## BUREAUCRATIC REFORM AND THE CHALLENGE OF GOOD GOVERNANCE IMPLEMENTATION IN INDONESIA

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#### Abstract

Bureaucratic reformation is the fundamental structuring efforts are expected to have an impact on changing systems and structures. The system deals with the relationship between the unsure or the element that influence each other and are associated to make a form totally. The change in one element can influence the other elements in the system. The structure relates with the order of who arrayed a regular basis and systematically. Structure changes is also included with the mechanism and procedure, human resources, facilities and infrastructure, organization and organization's environment in terms of the achievement of the efficiency of government bureaucracy. These changes include allowing all of the aspects of the bureaucracy has sufficient capacity to carry out the duties and the basic function. Bureaucratic failure in a term for service the public until now represent poor government both at central and local government level. The urgency of bureaucratic reform in Indonesia is driven by a number of important note. First, the increased apparatus expenditure is caused by increased of apparatus recruitment without unmeasured control. Second, the ballooning cost of democracy (election) affected the floated of local government budget have increased significantly. The magnitude of the election budget and the impact on governmental bureaucracy resulted not ready to close the budget deficit. More than these bureaucracy has loyalty dilemma caused by dispersed of concentration in every election's activity. Third, increased of develop the bureaucratic organization without planning and analysis of the measured trigger financing and recruitment of apparatus that not less. As a result, the bureaucracy in most areas are overload, or even lack in outside of Java. In other side, less of local incomes make dependence to central government, while the local government expenditure is to far from efficiency, even tend to be less controlled due to the high cost of the organization. Fourth, extensive corrupt behavior in almost all public sector bureaucracy encourages lose confidence as a public servant.

*Keywords*: Bureaucratic Reformation, bureaucracy design, local government, Good Governance

## INTRODUCTION

Bureaucratic reform is an effort of basic management expected will make a good result in changing system and structure. System is connected to the relationship among elements influencing one to another and making a totality of purpose, the change of an element may impact other elements. Structure is connected to systematic mechanism. The change of structure comprise of mechanism and procedure, human resource, facilities and infrastructure, organization and climate of the effort of reaching the objective of governance bureaucracy. This changes the whole aspect which make the bureaucracy has an adequate capability in carrying their job description and function. The lack in delivering public service at this time describes the failure of bureaucracy in conducting public administration in both central and local.

Urgency of bureaucratic reform in Indonesia at least encouraged by a number of important things, first, the increase of personnel expenditure caused by the increase in the recruitment of employees without effective control and the enlargement of the organizational structure of government bureaucracy. It can be seen from the results of the evaluation of Indonesia Forum of Budget Transparency (2011), in which 124 local governments tend to use the budget inefficiently. Lumajang is one of the districts in which the apparatus expenditure swelled until 83% of the total budget. It means that more or less 2% of the employees may takes personnel expenditure, the rest 17% is allocated for 98% of the public in the form of capital expenditure and development. Incompetent employee recruitment as well as a tendency to develop organizational structure of

central and local governments to make budget deficit. Second, The high cost of the Election takes local government coffer significantly. Ironically, the election process has never led to a good leadership for the achievement of decentralization objective. The amount of election budget and its impact on government bureaucracy resulted in a bit overwhelmed in controlling the budget deficit. In local level, bureaucracy suffer as a result of the concentration fragmentation of loyalty dilemma in the election. Third, the high arousal state bureaucracy organization fattening without a review of the needs of the organization trigerring the financing and recruitment of employees in an amount to exceed the initial planning. As a result, the local bureaucracy experiencing overload, while in other areas experiencing the opposite, especially in the regions outside of Java. On the other hand the low local revenues created a dependency the central government, while on local government spending away from efficiency even uncontrollable due to the high burden of the organization. Fourth, the spread of corrupt behavior encourage the bureaucracy to lose confidence as a public servant. Fifth, weak oversight resulted in many local governments tend to act consumptive, wasteful, arbitrary and lacked transparency. Overall negative indication is supported also by the bad behavior of the bureaucracy in the service of society as a slow and reactive attitude, arrogance, nepotism, cumbersome, wasteful, work instinctively (instinct), are reluctant to change, and lack of community-driven.

This paper aims to address the problem in several regions in Indonesia are (1) What should be done bureaucratic reforms, (2) whether the challenges faced, and (3) how the design of bureaucratic reform should be carried out in minimizing the spread of the problems encountered?

This paper will try to answer some of these questions by starting from the meaning of bureaucracy and good governance, good governance characteristics, problems and challenges faced in the effort to reform the bureaucracy in the region, as well as strategic efforts to reform the bureaucracy and the implementation of good governance.

The changes are expected to not only incremental but fundamental. It was recognized that efforts to reform the bureaucracy is part of the grand design of creation of good governance (good governance). This concept is expected to be able to bridge a state of poor governance (bad government) towards the establishment of good governance (good governance). Of course the government bureaucracy as an instrument of implementing a major focus of which must be corrected through bureaucratic reform policy.

