. it cannot be paid with anything!"
	  4) Therefore, we need to open the Koran, religious literatures, or hadits in every occasion

EMPLOYEES INVOLVEMENT	**Involvement Strategy** - **Continuous Socialization** 1) Continuous socialization (on the change/reform plan) in every possible occasions; all (important) information is delivered during the morning ceremony (every Monday, Tuesday, and Thursday)

	2) Gathering together, attract them with our points; encourage them to think that any kind of changes occur within the hospital are not based on Director's personal interest, but it is based on employees' aspiration.
	• **Financial Transparency**
	   1) Financial transparency; encourage the employees to believe that there is no single rupiah has been used for private purposes; the employees know how to obtain the funding at the hospital, how was the budget plan calculated, etc.
	   2) In addition, the employees are allowed to propose spending allocation plan within the service improvement context → makes them feel involved emotionally
	• **Transparent Management Plan**
	   1) Service delivery transparency; concerning the plan to change the division of services, the employees have been informed what was the background underlying the proposed change plan, including the amount of money distributed;
	   2) Anyone who would like to know further detailed of the hospital budget is allowed to ask the treasurer; if there is a case of disagreement (about the proposed budget), the Director allows the employees to provide suggestion within a period of one week (after the budget plan published)

COMMON PROBLEMS	**Friendliness/Hospitality**
	• **Result of Independent Annual Survey**
	   1) According to a recent annual survey conducted by an external party (in cooperation with a local campus, Andalas University), the main aspect that requires to be improved: level of friendliness/hospitality (*keramahan*)
	Employees Complaint
	• **Fairer Performance Bonus**
	   1) How to synchronize between the performance appraisal and performance benefits/bonus in a fair basis;
	   2) The current appraisal has not been able yet to investigate how big the contribution made by every single employee towards the development of services (quality) at the hospital
	   3) Imposing rigorous policy to cut or raise performance bonus may have negative feedback:
	   4) Rigorous policy has multiple risks (for the management) as it relates to the sum of money received by employees
	   5) Some employees think that the reward received when they were successfully achieving the target is nothing compared to the punishment they receive for failure to reach the target.

- **Strict Leadership Style**
  1) The challenge is how to make the employees conducting their work with sincerity; some employees assume that the Director implements overly harsh discipline, very strict, excessively rigid, etc
  2) The Directors personally want to take them back into the line, because she assumes that most of employees have deviated too much (from the line) for years, and therefore needs a little push
  3) The management hopes that there is an awareness (among the employees) that the sixfold increase in revenue that they receive could encourage them to work optimally; in other words a significant increase in revenue is not aligned with an improvement in performance quality
  4) The Directors personally hopes that the employees have an afterlife orientation (orientasi dunia akhirat); feel gratitude with all revenue that they received and thus work sincerely as the act of worship that enable them to enter the paradise in the afterlife

Money is Not The Only Standard

- **Enviousness Among Employees**
  1) Enviousness among the employees may hinder their performance
  2) During the payment of performance bonus, some might say "Why my colleague get bigger than me?"; "Why the management did this and that?"
  3) It is about how to work with a sincere heart, that money is not the only standard
  4) A challenge to improve the performance driven by a sincere feeling

Director's Heavy Burden

- **Continuous Supervision**
  1) the director feels a heavy burden because all of the friends (the employees) need continuous supervision;
  2) There are several tasks that should be distributed to all friends, but due to the limitation everything has to handled by the director herself

Human Resources Issues

- **A Reality to Be Accepted**
  1) Such limitation is a reality that needs to be accepted by the director;
  2) It is not possible for the director to replace the existing human resources; therefore what is important to be considered is how to improve the condition without replacing or creating excessive stress for the employees;

BARRIES FOR SUCCESSFUL REFORM	• **Lack of Staffs** 1) The hospital actually experience staff shortage, but the director believe that with limited employees capacity (i.e. not possible to be upgraded), employees contribution and obedience are something to be thankful;
EXPECTED OUTCOMES	**Expected Positive Impact of Reform** • **SixExpectations** 1) The hospital is recognized for its standard and service quality; 2) The hospital can be the main reference for other hospitals in western part of west sumatra 3) The hospital can be uplevelled as a Class-B hospital; thus will bring more improvement in services and types of available specialists, and more citizen can be served; 4) The hospital can be a role model for other hospital managements in the field of management and thus providing support/assistance for other hospital management colleagues; the hospital has already a guest management, i.e. how to appreciate the guests, and how to prepare the required (learning) materials 5) Improvement in hospital revenue and employees welfare; the targets which have not been achieved yet are: to become a Class-B Hospital and to gain "clean" accreditation 6) To decrease the deviation between the reality and the SPM standard; the hospital strategic plan is inherent with the Renstra & RPJMD West Sumatra provincial government

Governor of West Java Province

Main Aspects	Key Points
TYPES OF CHANGE INITIATIVE	• **Multi-Level Meetings** 1) Evaluating the whole programmes resulted from Vision & Mision implementation 2) Every higher level official organize evaluation meetings with their direct subordinates 3) By organizing regular meeting, it is expected that all working programmes can be monitored properly • **Introducing The Structured Programmes**

	1) The structured programmes are derived from the big ideas which ideas may appear at the beginning of tenure (during the vision & mission formulation) or at a later stage
	2) "Big Idea Programmes" are then further developed to become (government) the featured programmes and continuously monitored to produce the leap of success in various sectors
	• **Scholarly Upgrading programmes**
	   1) Scholarly upgrading
	• **Fingerprint Attendance System**
	   1) Three-times a day attendance system using fingerprint
	• **Salary Improvement Allowance**
	   1) Rewarding system in term of the so-called "salary improvement allowance" (*tunjangan perbaikan penghasilan*)
	• **Regional Allowance**
	   1) Replacing "honorarium" (based on number of activities) with the "regional allowance" (based on echelon level)
	   2) If number of activities were used as the basis to determine the amount of additional income then there will be "wet agencies" and "dry agencies"
	   3) All activities despite their agencies can be classified as state duties (and therefore should not be differentiated in allowance)
	   4) It is expected that employees performance will improve because there is a certainty of allowance
	   5) In addition, it will be fine for them to be transferred to any other places, because location is no longer determining factor for their revenue

SIGNIFICANT HISTORICAL EVENTS	• **The 1998's Reformation Movement**
	   1) In general, the reformation occasion has changed the administrative culture at the Delta Province;
	   2) The change within bureaucracy sectors goes slower than other sectors, e.g. military, police and political sectors;
	• **The Transition from the Former to Current Governor**
	   1) The transition from the former to the current governor has significantly influenced the existing administrative culture in the Delta Province

	2) Especially because the current governor is an "outsider" without any previous provincial career background, which according to the governor, makes him free from any psychological barriers; i.e. everyone is equal in front of the governor
	3) A governor with former public working histories, his/her track record is generally recognized by people at the Delta Province;
	4) The current governor's track record in general within the Delta Province is not recognized by the society, therefore all people is viewed as equal in front of the governor
	5) The most important thing is: let us perform together.. we stand together.. and we move forward together.. this kind of culture might be surprising for some people
	6) The governor's office was formerly known as a "scary place" because the fate of public in general outside the office was in the hands of the people in the governor's office;
	7) Currently, the governor's office is now an ordinary place; anyone can visit and enter the office;
	8) This situation is quite contrast with the previous, mainly because some people believed that the governor's office is a comfort zone, only VVIPs were allowed to enter the office
	9) The governor does not have intention to change people's association with the governor's office, but some people said that the situation has changed naturally now
MANAGEMENT PHILOSOPHY	• **Top-Down Vs Bottom-Up Approach**
	1) The governor argues that "Top-Down" or "Bottom-Up" is merely a leadership style,
	2) In general, there is no style which is more effective than another across situations
	3) "Top-Down" style might be seen during a meeting, e.g. when a leader shares his vision, and his subordinates try to interpret the vision into the practical level
	4) However, (during a meeting) the bureaucrats are also allowed to express their ideas
	• **Serving the Society**
	1) The governor sees that the primary task of a civil servant is to serve the society
	2) "Your worship as a civil servant, our worship as a state apparatus, the worship that would highly expected by public, the highest worship in front of God is to serve the public properly.."
	• **Religious-Based Principles**