## **RESEARCH METHOD**

This study is a desk study using historical methods in the form of bibliographic (literature) to gather information relevant to the issues being studied based on secondary data sources that will support the research. Sources of secondary data obtained from scientific books, similar research reports, regulations, various papers, books, and journals relevant to the problems assessed.

## **RESULT AND DISCUSSION**

Coverage of the results of this study include the reform of government bureaucracy, both central and local, though ultimately more displays portraits of local government bureaucracy in Indonesia. However, we understand that the bureaucratic reform at the local government level are part of bureaucratic reform policy nationally.

## Bureaucracy and Good Governance

The concept of the bureaucracy itself commonly refers to the idea Maximilliam Weber (1864-1920). Nevertheless, many developing Albrow bureaucracy concept from different angles. Etymologically, the word comes from the red tape bureaucracy (UK), or burocratie (Germany), burocrazia (Italy) and bureaucatie (France), which means a desk or office. The term was raised again by the French philosopher, Baron de Grimm top notes Vincent de Gournay. Cracy (kratos) itself shows the rule or rules. In another equivalent term is often associated with governance (process), because the government has the power to make rules or even perform the process and sources of the rules in the relationship between the governing and the governed. This statement is at least in line with the mind Gornay and Laski (1930) which then define the bureaucracy as a system of government where the control completely in the hands of officials who came to a certain extent can delay or reduce the freedom of ordinary citizens. Two other examples of assimilation results may be synonymous with the word but there will be discussed such as the concept of democracy and oligarchy. If the source of power comes from the people commonly called democracy. Similarly, if the power source is controlled by a group of smart people (professional) commonly known as the oligarchy. In fact, through a provocative sentence Michel (1962) states that those who talk about the organization, must talk about the oligarchy. At the pragmatic level

more detailed affairs ministry strongly associated with what is commonly called a bureaucracy.

Meaning of bureau is identical with the reality in the bureaucracy, in which the structure in the form of more complete work on the table. Officials usually sit behind a desk. All practical problems solved on the table, beyond that may be contrary to the etymological meaning. This is understandable because historically the beginning of the emergence of traditional bureaucracy in France (18th century) featuring faces that seem wasteful, exploitative. repressive. opportunist, collusive, corrupt and nepotism. Cynicism over these symptoms gave birth to the term bureau mania. By functional reality of the service became more efficient and effective without going through the bureaucratic counter that sometimes convoluted and energy drain. In our daily activities many find the term bureaus in the organizational structure. In Indonesia, at the level of provincial and national organizations, for example, there is the post bureau headed by a bureau chief echelon two. For example, bureau organizations, the law firm, government agencies, public agencies and so on. Bureau oversees a number of sections and subsections on the lowest level. Even to distinguish technically, an official of the facilities are sometimes given a table by the term size of the bureau or bureaus half. The second notion (office), referring to almost all forms of both civilian and military organizations. We often call the office at almost all organizations are fisual visible through the magnificent building, complete with systems and equipment. Similarly, the office of a private organization. In the Indonesian context, the organizational structure of local government offices such as using the term to distinguish the unit to government offices and agencies.

Office became the smallest unit size before moving up to the Agency or Department. At the level of provinces in Indonesia, as an instrument of central government offices in the area, such as regional offices (regional offices) and departments (kandep). While the term in office of the district and municipal levels of government are part of the local government unit under the department. In the centralized administration, the central government instrument can reach down to the lowest level of government (dekonsentratif). By contrast, democratic governance nuanced usually put controls on certain levels of government to further perform functional supervision (decentralized).

In the perspective of Weber, bureaucracy is a rational organization with all characteristics inherent therein. the Characteristics referred to among others the existence of a position, duties, authority, hierarchy, system, formality, discipline, professional competence and seniority. These characteristics form the bureaucracy as a means to achieve collective goals. Bureaucracy within the meaning of the concrete is an organization which has a pyramidal-shaped chain of command, where more people are at lower levels than the upper level, both on the military and civilian agencies. Getting to the top of increasingly scarce power holders, because he confirms leadership with broader powers. Conversely the downward more and more employees, but he continued to show a more limited authority. The power in the end completely distributed in the form of specialization and smaller structures. Thus power flows according to the laws of nature (natural of law). Power flows into structures that are shared in detail and hierarchical. Bureaucracy in the end is seen as a

reflection of the institutionalization of power flowing from top to bottom. From this aspect of bureaucracy is practically an instrument/instruments of power to achieve common goals leader and carried by the leader in question. On a more tangible example, a president chosen by the people in Indonesia have extensive powers. The hierarchical power flowed through the Minister, the Governor, Regent/Mayor, Head, Head to Head Village. At the level of the governor, the power is divided by the number of received authority, and instituted the formal structures such as government agencies, part of government and so on. Similarly, the flow of power at the level of district/mayor to village government. Power in this context formalized detailed and clearly accountable. This is called the authority (authority). In that regard the bureaucracy present and refers to how governments carry out and make a formal legal regulations. The validity of all the activities and decisions made are expected to reflect a good government with various characteristics contained therein.

The phenomenon of today's government has extended not only to the world of government alone, but also on nongovernmental space such companies. Efforts in the framework of the implementation of power through a series of mechanisms to ensure accountability, legitimacy and transparency in the various sectors outside government showed symptoms government intensified. At least this is seen in the formation of a series of rules or structure of authority in certain communities that play a role or resource management functions including in maintaining social order. Widespread efforts to restructure government to make better encourage international donors to develop the concept of good governance. The development of this concept is driven

by the symptoms of increased obstacles and political administration in the development of the third world. Symptoms include increased corruption, collusion, nepotism, individualism and the loss of political legitimacy, especially in countries that are less able and without adequate democratic system. The opposite of the ideal concept to be developed, bad government is the reason also for international organizations to develop a pattern that is more likely to face the impact of global economic and political management.

In the perspective of developed countries, the two main reasons that led to the birth the idea of creating good governance is first, the failure of the government to perform its functions characterized by a lack of rules governing the operation of the law and causing distrust in the government about how the government interacts with citizens. This of course relates to the government's responsibility to its people, as well as the obligations and rights that are binding between those who govern and the governed. Second, the pressure of neo-liberal group that supports the reduction of the role of states and balances of power to the provision of services by the purchaser and regulator. Or in other words, trimming the role of government as far as possible by way of submission of interests between the seller and the buyer in the market mechanism.

Even if efforts to create a better government done for example through decentralization of power, governance reform, bureaucratic reorientation and expansion of public participation to restore accountability, legitimacy and transparency, but by no means devoid of the increasing impact of governance. In developing countries, thus further strengthening the growth policy of liberal democracy, which in turn encourages the return of the government increased control over repressive. However, we still believe that creating a strong government is absolutely necessary for political stability can guarantee the success of development. Finally, the bureaucracy sometimes back into the classic problem with no obvious way out.

## Good Governance Characteristic

According to the UNDP (1997), a good government at least have the characteristics of accountability, transparency, participation, rule of law, responsiveness, consensus, equity, efficiency and effectiveness, and has a strategic vision. Components involved are not just the domain of government as executor, but also includes private groups as stakeholders and society as civil society. These three components should run in parallel, support each other and interact with each other. Such interactions should be guided by a number of characteristics that enable good governance running. In this context, good governance is more focused on aspects of the process through a functional approach in order to achieve the desired goal. Further details will develop the meaning of a number of characteristics inherent in the concept of good governance. Accountability refers to the responsibilities of each actor in governing interactions. Laying the sole responsibility of the public sector is not the best idea to create good governance. Responsibility is an important value that should apply to all elements in the governance process. As a government, the responsibility is required as a consequence of all types of contracts from the lowest level up to the central government. Responsibility is a value that is capable of bridging the relationship between government and the community to ensure the sustainability of the government. The

responsibility government's to all stakeholders as beneficiaries at least trigger the growth of trust as capital for the continuity of government. The onus on the community elements needed so that people are aware of any output of services provided is the maximum effort that can be in the government products. Ultimately the responsibility of society as effectively as possible not only take advantage of what is given by the government, also maintains all services including provided the products responsible for the failure of a government elected by themselves. Similarly, the other elements, the holders of capital (private) should hold to the principle of responsibility in the interaction with the community and government. Any action that is practical as well as the associated burden on society and the government, should be accounted for consistently. Lapindo Mud case in Indonesia (2005) reflects the responsibility of all the elements, not only the government, private and public. Hard to imagine if a private party run from the responsibility, because all three elements had to have limits on their own responsibility. Transparency is a characteristic that enables the establishment of public trust in what the government articulated in terms of the interests and needs of the community. Lack of government transparency with respect to the planning and implementation of policies shows the weakness of good faith in realizing the goals and expectations of society. One major focus today is how effectively the government is able to fight for the interests of the community through the available budget. Transparent planning to convince the public about the extent of their interests honestly afford documented by the government. At a much deeper level, how strong government commitment to

realize all the planning that has been agreed upon. The absence of transparency is often shown by stagnant all planning documents without realization, or change a crossroads in the interests of certain individuals and groups. As a result, all the government planning to lose connectivity with the public interest. In addition, an indication of the spread of corrupt behavior within the government convinced the public that the government is losing the characteristics of transparency in running the service function. Such diseases not only hit the government, as well as the private sector and the community at some level. This can be seen in the case of Pensions Athlete Development project in the Ministry of Youth and Sports. Participation, demonstrated community involvement in the preparation of development planning documents. Community participation further illustrates the extent to which their interests have been accommodated properly, in addition to involving them in terms of broader responsibility. Low community participation in governance due to lack of public awareness about the importance of participation in development. Education becomes an important key factor in encouraging community awareness. The following problem lies precisely in the lack of government transparency in public participation. The condition is of course related to the value of transparency, so that the government seemed difficult to engage public participation in governance. Bad government often suffer from feelings of excessive suspicious when people are involved in every process of development planning. Here it is clear that if the participation is low, lower the likelihood of their realization due to the low level of education obtained so apathy. Conversely, if the government was reluctant to involve public participation, the possibility of government awareness is also low so as to