	1) The governor often emphasizes that (muslim) religious worship should not merely understood as praying, donating for the poor (*zakat*), and fasting while ignoring the fact that serving the public is also part of (religious) worship
	2) (Neglecting the fact that serving the public as part of our worship) , according to the governor is "dangerous"! Because praying time only requires five to fifteen minutes, meanwhile how long shall we stay at the office?
	3) "It is very dangerous if we do not have any intention to do it (i.e. the public service hour) as our religious worship!", said the Governor
	4) The governor makes this analogy (between worship and serving the public) to internalize this value among the Delta Province employees and expects that this value can be a powerful filter to prevent any misconducts
	5) The governor argues that nowadays it is widely believe that a successful achievement should be started from the value of integrity, the value of hard working, and also from our consideration that providing the best services for public is also part of God worshiping
	6) Such values have been widely accepted as the new values that are believed as the underlying values of performance improvement
	7) It means that such kind values, either called as religious values or other terms, in fact have been recognized (as the prerequisite for performance improvement); even the secular people would also agree with that
	8) During their work, people would need their own spirit, their own belief;
	9) It will be different between an employee who provides the service with a sincere smiling and those with fake smiling (because of it is his/her job to do that); A sincere smiling as a behavior, as a character is certainly distinct
	10) Likewise, an employee who is serving the public as his/her worship or as a means to make others happy would definitely different from another who is working merely to earn some money
ORGZ CHART CRITERIA	• **General Guideline** 1) The governor explains that across provinces the criteria used to create its organizational structure are identical because there is an existing guideline to be followed; e.g. how many units are allowed (maximum and minimum

	2) (according to the guideline) there are obligatory units and optional units;
	
	3) The general guideline is issued by the central government
	
	• **Expert-Based Recommendation**
	
	   1) Suggestions from experts also collected as the basis to develop proper organizational structure for the Delta provincial government
	
	• **Contradictory Direction**
	
	   1) In the case of one-stop service unit at the Delta Province, there are two contradictory directions issued by two central government bodies, i.e. the Ministry of Internal Affairs and the Ministry of Trade
	
	   2) The previous issued a regulation that obliges provincial governments to centralize all types of license issuance under one unit (i.e. the one-stop service unit); meanwhile the Ministry of Trade (represented by The Capital Investment Coordinating Board) followed by issuing another regulation, which obliges provincial governments to centralize any investment-related promotion services under one unit (i.e. Regional Branch of The Capital Investment Coordinating Board)
	
	   3) This contradiction forced the Delta province government to re-unite two separate units that were historically already a single unit
	
	   4) Unfulfilling organizational criteria (as imposed by the central government) may consequently lower the performance rank of the Delta Province Government
	
	   5) Despite the fact that the performance of one-stop service unit at the Delta Province is consistently high, but failure to follow the higher regulation has been the obstacle for them to get higher overall rating
	
	   6) In a case where two central government bodies' directions are contradictory, then the provincial government has to carefully look which regulation is higher than another
	
	   7) In this case, the regulation from the Ministry of Internal Affairs was issued by a ministerial regulation, which is lower than Law issued by the Ministry of Trade; as the solution the Delta Province must obey the direction given by the Ministry of Trade
	
	   8) Technically, the governor believes that either separating or uniting two units within the Delta Province Government is an easy task

PERSONAL IDEAS & STRATEGY	• **Merit-Based Employee Welfare**
	1) Our idea is that employees welfare are determined by their achievement
	2) If their performance are good, their welfare will follow
	3) Providing (better) employees welfare without expecting considerable achievement is meaningless
	4) The governor emphasizes his willingness to implement the merit-based system properly
	5) Employees achievements will be appreciated;
	6) He repeatedly warns that any job promotion process should be free from extortion (or any money-related corruption practices)
	7) He also often say to his employees that for the governor himself promoting and firing people are both easy
	8) Good employees will be kept, and bad employees will be replaced by another quickly
	9) The governor believes that by improving employees welfare, the supervision will be better
	10) Mainly because employees no longer need to look for side-income (e.g. other nonrelated activities, illegal job, etc) and thus can allocate greater focus to work properly according to the existing regulation corridor
	11) The governor believes that employees welfare is highly correlated with employees performance
	• **Tighter Supervision & Control**
	1) As the main prerequisite for change, the evaluation/control has to be strict
	2) By implementing strict control, all employees will move
	3) Strict control is necessary to ensure that anytime an obstacle appears, we can always find a solution
	4) It is quite common that when employees face some obstacle during a programme implementation, then everything will be stagnant;
	5) Proper control is required during planning phase and implementing phase of programmes
	• **Working Hour**
	1) The governor often emphasizes that the regular working hour is only applied for the staffs level
	2) Meanwhile for the Echelon Staffs (Higher Level Officials), they have to standby 24 hours
	3) For instance, if due to various existing ceremonies, it is not possible to organize a meeting during the regular office hour, then the meeting can be organized after the regular office hour (e.g. at 8 pm, 10 pm or early in the morning around 5/6 am after the morning praying)

	4) The governor does not want the limited formal working hour becomes obstacle for the higher level officials to solve problems 5) If the leader (i.e. the governor) wants to do it that way, then who will not follow?
CURRENT CULTURE	• **Roles of Local Philosophy** 1) The roles of the local philosophy (*Silih Asih, Silih Asah, Silih Asuh* and *Gemah Ripah Repeh Rapih*) are quite significant in shaping the administrative culture among the delta province's public employees 2) However, the governor argues that beautiful nature and cultural rich owned by the delta province can also be an indulgent trap 3) Beautiful nature and friendly society should ideally encourage us to work harder in order to utilize its nature of beauty and hospitality 4) Both conditions (beauty and hospitality) could trap the society to be lazy and merely enjoying the given nature 5) Such potential, if further elaborated and by introducing innovation or cutting-edge technology, can be useful to produce more benefits for the life of the delta province society 6) The governor emphasizes that it is very essential to ensure that, in achievement context, no one is allowed to stay in their comfort zone 7) If someone feels comfort with his/her achievement, then he/she has to find another discomfort as a way to find his/her new comfort zone 8) The local philosophy should be understood only as psychological or togetherness context, but not as a trapped context that makes us inactive because of the comfort feeling • **Four Types of Culture** 1) All four types of culture are required; 2) Collaboration is essential because it is impossible to work alone; 3) Being creative is important because without creativity there will be no progress; 4) Controlling is crucial because without proper control employees may be negligent, lazy, and uncontrolled; 5) Competition is also necessary because competition is also part of the way to gain higher achievement