encourage prejudice against any community involvement. Legal order is a characteristic that allows the creation of a law-abiding society. The rule of law provides the foundation for government in implementing the vision and mission carried, at the same time shows the level of accessibility of the public against the government. Increasingly low legal compliance society shows the lower the level of public acceptance of the government. The rule of law is intended to create a social order, which is a condition of an orderly society, aware of the rules that cater to the interests of society itself. In that connection, it takes a leader to provide examples awareness so as to encourage the establishment of the rule of law. The presence of the government in each community services indicates the presence of protection for people, also indicates the law itself. That is why the government is often seen as a symptom symptoms law. Responsive is characteristic of government that is able to respond as early as possible, to every problem facing society. The ability to provide answers to any problems faced by the community showed the government's ability to understand what the main needs of the community. Failure to respond to any problems faced by the community shows the government apathy and loss of sense of belonging on the problems experienced by the community. In the perspective of society, let alone the presence, despite government statements can be judged as a positive response to the problems they are facing. The consensus is a characteristic that describes the government's ability to build consensus between the demands of the bottom-up and top-down. Consensus was also referring to how the government build an agreement which allows all interests can be accommodated in the available channels. Consensus is the

cornerstone for the achievement of shared commitment. A shared commitment with regard to the interests of stakeholders in realizing the goals mandated by the government. Failure to build a consensus can undermine public confidence that the government can be assessed betray the mandate given. The ability of the government maintaining the consensus that has been built can be interpreted as the government's ability to maintain the trust. Justice is a characteristic that can encourage the public acceptability of the government. Justice is one of the objectives to be achieved by each government. Justice is typically attached to the perpetrators of the government, especially leaders. Justice aims to create equity, while providing rights and obligations proportionally. Efficiency and effectiveness are characteristic of good governance that reflects the ability of the government in achieving the goals appropriately efficiency and effectiveness. Achievement of objectives taking into account aspects of efficiency and effectiveness of government can boost productivity become more qualified without wasting large capital. The government's failure to consider the efficiency and effectiveness of capital loss and make the government could not do much, except employees within their finance respectively. These conditions make the government suffered substantial budget burden in addition to not being able to make strategic policy. Characteristics of strategic vision with regard to the government's ability to realize the ideals but realistic based on community needs. Without a clear vision of the government in fact only function instinctively, without reasoning far ahead. Vision is expected to be a clue that can be concreted in the form of missions, programs to technical activities. Vision describes the future governance and load ideals of society can be realized by the leader as far as he is

able and consistent. Strategic vision requires continuity in guarding the agenda that has been set. Which departed from the government is a government that has a vision of a distant view of the future, as well as have an ideal long-term and sustainable? Here are some characteristics of good governance (good governance) according to the UNDP. In general, these characteristics become important variables not only for the government, as well as the private sector and the public at large. The creation of good governance is not merely to be a part of government policy, but also in touch with the values and attitudes shared by the private sector and the public. According to Gerry Stoker (1998), proposition governance includes five topics; first, refers to the set of institutions and actors who are in and out of government. Second, identify the vagueness boundaries and responsibilities for addressing socio-economic issues. Third, identify the dependence of power contained in the relationship between institutions that conduct collective action. Fourth, it is about the actor who is independent network and organize themselves. Fifth. recognizing the capacity to accomplish something that does not rely on the power of government to command or use its authority. Governance looked governments have the ability to use tools and new techniques in directing and guiding. In addition, Hayden (in Hamdi, 2002: 14), mentions four variables in the concept of governance, namely; authority which means the existence of a legitimate power, reciprocity, namely the development view of the use of power is not necessarily a zero-sum game, but it can also be a positive sum game. Trust, which means living together and bound, competitively or cooperatively in pursuit of a common Accountability goal. essentially

strengthen public confidence and vice versa.

# The Challenge of Bureaucracy Reform and *Good Governance*

Challenges reform bureaucratic in Indonesia at least covers three main issues: first, the internal factors include the inability of the bureaucracy to change himself for the better. Second, external factors relating to the high political intervention makes the bureaucracy to lose concentration in running the service function. Third, factors public doubt on the effectiveness of policies planned and implemented by the bureaucracy. The first factor is caused by the weakness of the bureaucracy in renewing their performance development environment (Muhammad, 2007). The high dynamics of society in demanding better services is not necessarily matched by the bureaucracy's ability to develop intelligence, aptitude and skills in the management of government. Patterns of approach and service to the community as a real indication of traditional behavior. Service bureaucracy was based on kinship, emotional, far from the ideal character of the bureaucracy, which is an impersonal relationship. It must be recognized that cultural differences in the west and east is a reality that must be recognized in the provision of services to the community. Leaned service by putting the principles of impersonality rigidly referred Weber does not create a sense of justice are adequate. Every community served consisting of people who are able and unable to physically and non-physically. Those who are physically unable, of course, requires an approach to be served by way of shuttle-ball. While they were not able to be non-physical, such as financial problems, should be given incentives remain balanced

so that the service can be received evenly. Instead, lean service by putting the relationship overall personality as well as creating discrimination to groups of people who do not have direct access to the government, Because only Reviews those who are known personally who will be served. The inability of the bureaucracy to understand plurality in society often leads to inequities in service. In this context it is Necessary bureaucracy that is Able to adapt to the development of society, and be Able to answer every question of not only structurally, but functional. Structural approach in service are Often faced with rules and norms, making it difficult, to solve the problem completely. Settlement pattern leaning problem with all the regulatory aspects do not always bring maximum results. Often feel frustrated Because Society Reviews their service is deadlocked because of the inability of the bureaucracy simply translating the applicable rules. Instead, a group of bureaucrats seem like a robot who lost humanity when all the cases resolved by the applicable rules. The problems, what if the people's demands go beyond the rule itself, which sometimes arrive late, or even regulatory vacancy occurs. Does the same reasons the government must refuse service to the community? It therefore requires a functional approach that can resolve to the root of the problem. In this context, the bureaucracy often store and take care of the problem for the particular interests, do not attempt to solve the problem completely. Functional approach in the service of an approach pattern to compensate for a structural approach which sometimes inhibits, cumbersome, time-consuming and the cost is not small. Keep in mind that bases all the functional services are also not appropriate, because all services are basically require formal institutionalization that can be monitored

and controlled. This adult pattern functional approach a lot of progress, especially at the central government level. Birth of bodies, agencies and commissions that are mezzostructure in addition to the existing formal institutions, a reflection of the pattern of problem solving by combining structural and functional approach. Yet not without a note, these institutions do not only burden the budget of the government bureaucracy in general but the cause overlapping and less productive.

The second factor is a challenge bureaucratic reform is the high political intervention in the bureaucracy. Politicization of bureaucracy to get a room when a group of elite political parties use the momentum of the election to move the bureaucracy as well as the political engine of political activists. As a result, as said Agus Dwiyanto (2011), the bureaucracy experienced a breakdown of concentration while at the same time failing to serve the public according to the mission of assuming. Rupture of bureaucratic concentration caused circulation regional head once every five years. Those who rely on the dominant incumbent candidates are often disoriented in the competition when they lost the next election. On the other hand the politicization of the bureaucracy to create a relationship between the executive and legislative experience serious dynamic tension if not continuous. As a result, most of the bureaucracy that take the path of compromise in the end helped enrich the level of leakage due to perform a collective conspiracy. The indication can be seen through the increased leakage current budget planning and budget at their establishment. Bureaucratic distancing explicitly with political groups experienced tension as vulnerable to losing positions. The remaining group of bureaucrats who took the apathy of the dynamics that occur in every rotation of government. Political

intervention against the bureaucratic apparatus has stimulated appetite for building a secret commitment with the elite during the circulation of power. The commitment is in the form of a political deal that led to the question of who can be what, how much and when. In this context awakened effective coalition between the executive and the legislature in the budget burglary. Such polarization makes local bureaucracy oscillate and difficult to determine its neutrality as a public servant. All of that is supported by the head of the region's ability to mobilize resources through the most successful team members who come from the ranks of the bureaucracy. Resource mobilization is done even in a brightly lit through recruitment by primordial ties and patronage instead of merit system that emphasizes competence. This situation clearly develop corrupt behavior within the bureaucracy as a consequence of the relationships that are transactional. As a result of bureaucratic impressed not belong to the public but the ruling elite which can be seen from the attitude and orientation are likely to see upward (hierarchical peak) rather than looking down (the public).

The third factor is the challenge of bureaucratic reform public doubts against any policies implemented by the bureaucracy. Lack of education and lack of analysis of any policy is made by the bureaucracy was unable to make the policy effective in solving problems. The high resistance is marked by rising public demonstrations and private parties who feel aggrieved by any policies established corroborate the above two reasons. Doubts public and private sectors of the bureaucratic policy effectiveness is caused by two factors other than the above is also a problem of credibility bureaucracy.

The low credibility of the bureaucracy in designing a policy can be seen from the low involvement of experts in the form of assistance, the lack of an academic paper on the draft regulation (particularly local regulations), as well as the lack of public consultation on the draft regulations are made. Overall these indications lead to the poor quality of the design of policies that lead to resistance from stakeholders (stakeholders). Policy design weaknesses at the planning stage to the implementation stage does not necessarily create a bureaucracy to evaluate ongoing but trying to cover up the weakness of the policy. Exclusive of attitude and seemed to know all the problems pushing bureaucracy at every arrogant behavior when responding to the demands of society. Besides, the public doubt on the effectiveness of policies to grow due to an abundance of bureaucratic programs that are promised but lose focus on implementation. As a result, more programs are mailing service than expected reality. Society sometimes abhor bureaucratic indolence and greed, as pointed out by Barzelay (1982) in 'Breaking Through bureaucracy'. In the end, public skepticism toward bureaucratic reform in general is growing due to the low confidence in the systems and human resources. Poor system in the service of the people do not feel the bureaucracy makes clear in solving the problem. Similarly, the bad behavior of the bureaucracy in terms of service to make people not believe what had been done by the government. This picture has been alluded least Osborne and Gaebler (1992) in the 'Reinventing Government, that the government issues rather than on what they do but how these services can be implemented properly.