	6) None of them is more dominant than another, all of them must go hand in hand
	7) All four types of culture can be incorporated into the business process category, including acknowledgement for the higher achiever, which is one of our way to stimulate (employees) achievement
	8) The controlling culture, which is theoretically dominant within bureaucratic setting, is also evident, but if the creative side of employees is encouraged then the creativity will eventually emerge;
	9) The creativity in bureauratic setting must be placed within the predetermined "Main Duties and Function" (*TUPOKSI*) corridor.
	10) In general, the governor believes that creativity is something positive

EMPLOYEES INVOLVEMENT	**Employees Involvement**
	• **Leader's Influence**
	  1) If the leaders want to change, then the staffs will follow (their leaders) to change
	  2) The leadership factor is very influential (for determining successful change initiatives)
	• **Innovative Staffs Are Required**
	  1) stimulus to encourage the employees to become more innovative persons is required
	  2) In addition, it is guaranteed that being innovative is something positive and highly valued

COMMON PROBLEMS	• **Weak Innovation**
	  1) Without directive order (from higher level officials), there will be no programmes, no innovation
	  2) A general weakness owned by Indonesian bureaucrats are related with low innovation; they just do what they are told to do
	  3) Therefore, stimulus to encourage the employees to become more innovative persons is required
	  4) In addition, it is guaranteed that being innovative is something positive and highly valued
	  5) Innovation is encouraged and so the controlling activities
	  6) For big programmes, controlling is conducted by establishing time schedule which includes information on "When will it start", "When should it end?", and "How many steps are required to achieve the goal?"
	  7) If a certain programme was failed during its first stage, then they have to explain what will be the alternative steps

	8) Without proper controlling, the governor presumes that many scheduled programmes would not be executed
	9) His staffs have various excuses for their failure, therefore controlling is exhausting especially considering lots of existing programmes
	Provincial Government vs Ministry Office
	• **An Indonesian Miniature**
	1) Provincial government is a miniature of Indonesia because it includes various working areas, ranging from agriculture, health, education, until social
	2) Meanwhile a Ministry Office is only responsible to one particular area, and thus despite its higher volume, a ministry is more homogeneous
	3) At the provincial level, the working volume is smaller than the ministry, but more heterogeneous; it is the same as the central government in general
	Resistance for Change
	• **Employees Resistance**
	1) The governor argues that employees resistance for change is not an obstacle in his province because the expected change would not bring any harm to others
	2) "Senior vs Junior" issue is not a considerable obstacle because job promotion system is merit based
BARRIES FOR SUCCESSFUL REFORM	**Reform Obstacles**
	• **Stagnancy Issues**
	1) In response to the existing public pessimism toward the outcome of administrative reform (i.e. will a reform really transform bureaucrats?), the governor believes that the only way to response it is by providing real evidence that some considerable changes are possible and exist
	2) Citizen can prove themselves, for instance if prior to the reform, the process of issuing various licenses was complicated and long, now it is not
	3) By providing real evidence, slowly but surely the public will start to believe
	• **Human Factor**
	1) The main obstacle is the human's resistance for change
	2) If they are not forced, encouraged, and stimulated to change, then human will tend to be resistant toward change because they have already in a comfortable zone

	3) Therefore, it is important to introduce a certain psychological atmosphere that a "comfortable zone" is not necessarily a "good zone"; and we introduce the potential to turn an uncomfortable zone into a much more comfortable zone 4) Employees, who are reluctant toward change, are exist, but by conducting continuous change and continuous encouragement, they can completely change
EXPECTED OUTCOMES	• **Best Service Performance** 1) The expected outcome of reform is top achievement in various forms, particularly in public service sector and how it could bring bolder and faster welfare impact to the society 2) In the end, the micro standard would be used to determine what we have done in public service, i.e. how much could we make our citizen happy, how much could we increase public welfareness, how much could we reduce the poverty, how much could we decrease the unemployment rate 3) Therefore, the success indicator has to reach the micro level, not only at the macro level 4) The problem with the current economic indicators is that it often based merely on the macro standards while neglecting the micro standards; e.g. the revenue is increase, PDRP is increase, personal capital revenue is also increase, but the poverty still widely exists. This is a problem because the macro finding is not consistent with the micro finding 5) What we expect is that when macro economic indicators are rising, then at the same time the poverty and unemployment are also significantly extinct 6) This is our problem now: the macro indicators are in fact not inherent with the micro indicators 7) Considering this situation, in the future indicators of successful government should synchronize both macro and micro indicators, which at least characterized by two important achievements: The poverty and unemployment rates could be both decreased significantly

Head of EPRO2

Main Aspects	Key Points
TYPES OF CHANGE INITIATIVE	• **Creating SOP for Service Delivery** 1) At the very beginning of her tenure period in 2010, the first thing that she did was to create SOP (Standard Operating Procedure) for service delivery 2) In service delivery, EPRO2 differentiates two types of service recipients either the customer, or the user. 3) Customers are various institutions (also known as "agency") that actively use the services provided by LPSE e.g. the government of Delta Province, procurement service units at the Delta Province, agencies, universities, and state-owned companies • **Implementing ISO Standards** 1) EPRO2 also tried to implement various ISO standards, i.e. ISO 9001 in 2011; ISO 27001 (on security system) in 2013; and at the time when the interview was taken, ISO 20000 (on service management system) was about to be implemented 2) By implementing these ISO standards, the head of EPRO2 tries to emphasizes that the (main) orientation of EPRO2 is to improve the service quality for users and customers • **Clarifying Distribution of Tasks** 1) Another change initiative conducted at EPRO was to clearing up the duties, responsibilities, and authorities of each responsible officers (as mandated by the governor's decree) 2) Besides regulating "the structure", the governor's decree on TUPOKSI of EPRO2 also systematizing tasks and functions of officers 3) The officers working at EPRO2 include: help desk, verificator, system administrator, and network administrator • **Recruitment System** 1) At the very beginning of her tenure period, the director of EPRO2 did not have an staff, besides four structural employees 2) Therefore, she recruited the required staffs from several institutions 3) The recruitment process was quite long (due to the centralized recruitment process at the central government)

	4) Fortunately, in February there were civil servant candidates moved to "the Communication and Information Office" (the parent organization of EPRO2) 5) The most important recruitment criteria: all candidates have to possess particular interest in the types of work available at EPRO2 6) In general, the recruited employees are 'computer literate'; therefore there was no resistance toward the daily use of computer that commonly experienced by other agencies 7) "They feel passionate in what they are doing" (related with computers)
SIGNIFICANT HISTORICAL EVENTS	• **USAID Culture is not significant** 1) The culture brought by USAID (during early stage prior to the EPRO2 establishment) is not too influential because USAID officers were not coming everyday; 2) Their main task was simply to facilitate meetings before the EPRO2 has its own (organizational) structure 3) The formation team was the one in charge to think independently on what to do next 4) USAID support was gradually stopped starting from 2008; the team was established in 2009; and USAID totally withdrew in 2010 • **New Head Sections** 1) At the time when the EPRO2 was just newly established, all the higher officials were new people, except the director herself 2) The (lower) staffs expected that their section head would be more competent than the staffs, and could responded quickly 3) In the case where the section head were responding slowly, there would be many unfinished jobs 4) (As the result) the staffs would grumbling about these unfinished jobs 5) In response to such situation, the director would propose a replacement to higher level officials 6) Therefore, all friends (i.e. staffs) could see how the director may react toward under-performing employees, and that could also happen to them 7) The head of EPRO2 emphasizes that "They were moved, but not fired. They would remain in another office at the same level" • **The Value of Integrity**

	1) When she sees that a breach of discipline occurs, and it can potentially harmful the institution, particularly with the services, the director would request for an employee replacement
	2) Such situation was happened once, and the director believes that all friends would notice (from the director's response toward the case) that at the EPRO2 the employee's integrity is essential
	• **The Influence of Islamic Atmosphere**
	1) The director believes that the influence of Islamic atmosphere (as introduced by the Governor) can be felt, though it may not always be visible, but all friends have understood about it
	2) The director emphasizes more to her friends that "our organization is based on knowledge and faith".
	3) Knowledge-based means that we always put our effort to gain more knowledge
	4) Anytime new theories in the field of public services are being introduced, then we will (try to) implement it
	5) Faith-based means that "In doing our job, we must do it sincerely, not (merely) focusing on the reward. We are working sincerely to serve the customers at our best"
MANAGEMENT PHILOSOPHY	• **Positioning Customer as Respected Citizen**
	1) First, providing service is indeed our primary task
	2) Furthermore, the users are placed as the citizen that besides being served, and treated respectably, we also need to educate them as well
	3) Considering that the services provided at EPRO2 are for free, they (citizen) often obtruding their own interests, e.g. when the EPRO2 officer has clarified that their documents are not complete, then they would starting to mention some of the higher level official's name (whom they claimed a close relative)
	• **Equal Treatment for All**
	1) "The EPRO2 officers treat all equally; none is more special than others because everyone is special"
	2) "We always emphasize to all friends that the customers have to be served properly as respected citizen, the owner of the country. However, they also need to be educated by us. The way we educate them is through discipline, respecting the regulation, and so forth"
	3) At the early period, when the security system was not ready, violence or threats were often occurred, but now the situation has been relatively more under controlled
	4) Customers walking out angrily is still happening now

ORGZ CHART CRITERIA	• **Identical Organizational Structure** 1) The organizational structure of EPRO2 is generally identical (with other EPROs) 2) The structure is determined by the Bureau of Organization (at the provincial government) 3) LKPP (the parent organization of EPRO at the central government level) also regulates that, at least, EPRO's organizational structure should consist of coordinator, verificator, helpdesk, and administrator 4) The director was very involved in the organizational process to produce the current EPRO2's organizational structure • **Structural Change Is Not Required** 1) The director argues that considering the services provided by EPRO2, the current organizational structure is quite ideal 2) She feels fine with the structure; 3) There was no conflict, especially because she believes that all of the authorities are clear
PERSONAL IDEAS & STRATEGY	• **Open For Ideas** 1) The director of EPRO2 feels that she always open for any ideas that come from her colleagues 2) The initiative to change the flow of services is an example of initiative proposed by her staffs; 3) At the early phase the idea was discussed and portrayed, before agreed at the final stage 4) The director would like to encourage a very open and democratic atmosphere for communication 5) Related with staff management issues, she introduced communication via mailing list considering the limited time to conduct meeting at the office, particularly with an intense service hour 6) Starting from 9 a.m. all staffs have to be ready at the service area; therefore any issues that require intensive/long discussion will be discussed in the mailing list • **Service of Excellence Workshop** 1) EPRO2 also conducts internal "Service of Excellence Workshop" to improve the service quality and employees ability to deal with user/customer • **Feeling of Togetherness** 1) The director emphasizes more on 'the feeling of togetherness' at the office especially considering that the number of employees working at EPRO is relatively small, besides all have already known and very close to each other 2) Most of employees have been working at EPRO2 since 2010;

	3) There are two employees who decided to leave because they did not feel suitable with the (working) situation
	4) The first employees was decided to leave mainly because "he is not ready with IT jobs"; therefore when others were busy, he kept thinking "what should I do"; when others feel free to make opinion, he felt that "who am I to propose an argument"; furthermore the image of EPRO2 as the reference point for other EPROs in Indonesia also felt as burdened to him because he think that he could not provide (satisfying) answers
	5) The second employee decided to quit because he felt that "togetherness" atmosphere was not for him;
	6) Both of them made a request to quit
CURRENT CULTURE	• **Enthusiastic Employees**
	1) According to the director, the employees working in EPRO2 are very enthusiastic (about the work they have been doing);
	2) Mainly because they fully understand the position of EPRO2 (as a public service unit) and what would be expected by the customers
	3) For the director, the main working principle at EPRO2 is employee's passion; that they feel happy to do it
	4) "I always emphasize to all friends (employees) what's important is that you feel happy here. Because happiness feeling can be a trigger for creativity. That everything is done without being obliged (to do that)"
	5) (As an effect of this happiness feeling) many initiatives that happen beyond director's expectation
	6) The director herself would like to foster a familial culture
	• **Predominant Collaborative & Creative Cultures**
	1) The director believes that the collaborative and creative cultures are the primary culture at EPRO2
	2) The controlling (culture), especially related with the information security issue, is also implemented; that all is multilevel in nature, hierarchical in term of management system
	3) Because any violation of the system would eventually lead to customer's complaint, therefore all must obey the rules
	4) The competitive culture is not too dominant because the tasks are very specific, and instead they tend to be interdependent to each other

	5) If, for instance, one employee were sick, meanwhile a training class should be done, then the helpdesk officer would do a double job as a trainer; 6) The trainers, anytime they have something new, e.g. after attending a training or new software application is introduced, then all employees will be gathered to hear their knowledge sharing
EMPLOYEES INVOLVEMENT	• **Employees Involvement is Demanded by ISO** 1) The director believes that the employees must know and being involved in every decision; 2) The director thinks that what they always do in EPRO2 3) It is also demanded by the ISO; not only employees, but the clients also need to be informed on our policies; 4) Therefore, everytime a policy change were made, they always try to get everyone involved 5) The meeting with employees is conducted twice a day (i.e. morning and afternoon) from Monday to Friday even when the director herself were absent 6) The meeting leader is rotated among employees
COMMON PROBLEMS	• **Double Tasking** 1) The most common problem occurs at EPRO2 is related with the workload; 2) (Due to limited number of staffs) the employees need to maintain double tasking, e.g. an employee who is mainly responsible as a helpdesk or verificator, also cover the job of treasurer 3) It has been found that the additional job is time-consuming 4) The director argues that double tasking (to some extent) is good, but in current situation two jobs are ideally conducted by two different persons (despite some employees could manage their double tasks successfully) • **Employees who cannot work as a system** 1) Several staffs are described as "difficult to move forward, to understand the situation and the common objectives" 2) They seem to be "autistic" and fail to understand that an instrument is connected with another 3) For instance, when others are busy when the server were down caused by a power outage, they would not do anything 4) They only thing that they know is that the electricity is not available and that's it

	5) Meanwhile others try their best to do something to ensure that the services can get back in line immediately
	6) As a response to these kind of staffs, the director usually provide general feedback during morning or afternoon meeting to describe the case
	7) In addition, the related staffs also called and explained that it is very important to 'think as a system"
BARRIES FOR SUCCESSFUL REFORM	• **Good Internal &External Supports**
	1) The director believes that internal reform obstacle does not exist, especially considering that EPRO2 is a relatively small institution
	2) The supreme leader (i.e. the governor) is also very supportive
	3) In addition, she also feels that external support (for EPRO2) is good
	4) The support can be seen, for instance, from the budgeting issue; When there is a request related with services, e.g. infrastructure, it is always fulfilled
	5) From structural and regulation perspectives, everything is still under control;
	• **Inadequate Support for Apps Utilization**
	1) The director feels that the utilization of supporting applications (provided by EPRO2) does not adequately supported by other (institutions/agencies)
	2) The main application (related with e-procurement) has been widely used, but supporting applications, e.g. SIRUP (*Sistem Informasi Rencana Umum Pengadaan/*Information System for General Procurement Plan), are rarely used
	3) Actually the agency that responsibles to encourage other institutions/agencies to use SIRUP is ULP (*Unit Layanan Pengadaan/*Procurement Services Unit), but they do nothing
	4) Although the director has tried her best, it is quite difficult to communicate (with ULP)
	5) (As another example of inadequate support from other institutions/agencies) EPRO2 organizes practical training to use the E-Monev application, an application which should be used by Bureau of Development Administration (*Biro Administrasi Pembangunan*)
	6) However, the director found that it is difficult to encourage the Bureau of Development Administration to use the E-Monev App so they can get various benefits from it
	7) Finally, the director decided to take the initiative and visit the respective agencies and explain the importance of using SIRUP/E-Monev, including the potential benefits