# Bureaucracy Reform and the Implementation of *Good Governance*

Reform of the bureaucracy is the effort to organize the institutional capacity concerning systems and bureaucratic structures in performing basic functions as public servants. If the political bureaucracy is an instrument of power in realizing the vision and mission of the ruler accordance with the mandate of the people who poured in the form of a formal policy, the bureaucratic reform should be directed towards creating a situation conducive for neutral bureaucracy of the influence of excessive power. If sociologically bureaucracy is seen as the most rational organization which has a number of characteristics as the executor of the interaction between the government on one hand and society on the other hand, the bureaucratic reform should be directed at strengthening the characteristics in question, even if necessarily with the exception of a number of records in the implementation phase. If the administrative bureaucracy is seen as a medium that allows services, emphasizing aspects of effectiveness and efficiency and have clear mechanisms and standardization in the interactions, the bureaucratic reform should be directed at a number of alternative policy options such as structural reform, capacitation and instrumentation. This section will examine how the bureaucratic reform policy design should be taken to realize the function of the bureaucracy as well as encourage the creation of good governance (good governance).

First, reform of the organization (structural). Organizations can be interpreted in two kinds, the first in a static sense, namely the organization as a place where cooperation activities carried out. Both in terms of dynamic, namely the

organization as a system of processes of interaction between people who cooperate, both formal and informal. Further details will be more focused on the second sense. ie in the sense of a dynamic organization. It is caused by external and internal factors. Internally the organization is driven by high pressure power, while externally driven by changes in the wider environment. Both factors are dominant enough to make the government appear dynamic organization. The design of structural reforms can be done by laying a strong foundation that the organization is a means to an end, not an end in itself. Understanding the differences the management of government in bureaucracy often make ineffective duties and functions. Perhaps in the perspective of a local chief bureaucracy is the ideal tool to materialize ideas in the form of a vision and mission for five years, but in the perspective of the bureaucratic apparatus is the ultimate goal with respect to how the highest position as a reflection of power can be achieved. The problem is then incremented when most regional heads just thinking the same as the apparatus that is how to make the bureaucracy as a means to gain access to the overall resources available. Organizational reform is not just a slogan rich poor function of the structure, but more than that organizations in the design based on need, not political interests or a particular group. In the hierarchical level needed pruning allows shorter structural level. Within a certain distance is required delegation that allow a more efficient and effective services. At the horizontal level required functional organ which is more flexible in responding to completely root of the problems encountered. The dominance of the structural aspect has been created rigidity, besides wasting time and expense that is not small. The length of hierarchical lines create any problems expiry impressed when returning to society, due to the

difficulty in direct contact with decision makers (decision maker).

Organizations should be compiled based on the results of job analysis and workload instead of a political compromise. It should be recognized that the preparation of the cultural organizations in the region have tended to practice ways of preparing the organization at the central level. The election system has trapped the regional head for reconstruction of local government organization in ways reshuffle cabinet as happened at the central government level. Penjenjangan career patterns less attention even just an element of formality Baperjakat results in the placement of personnel in the structure of government. Case takedown secretary-level officials in the area a short time and large-scale mutations are examples that can be observed in the area of local government. As a result, local government organizations showed symptoms of obesity-ridden political interests of local elites making it difficult to move an end. In fact the organization was formed to address the interests of the regime rather than answer the problems facing society. This condition not only prevailing in the area, but practiced well-lit at the central level through the expansion of government organizations. The portrait looks not only to the expansion of ministry departments, but looked at dozens level organization of institutions, agencies and commissions. Ironically, the tightening of the organization to be more lean and rich functionality preferably at the level of local governments through the policy of government regulation, but failed to make the efficiency of the organization at the level of central government organizations are increasingly widening. Widening the size of the organization without a needs assessment of positions

and workloads making performance organizations particularly government impressed fat and static. This can be understood if associated with increased recruitment every year without control based on competence. Recruitment without competence ultimately absorb the amount of budget that is not a little in order to improve skills and the skills of employees, in addition to lack of opportunities for recruitment of employees who have competence ideal as teachers, policy analysts, physicians, pharmacists and nurses. Posture local government organizations who are overweight can certainly suck apparatus expenditure is greater than the construction expenditures. This reality can be found in a number of districts such as Lumajang, Tasikmalaya, Sragen, Palu, Ambon and Bitung for example, where more than 70% of the budget is sucked to personnel expenditures (FITRA: 2011).