	8) EPRO2 mainly responsibles as a 'user management', prior to facilitating further assistance each institution/agency has to be encouraged to 'log in' and fill out (the required form) 9) The director feels that it is quite difficult to convince them that the adoption of related apps will make their job easier • **Resistance for Change** 1) It seems that these institutions are reluctant to change 2) "We feels like we are pouring our efforts down the drain" 3) This year EPRO re-organizes the practical training as it was last year 4) "Probably, because we (EPRO2) are moving at a fast pace, while others are delayed
EXPECTED OUTCOMES	• **Higher Citizen Trust in Government** 1) It is expected that, by implementing various administrative reform initiative at EPRO2, the citizen trust in government will increase • **A Good Image for the Delta Province Government** 1) The citizen would start to believe that a government institution with good services does exist; this can be a good image for the Delta Province Government • **A Proof of Real Reform Implementation** 1) "We also expect that the citizen would start to think that 'I see. Now I believe that the reform can be implemented.. that there is an institution that could implement things they really want" 2) Generally the citizen always think that the (government) apparatus cannot be changed, rigid, corrupt, the service quality is poor, grabbing (illegal) money, etc. 3) EPRO2 is trying to show that they are not (part of those negative apparatus) • **Requirements for Higher Performing Institution:** 1) The director believes that 'old institution' is not the issue, it is more about '**the right people**' 2) According to her, figure still remains as an important (factor) 3) She believes that the success story of EPRO2 is: "the right people at the right time, and also synergy between actors" 4) And coincidentally, the highest official at the province is also supportive 5) The director also recruited the **right employees who feel happy with their jobs**

	6) Some friends who seems 'undeveloped' at their former institutions, here at EPRO2 they could **find their potentials**, e.g. at the former institution they were merely inputting the data monotonously, at the EPRO2 those who have no experience on being a trainer now stand in front of the class and being invited as speakers by other institutions
	7) Therefore at EPRO2, **their latent potential can come out through room of creativity**, e.g. those whom at their past institution were only maintaining the institutional website, here could be challenged to develop reporting system that can be updated every second
	8) The director **keep challenging her friends and asking them to express their ideas**
	9) The director always emphasizes that **EPRO2 should manage itself independently, without being dependent to other third party** and therefore the employees must train and develop themselves
	10) **She encourages them to learn**, even she invites people to train them
	11) As a sum up (the required success criteria are as follow): **Being Passionate, Feel Happy, and Comfortable with Their Jobs**
	• **The Importance of Understanding Technical Issue**
	1) The director feels that its parent organization at provincial level is quite difficult to be changed mainly because the third echelon's higher level official do not attempt to understand on technical issues (i.e. they tend to rely on their staffs)
	2) The director emphasizes that she must understand the technical issues, mainly because these technical aspects may serve as a basis for a particular decision
	• **Learning from The Staffs**
	1) "I always tell them that I learn from them"
	2) Therefore the employees would feel that providing information is very essential for the decision making process in this institution
	3) "Anytime I feel like I don't understand, I wouldn't be hesitant to ask them. Please show me these technical issues"
	4) "By doing this, all my decisions is clear"; e.g. the main reason why we need to add one extra server for 1 billion rupiah next year would be taken from staffs' explanation

	5) Some third echelon officials who are dealing with IT matters also think "All technical things should be done by staffs (i.e. they do not need to know anything technical)", despite the fact that in such case, the boss would ask "why do we need a new expensive server?"
	6) "If we don't know about something, then it's not wrong to asking for explanation from others"
	7) The director argues that the communication with staffs who are dealing with technical matters have to be continued because the decision authority always be at the leader's hand

Head of ONESTOP2

Main Aspects	Key Points
TYPES OF CHANGE INITIATIVE	• **Responding Citizen Expectation** 1) The Head of ONESTOP2 believes that his institution is has properly responded to citizen's expectation 2) All required procedures (to fulfill the expectation) has been followed, including among others, providing child care service area and nursing room, as well as adopting related procedure for permit issuance services 3) (As an evidence) ONESTOP2 has successfully gained the first rank on customer-based public service appraisal 4) However, (despite its outstanding achievement) ONESTOP2 is still trying to conduct self-reflection (as a way to consistently improve its performance) 5) At this point, (considering its general achievement) the Head of ONESTOP2 believes that his institution only need to focus on improving the ongoing indicators • **Centralized Permit Issuance Services** 1) Prior to 2008, all permit issuance services were distributed among various regional agencies 2) During that period, the controlling power (i.e. "the game between the permit issuance service provider and customers") are fully under the respective responsible agencies, therefore the bribery practice was occurred 3) A significant change started to be recognized once all these permit issuance services were merged (under one agency)

	4) As a consequence (following the service merging) the controlling effort to anticipate any misconducts is much easier than before, i.e. it is more convenient to control a single agency than lots of units
	5) The governor himself also responded quickly by requesting partnership with KPK (Indonesian Anticorruption Commission), henceforth all ONESTOP2 activities are (directly or indirectly) watched by KPK
	6) The Head of ONESTOP2 describes the current situation, "Besides God's continuous surveillance, we (employees) are also told not to play around.. because KPK has installed various monitoring tools in unpredicted places"
	7) Under such situation, he believes that if an employee still has the courage to do any misconducts then he is very reckless
SIGNIFICANT HISTORICAL EVENTS	• **Improvement-Oriented Governor** 1) ONESTOP2 was established in 2008 by the time the acting Governor was elected, therefore he is very responsive (to ONESTOP2 existence) 2) Under the current Governor leadership, the Head of ONESTOP2 can feel a tangible "eager to move forward" atmosphere; 3) (As recognition for his progressive work) the Delta Province Governor has received more than 140 acknowledgements 4) The Head of ONESTOP2 argues that the Governor is very supportive to any improvement demands regardless of the cost required 5) He believes that such tangible support shown by a Governor was never happened before 6) Therefore, based on his observation, the current governor has an intention for improvement 7) He personally feels that by witnessing governor's support for improvement, therefore he feels comfortable • **Transformation to A One-Stop Agency** 1) "The transformation (is a significant historical event). Services that formerly scattered (among several agencies) were centralized (into one single agency), this created a euphoria which raised up their spirits" 2) "I saw that they seemed happy probably trying to compile various permit issuance services scattered among agencies"

	• **Roles of Public Demand & Governor's Direction** 1) "In my opinion, the staffs were very sensitive (toward the change plan).. in other words, such changing may occur because of (public) demand" 2) "Without such public demand, I don't know whether such changing (into one stop service agency) may took place or not. OnlyGodknows".
MANAGEMENT PHILOSOPHY	• **Make It Done with Ourselves First Before Expecting Others** 1) "I always have a theory, if we expect others to be friendly, then we shall be the one who take the initiative to become friendly with others.. More appreciation will come, when we also appreciate others as much as we can. Therefore, do not expect to be respected by others, if we do not put any respect to the others" • **The Value of Networking and Cooperation** 1) Networking and cooperation. Networking among agencies at provincial level. 2) Both are integral parts (of the institution); Networking means that one cannot be separated from another, also in the administration field 3) (Building networking and cooperation) with other agencies is something that continuously worked on, and such difficulty is not an issue merely faced by ONESTOP2 4) Almost all agencies experience the same issue, and even the governor himself can feel it 5) ONESTOP2 institution cannot perform without support from other agencies either internally or vertically, regencies or cities 6) ONESTOP2 also organizes regular meeting with various agencies
ORGZ CHART CRITERIA	• **Regulation-Based Structure** 1) The organizational structure (was created) according to the regulation issued by the Minister for Internal Affairs (Permendagri No. 20/2006) and the local regulation (Perda No. 24/2008). 2) The structure was adopted from the aforementioned regulations 3) The regulation imposes to reduce permit issuance bureaucracy, so that it would not be too complicated and long; 4) Such structure seems to be the most ideal structure: a slim structure, but functionally rich

PERSONAL IDEAS & STRATEGY	• **Leading By Example** 1) Various measurements, including the employees disciplinary program, have been currently implemented 2) At this point, the Head of ONESTOP2 only tries to lead by example because the leader necessarily would become a role model 3) The most simple thing that he shows to the employees including, among others, 'to arrive on time (at the office)'; and shortening the business trip • **ONESTOP2 as A Better Example** 1) The head of ONESTOP2 thinks that in general everything has been relatively better than BKPPMD (another institution he led by the same time) 2) The only thing to continue is to make improvement in disciplinary and honesty issues
CURRENT CULTURE	• **Honesty and Discipline: The Leader's Expecting Culture** 1) "The culture that I expect (to be exist at ONESTOP2) is as always been directed by parents: first, honesty.. discipline.. if we want to step forward, then the smallest thing to be known: if we want to be trusted by others, if we would like to step forward, become somebody.. then (we must) practice honesty and remain discipline" • **Existing Culture as Viewed by The Head of ONESTOP2** 1) "The existing culture here is quite good. Though there are still possibly several, one or two aspects (to be changed)..and those still need to be clarified, which of them who remain dishonest, and which are indiscipline. From 91 staffs, I believe not all of them possess such (negative) attitude". 2) "Therefore, I think that the current situation is still acceptable, may be some of them do have some (negative attitude), but I believe the percentage is very low" 3) "From my own observation and what I feel, generally all people have been already (done their job at best). Because, as I said before, the job circulation is already clear. In addition, their disciplinary level is already very remarkable" 4) "Therefore I believe the reason why the motto "PANTAS" was picked up (for ONESTOP2), Professional ("P"), we always organize training to improve our professionalism, and (such intention) is always spoken (to the public).. Accountable ("A"), in other words, measurable."

5) "This motto has become the source of motivation for all friends here to (do their best)..by practicing professional value, as I said they are already, trying to be professional.. Furthermore, by implementing accountable value, at the same time the staffs are always face-to-face with the public. Therefore, when there is a delay (in service process), then the public will make a direct complaint. Such situation has become a natural encouragement for all the staffs here to do their best"

6) "In a case when a potential delay may occur due to my official trip, while on the other hand, the customer urgently needs the permit.. I would force myself to visit the office at night to finish all required signatures. Because I also appreciate what has been done by all friends. It is intolerable if I ignore it, especially when it relates to public interest".

7) "Here (at ONESTOP2) because of public encouragement, there is no other choice other than (we have to provide services properly).. (If public expectation were not fulfilled) many people would be protesting. Considering this situation, not any single friend here dare enough to do something out of the line. In other words, we have to try our best to ensure that there is no delay at all. The problem may appear when other responsible agencies think that further field investigation is required.."

- **The Influence of Local Philosophy**

1) The local philosophy of Delta Province does influence the institutional culture of ONESTOP2, according to the Head of ONESTOP2

2) "In one side.. I realize the situation is quite funny. In one side we have good local philosophy and implemented in an agency like ONESTOP2 because of public stressing. *Silih Asuh.. Someah Hade Ka Semah..*We need to keep smiling..this philosophy internalizes ourselves to deliver the best services. However, on the other hand, I see that the societal life is contrary.."

3) "There is the so-called *Kabayan* philosophy. In other words, *Disesarung Ge Udah Enak Kok* (simply by wearing the traditional wear *Sarung*, the people can already enjoying their lives)"

4) "The vice governor once said, despite in some regions there are many factories, but why the unemployment rates on that regions remain high? Because the local people from the regions do not work in the factories. He said that possibly for the people in the Delta Province, wearing *Sarung* is more than enough.. that is (an example of) the negative impact influence by the local philosophy"

5) "Here if a staff improperly treats the citizen, who applies for permit, then we (ONESTOP2) would clash with the citizen. We should avoid any potential clash with the citizen. As the Governor always remind

us, *Cik Atuh Kudu Rada Senyum* (please maintain smiling in our face while dealing with the customers!)"

6) "The Governor wants to replace the bad habits in the Delta Province and encourage to practice more good habits"

7) "Here at the Delta Province.. (the people) do not want to come forward.. in other words, some people said that it is very difficult to find information on the list of smart people here in the province. Meanwhile the database (of smart people) from other provinces are easy to be found".

- **Regulation-Dominated Culture**

1) "The proportion of Collaborative culture may relatively bigger than the proportion of creative culture"

2) "The regulation (i.e. Controlling Culture) is expectedly to be the most dominant (culture). Because everything here relates with SOP (Standard Operational Procedure) and public services".

3) "The regulation is already given and accordingly that is what we perform. Therefore, (such culture) may have the largest proportion. Then, the Collaborative culture may become afterwards as the second (largest)"

- **Equivalent Competitive & Creative Culture**

1) "The competitive and creative cultures, I assume, may have equivalent proportion at the bottom"

2) "The creativity, in particular, is part of the things that we continuously emphasize in our friends' minds..to produce some breakthrough on everything that seems requires improvement. This cultural part might still need some more time (to be grown)"

- **Competitive Spirit Cannot be Seen as Creativity is Hindered by The Regulation**

1) "Competitive.. Considering that this institution is the first agency which responded the necessity (to have a one-stop service agency) back in 2008, the competitive (culture) is therefore inherently (part of the institutional culture)".

2) "However, it could not become the predominant because of the (existence of) regulation (culture)"

3) "...However, the competitiveness spirit may not clearly visible because we are shaded by the regulation even though competitiveness has become (essential) part of the job"

4) "Because the creativity collides with the regulation. (It may say that creativity belongs to) the art workers..because sometimes creative skills iscomparable with them. Probably it (the creative culture) is inherently there, but it cannot be (significantly) felt".