Secondly, the necessary reform of adequate capacitation in order to enhance the ability of personnel in serving the community. Capacitation reform is an attempt to increase the ability of the bureaucracy in the service resource to be able to keep pace with the dynamics of the community. Capacitation reform the bureaucracy associated with the ability of either individually or in groups shown in the ability to translate the vision and mission, programs and activities. The development of human capacity focused on aspects of education and experience will determine the value of the professionalism of the bureaucracy before the public. Professionalism demonstrated by at least a certification of the level of basic education to a higher level. These aspects were offset by a wealth of experience in various organizations who share values and core competencies. The second aspect was at least able to form individual abilities

while at the same time encouraging the collective ability of the bureaucracy.

Lack of education apparatus resulted in a gap between those who served and those who serve. This gap often cause tension at the same suspicions about the performance of the bureaucracy. Worse, the closing of educational development policies and the birth of discrimination in resource development in the area bore indications of cases shortcut through fake diploma and a degree. To anticipate that the necessary reform of policy design capacitation long term and short term. In the long term the necessary education based on the needs and characteristics of the local government organization. For comparison, the areas of competency-based marine, fisheries, agriculture and services, would require officials who control the leading sectors in question. It is important to encourage the development of more rapid and competitive area. Development of local excellence requires a bureaucracy that is able to answer the challenges that arise. In the long term needs of personnel who have sufficient knowledge for the preparation of the action plan to implement a program of skills effectively. In the end, the higher the capacity of local governments lower the risks to be faced in the future. Conversely the lower the capacity of local governments the higher the risk to be faced. The impact of bureaucracy and government as a whole may lose public confidence.

In the short term the necessary practical policy design, first, an increase in incentives that serve to encourage the spirit and performance of the bureaucracy. Spirit is directed to deliver competitive value so as to create justice for bureaucratic achievement. Justice can be applied through incentive payments based on an assessment of performance

of the bureaucracy. Equitable had only proves that those who work and, equally get special treatment. This fact clearly less encouraging competition and creating injustice, including lowering the rewards for those who really have professionalism. Payroll and incentive patterns varied as ever applied to a number of local authorities such as Jembrana district of Bali Province, showed a positive impact in boosting the performance of the bureaucracy. Secondly, bureaucratic reform in the short term should be able to create an internal system that can drive slowly growing awareness of the bureaucracy as a public servant. Increasing awareness to produce innovation, creativity and self-reliance should be awarded in kind in order to encourage the same spirit in another apparatus. Similarly, the pattern of sanctions is needed as closely as possible with the intention of fostering proportionally. The imposition of sanctions is not an end, it is much more important than that is the birth of a positive impact for the bureaucracy to get back on the duties and functions of each. The omission of the growth of creativity without appreciation can reduce the spirit to work and serve the organization. On the other hand let the same meaning bureaucratic negligence by agreeing at the same time allowing arbitrariness in community service. Therefore it should be understood implementation of reward and that punishment have a strategic significance for the organization, which encourages the development of bureaucracy to be more disciplined and responsible and able to respond to the development of society, while protecting the bureaucracy of the bad behavior of personnel who interact therein. Third, the necessary arrangements are externally system can effectively reduce the politicization of the bureaucracy can solve the concentration apparatus in serving the community. Through the existing system, the bureaucracy is very vulnerable to intervention by local elites in order to satisfy the interests of certain groups in the circulation of power. In order to reduce the political interests of the bureaucracy should take distance to be neutral. This statement of course is not easy to obtain empirical field, in fact on the contrary, difficult bureaucratic elites refuse stimuli for coalition won a particular candidate. All of these consequences do of course is based on a minimum transaction through strategic positions and lucrative. Politicization of bureaucracy making apparatus became the butt of the local elite. Taking the distance is too much risk of losing position, too close together means to plunge into uncertainty riskier, because it required an external system that can fortify the bureaucracy of excessive political interests. Fourth, reform of the bureaucracy in the short term aimed at preventing (preventive) behavior of corruption within the bureaucracy. So far, the corruption perception index in Indonesia have not changed according Transparency International notes, to amounting to 2.8. This shows that the bad behavior of the bureaucracy needs to be fixed. Corruption is an extraordinary crime that requires efforts are remarkable. The establishment of the Corruption Eradication Commission intended to assist the government in minimizing the symptoms of corruption. Reflecting on China who dare to apply decisive action for corruption, it is necessary to reform the bureaucracy that is able to prevent the occurrence of corruption within the government bureaucracy. Corruption is not a positive culture that grows in society, because all social norms including religion does not tolerate such bad behavior. It should be understood that the system of incentives as proposed earlier is not the only way

to reduce corruption. The behavior of a corrupt bureaucracy tends to be motivated by environmental influences as well as domestic demand. Related to the reform of the bureaucracy required strictly binding system, in addition to the application of severe sanctions on any alleged action. Of course, bureaucratic reform in the long term, including short-term difficult to do without starting from the working culture change towards the positive. Changes in work culture that begins from inculcate the habit of the overall characteristics of a good government is expected to produce bureaucracy to perform its function as a servant of the state and public servant. As civil servants, bureaucracy requires de jure legitimacy to run all the political decisions of the government. Meanwhile, as a public servant, the bureaucracy requires legitimacy de facto as a connector to the interests of the ruling government. Culture of positive work is expected not only transmitted to the government, as well as the elements of society and the self-employed.