	• **Various Awards Winning as A Proof of The Competitive Spirit Existence** 1) "In addition, competitiveness can be also seen when we try to make comparison with another provinces. This maybecomemotivational sourcefor all friends" 2) "And thanks God that I believe that competitive (culture) is already inherent.. without neglecting the fact that this institution has successfully won several awards (for its outstanding performance)" 3) "Since the early period of its establishment until now, ONESTOP2 has never been absent from winning various awards given by the central (government). I believe that awards are naturally come because of the existence of the competitiveness spirit. Without such spirit, it would not have been possible for ONESTOP2 (to obtain such achievement)" • **Creativity has been Part of The Job** 1) "As example for this creativity issue.. We may particularly need an IT system.. Thanks God we have already developed the so-called SIMPATI (Integrated Permit Issuance Service System) for the Delta Province citizen. It was developed by our four colleagues with IT-related academic background. And thus we can develop it independently without assistance from external experts" 2) "What has been done by the colleagues here to support services and permit issuance, including among others.. We opened four service outlets (in four different cities). That can be seen as an example of our creativity". 3) "In addition, we also have an SMS automobile (self-service). This is another example of creativity to reach out the people in remote places. Furthermore, we also organize public campaign through local radio station, every Friday for one hour long. It may discuss diverse topic related with permit issuance matters". • **Creating Dynamic Move** 1) "Creating dynamic move. That's what we need in my opinion. Because here (at ONESTOP2), it should be more than just performing routine work only"
EMPLOYEES INVOLVEMENT	• **Not a One Man Show** 1) "I am a new person, who just recently entered here (ONESTOP2), I met with Mr. Ateng (the second man in-charge), who is already familiar (with the working situation at ONESTOP2). Therefore, the involvement of all friends is very substantial"

	2) "(Such involvement) means that (within the ONESTOP2) policy shall not be merely made by the head or the leader, but the involvement i.e. the participation (of employees) is always required" 3) "..The relationship between the superior and the employees (are maintained) by providing feedback to each other in such a way that all of us is listening to another. No one would feel that either the superior or the subordinate is absolutely right" 4) "And I feel that as a new guy (at the institution), I should not feel as a pretentious person. I would prefer to try and see.. If I see something that is not quite fit, then I would let them know that it does not meet my expectation. In the contrary, if something is good, then why should not we keep on it"
COMMON PROBLEMS	• **Mindset Problem** 1) The Head of Onestop2 argues that the mindsets owned by the senior members are extremely difficult to be changed 2) According to him, the employees' mindset in general can be categorized into two poles: (those who are eager to get promotion based on their hard work) and those who believe that without any hard work, simply by attending the office, they will be (automatically) promoted • **A Problematic Senior Employee** 1) An employee, who acknowledges himself as a senior employee that contributes as one of the founding father of ONESTOP2, seems to feel that what is done by others is always wrong 2) The Head of ONESTOP2 argues that the fact is contradictory (to what the aforementioned senior employee thinks): This senior employee is very difficult to be invited to a coordination meeting; he will attend the meeting only when the head of ONESTOP2 is also attending the meeting, and will absent when the leader is not there 3) At the earlier period of ONESTOP2 establishment, there were three persons who claimed as the founding father of ONESTOP2; based on some recommendations the other two had been moved (to another institution), but one of them is still working at ONESTOP2 and now he has become a serious obstacle(for the institution) 4) The Head of ONESTOP2 received various internal and external feedbacks about this senior employee, including from the agencies that place their technical team members in ONESTOP2 and working under the abovementioned senior employee

	5) In addition, the Head of ONESTOP2 also found that the senior employee reported him to his superior, which made the boss realized that all persons who ever hold the position (as the Head of ONESTOP2) are always incorrect in front of this senior employee's eyes • **Misuseof Business Trip** 1) The head of ONESTOP2 believes that the supervision of employee's business trip is still weak; 2) (It is quite common that) the employees are going for business trip for two or three days, though the real work requires only one day 3) (As a leader) he would like to show the employees that he does not deign to such misconduct 4) He demands that every time his subordinates would like to do a business trip then they have to inform him in advance in order to ensure that everything is clear 5) He admits that business trip is quite difficult to be monitored, i.e. to investigate whether they really do their works or not, because normatively they would submit a report; 6) In some cases they just 'copy paste' earlier business trip report and revise some points (e.g. location, targeted institution, etc)
BARRIES FOR SUCCESSFUL REFORM	• **External Obstacle for Successful Reform Initiative** 1) The conflict of interest occurs between BKPM and the Ministry of State Affairs has actually been a minor obstacle (for the reform progress) • **Internal Obstacle for Successful Reform Initiative** 1) The main internal obstacle, as I mentioned before, is the senior employee 2) Every time we propose a better system, he always think that we are not ready yet (for new system) and hence cause some distraction to others, in other word this senior employee seems to conduct thing that takes time 3) "As an example, in a situation when I had to go for an official trip to overseas, it is clearly written in the regulation that (the leadership responsibility) shall be delegated to the service division (the division in which the senior employee is in charge of). However, by the time the leadership responsibility was delegated to him, he showed resistance.. Even he decided to report (complaining about the delegation) to the governor's assistant and explained that such delegation is dangerous because of this and that" • **Inability to Move Problematic Staff** 1) The regulation makes it difficult to move problematic staffs

	2) "We have to be extra careful (prior to moving a staff). It should take some other considerations. Therefore, the decision to move a problematic staff is on the hands of governor assistants, the so-called "BAPERZAKAT Body". They will evaluate any suggestion to move a problematic staff" 3) "As the head of ONESTOP2 I just only able to make suggestion. In other words, I do not have the power to move the staff directly" 4) Once the suggestion is received by the Governor, then the BAPERZAKAT will move (to evaluate it) • **Reluctance from Various Agencies due to Money Related Matters** 1) "It is not a simple task to compile the whole permit issuance services into one agency". 2) "There was reluctance from various agencies. It was presumed that every single permit issuance would be closely related to (some amount of) money. This makes it difficult for them to let it go." 3) "However, because the public demanded that way.. and the governor himself also encouraged to that direction (creating a one-stop agency; then the change plan remained to be implemented)"
EXPECTED OUTCOMES	• **Slimmer and Functionally Rich Bureaucrats** 1) The head of ONESTOP2 expects, following a successful reform implementation, that the bureaucracy would be slimmer and functionally rich 2) From the personnel aspect, ONESTOP2 would require around 160 to 170 employees (to perform the requested services), but because of the aforementioned reason and to prevent a long bureaucratic line, ONESTOP2 manages to run with 91 personnel. • **Transparent andCorruption-Free Institution** 1) As well as from the regional public service charge; only two out of two hundred permit issuance services that impose some service charges 2) ONESTOP2 publicizes the (almost) free of charge permit issuance services to become more transparent (to the public) 3) A customer satisfaction survey conducted by an external and independent party reveals that the ONESTOP2's staffs do not want to receive any bribe or gratification

Head of HOSPI2

Main Aspects	Key Points
TYPES OF CHANGE INITIATIVE	• **Change in Working Culture** 1) (Current change initiative) deals with the issue on how to change the working culture related with patient (customer) services 2) Specific indicators for measuring (customer) satisfaction must be clearly defined 3) If customer visit rate is rising, then the hospital revenue will also increase 4) As a consequence (following higher hospital revenue), employees income will increase 5) Higher visit rate depends on what we have done for them 6) "I would like to place the culture as the change foundation" 7) An organizational culture which contains a greeting habit, and creating "Salam" culture 8) The Motto (as inspired by the expected culture) has to be properly implemented in order to gain positive feedback from the citizen • **Remuneration System** 1) By linking the remuneration system with higher income, then the better achievers will get higher than the lower achievers 2) The main idea is how to create an organizational culture that emphasizes more toward entrepreneur culture 3) The BLUD Status owned by the Delta Hospital means that the hospital is managed as a semi-private institution, and therefore the atmosphere is conducive to encourage the employees to become entrepreneurs 4) The pattern of employee's income depends on the pattern of hospital revenue; this condition differentiate the employees working at the Delta Hospital from their colleagues working in other non-BLUD hospitals 5) The funding for paying employees in Non-BLUD hospitals is relied on government allocation; 6) Meanwhile at the Delta Hospital, the employees are paid based on the hospital's original revenue; 7) Their take-home-pay income depends on how good they are working, while their salary is fixed based on their rank level • **Higher Working Motivation Issue** 1) The directors' main concern now is how to encourage the employees to have a higher working motivation

	2) Prior to that, the management leaders have to create comfortable working space and adequate facilities for employees
	3) The comfort must be ensured both for the service providers and service recipients
	4) Comfortable feeling sensed by the employees while providing services and customers' comfort are both equally essential
	5) If all factors to ensure satisfaction have been fulfilled, then the leaders only need to evaluate and asking the expected performance to the responsible employees
SIGNIFICANT HISTORICAL EVENTS	• **Changing Status from Private Foundation to State-Owned Institution** 1) Considering its former status as private foundation, therefore the challenge appeared at the very early stage was to adapt with and to understand bureaucratic regulations; 2) It required some time to adapt regulations which was originally issued by a private foundation 3) However, as an advantage point, the competitiveness level is higher than government institutions in general 4) Mainly because the employees working at the HOSPI2 already have the assumption that they have to work hard in advance in order to obtain something, meanwhile it is widely recognized among the civil servants that despite working or not working all employees will get the same appreciation
MANAGEMENT PHILOSOPHY	• **The Vision of HOSPI2** 1) HOSPI2 is envisioned to become the leading hospital and the first public choice in Delta province, that serves as a reference institution for the surrounding regencies and cities 2) To reach the vision, HOSPI2 needs to gradually replace the current "defensive strategy" with the "stability and internal consolidation" strategy 3) The "defensive strategy" means that HOSPI2 maintains the predetermined motto that reflects the Islamic atmosphere, 4) Meanwhile the "stability and internal consolidation strategy" is an integrated part, i.e. HOSPI2 can be a big hospital when all internal parties are solid
ORGZ CHART CRITERIA	• **Based on Organizational Necessity** 1) The organizational structure at the HOSPI2 was developed based on it organizational necessity, i.e. referring to the organizational functions

	2) The current organizational structure was improved and developed by the director himself, therefore at this point the structure is ideal
PERSONAL IDEAS & STRATEGY	• **Reward&Punishment** 1) Reward and punishment mechanism must exist for managing employees 2) The main concern is when should we implement both in appropriate time and place 3) Therefore, the employees possess measurable performance • **TUPOKSI** 1) To ensure that employees could work properly, then every individual must know what is their main tasks & functions (TUPOKSI) • **Awareness of Individual Potential** 1) The director always emphasize to every employees that all recruited employees must be aware of their potentials, because without potential they wouldn't be recruited 2) After considering that every individual has some potential, then now they need to concentrate on how to show/prove them in reality • **Working Beyond the Routines** 1) Besides emphasizing on every individual's potential, the director also expects the employees to conduct something beyond their routines and produce a memorable achievement
CURRENT CULTURE	• **Implementation Progress** 1) In most cases, most of points described in the motto have been implemented 2) However, the speed of reform is somehow debatable depending on the reference point • **Local Philosophy** 1) In practical level, the local philosophy (*Silih Asih, Silih Asah, Silih Asuh*) does exist 2) The implementation of *Silih Asih* can be seen in the mentorship interaction and multi-stage monitoring between senior to junior level employees 3) The implementation of *Silih Asuh* can be found during discussion forum to collecting feedback from others 4) Therefore, in Delta Province the existence of local philosophy can be sensed • **The Roles of Islamic Value** 1) The director believes that Islamic value is a dominant atmosphere at HOSPI2

	2) It also part of the motto; to become an advanced Islamic-based hospital and competitive to Christian-based hospital
	3) In addition, the name of HOSPI2 also integrates the Islamic value; it means that every employee working in HOSPI2 considers that they are being watched continuously by God, and therefore would not commit any misconducts
	4) Furthermore, the Islamic atmosphere also encourages to treat all patients as part of our family, including for the non-Muslim patients
	5) To the day of interview, HOSPI2 does not have non-Muslim employees
	6) Recruitment process does not explicitly prohibit non-Muslim candidates because the regulation does not allow any discriminative conduct,
	7) However in practical level, in a case where two candidates (one Muslim, and one non-Muslim) possess the same expertise, then the director will preferably choose the Muslim candidate
	• **Four Culture Types**
	1) The director believes that collaborative culture is the most predominant culture currently owned by the HOSPI2, because the Islamic atmosphere also emphasizes collaboration
	2) High collaboration is also expected among employees considering that they meet once a week in Islamic recitation forum, and the nature of their work requires them to be integrative with others
	3) Creativity can be born from individual or group depending on the type of work they are doing, therefore the creative culture is expected to become the second most dominant culture
	4) Controlling culture is integrated within the individual employees because it is already become the "rule of law" for them
	5) In a collaborative working culture, every single individual must work based on the predetermined controlling rules
	6) Meanwhile the competitiveness culture requires some time to be developed, it is the less dominant culture in HOSPI2
	7) For government employees (both civil servants or temporary workers), competitiveness culture is the last one in the sequence (comparing to other three culture types)
EMPLOYEES INVOLVEMENT	• **Customer Satisfaction Requires Highly Motivated Employees**

	1) The director explains that the main expected output following the reform implementation: (higher) customer satisfaction
	2) Therefore, it is very important to ensure that the employees are highly motivated (to achieve the target) and possess the same spirit as the leaders to improve their service quality to obtain (higher) customer satisfaction
	3) In order to make sure that the employees have the same opinion on how to improve the services, the director invites them to discussion sessions and produce a commitment to be implemented;
	4) In addition, citizen feedback on services (e.g. via SMS gateway; written feedback; and customer satisfaction questionnaire) is also part of the discussion topic to reflect on the current situation;
	5) The discussions are organized in multi-level sessions according to organizational level;
	6) The progress of functional and first-line staffs are evaluated once in a month
	7) The director believes by assessing customer satisfaction using questionnaire, the result will be objective because it can generate the following data: how many patients feel unsatisfied with the services they received
COMMON PROBLEMS	• **Caring** 1) Employees need to realize that public service provision shall produce customer satisfaction and comfort • **UnderstandingtheTUPOKSI** 1) Employees need to understand their main tasks and functions • **Integrative Working** 1) It is important to be understood that the main tasks owned by individuals can be conducted collectively; 2) It means that the coordinative factor among employees need to be improved
BARRIES FOR SUCCESFUL REFORM	• **Motivational Issue** 1) The level of employees' motivation is considered as the most common internal factor hindering the administrative reform progress 2) The director believes that motivational issue is related with employees welfare issue, 3) Therefore in order to tackle the problem, the issue of employees' welfare has to be solved • **Understanding of Tupoksi** 1) Approximately 2% of the employees are under motivated to support the improvement programmes; 2) The director argues that punishment is not the best option to handle these low-motivated employees;

	3) Encouraging them to be actively involved (into the programs), properly responding to their opinions; and integrating them into the evaluative discussion level are preferable • **Unsatisfying System Information** 1) The director feels unsatisfied with the current system information 2) He believes that HOSPI2's system information need to be improved as the prerequisite to increase the speed of services 3) According to customer feedback collected via SMS gateway, most of complaints are dealing with the waiting time
EXPECTED OUTCOMES	• **Customer Satisfaction** 1) The expected outcome following the reform implementation: higher customer satisfaction 2) Customer satisfaction variable has to be measurable, mainly through SMS gateway, questionnaire, and customer complaint form