The third part of bureaucratic reform ideas regarding reform of instrumentation that includes the preparation of a good regulatory legislation at the national level to the regulation at the level of local government. Instrumentation reform policies that serve as the foundation-formal legalistic to avoid public demands on the performance of the bureaucracy. Policy platform in general are expected to protect the government and all stakeholders in the sphere of good governance. In many cases, the bureaucracy often failing to prepare the instrument for public service foundation. These symptoms can be seen in a number of the findings of the CPC where the local government budget expenditures, especially miss the juridical basis. Reform instrumentation at a technical level at least be able to clarify the mechanisms and procedures by government bureaucracy. Without a standard operational procedure, bureaucracy treading using instinct which in certain circumstances may be in conflict with the norms and regulations. Instead, the tightness of the mechanisms and procedures can establish a culture of bureaucracy which in turn drives the behavior of "bounced" (by pass) to speed up service. Such a situation is often fostered bribery, collusion and development of mafia networks in the bureaucracy. Although the grounds of efficiency, ultimately lead to a more complex problem, namely high economic cost (high cost economy). Bank Century case, Wisma Atlit, a false letter of the Constitutional Court until Kemenakertrans are clear examples in the context of the formation of the bureaucratic mafia networks between government, stakeholders and ordinary citizens. Instrumentation reforms are expected not only related to the legal basis, mechanisms and procedures, as well as a set of tools associated with both the facilities and infrastructure that enable the bureaucracy was able to develop itself in providing quality services. Proactive service strategy through the use of available facilities and infrastructure such as information technology and transport is a whole package of reforms within the framework of a large instrumentation bureaucratic reform and the implementation of good governance.

Relating to the implementation of good governance, the government basically has a lot to make a breakthrough through the various regulations that provide opportunities implementation of the characteristics of good governance. One example can be seen in the policies of Law No.32/2004 on Regional Government, where the principles of governance becomes an important cornerstone in local governance, although not yet fully realized can be implemented. Another concrete example can be seen in the regional administration of the evaluation instrument which contains a number of variables and indicators as a reflection of the achievement of the characteristics of good governance, such as the juridical basis of policies and the level of community participation. Other indicators that can be observed are the requirements of the SOP as a guideline for every local government in carrying out the functions and duties of principal field. On the characteristics of transparency, for example, birth regulations on public disclosure by the Ministry of Information and Communications showed the government's commitment in providing the widest access to the public. Characteristics consensus done through the efforts of state and local budgets planning documentation as a form of mutual agreement between the executive and the legislature that in fact selected and represent the community itself. The development of equality as part of the characteristics of good governance can be seen in the selection mechanism of political leaders that gender friendly and open for every citizen under the constitution limits and laws. Characteristics of efficiency and effectiveness is a principle that is always accommodated in local government legislation including regulations into derivatives, notwithstanding the fact that these principles are often violated by local governments. Characteristics strategic vision becomes absolutely necessary for each candidate government leaders when running for public office. This strategy is done through the terms of fit and proper test conducted at a number of candidates for regional head level officials as well as leaders of institutions, agencies and commissions. The principle of accountability can be seen in a number of liability instruments such as PP No.3/2007 on Regional Head covering Accountability LPPD, LKPJ and LIPD. These principles have evolved since the inception of the institution which serves an evaluation and monitoring either internally, externally, functional, political and public scrutiny. Submission of progress reports the assets held by any public authority reflect the implementation of the principles of accountability and transparency. Even the declaration of character education from an early age by the Ministry of National Education is a long-term breakthrough in efforts to instill the values of honesty, discipline, responsibility, transparency, equity and accountability. All of it is the basic capital in the context of the growth, development and implementation of the characteristics of good governance.

## CONCLUSION

- 1. In that regard the bureaucracy present refers to how governments carry out and make a formal legal regulations. The validity of all the activities and decisions made are expected to reflect a good government with various characteristics contained therein
- 2. Challenges bureaucratic reform in Indonesia at least covers three main issues:
  - a. first, the internal factors include the inability of the bureaucracy to change himself for the better.
  - b. Second, external factors relating to the high political intervention makes the bureaucracy to lose concentration in running the service function.
  - c. Third, factors public doubt

on the effectiveness of policies planned and implemented by the bureaucracy

- 3. Bureaucracy reform design should be established in overcoming the problems in bureaucracy reform. In the short term the necessary practical policy design:
  - a. An increase in incentives that serve to encourage the spirit and performance of the bureaucracy
- b. Bureaucratic reform in the short term should be able to create an internal system that can drive slowly growing awareness of the bureaucracy as a public servant
- c. The necessary arrangements are externally system can effectively reduce the politicization of the bureaucracy can solve the concentration apparatus in serving the community.

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