

## **THREE PARADIGMS IN GOVERNMENT (GOOD GOVERNANCE, DYNAMIC GOVERNANCE, AND AGILE GOVERNANCE)**

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### **ABSTRACT**

*Peter F. Drucker(1991) said that a prime causal of the state fail is management. Drucker saying is concordance with UNDP and World Bank, made a new paradigm in government, namely, good governance. After a decade, good governance paradigm running all over the world, Neo and Chen (2013) introduce dynamic governance paradigm as continuing and improving of good governance paradigm. This paradigm focus on adaptive policies, also government official must have three capabilities, which are thinking ahead, thinking again, and thinking across. Schwab, in 2017, published a book about industrial revolution 4.0 that shocked the world. One year after, Schwab and Davis (2018) introduce a new paradigm for governance in industrial revolution 4.0 with the name agile governance. This paper is trying to explain concept connectivity between good governance, dynamic governance, and agile governance to achieve better governance. This paper seeks to explain the link between the paradigm of good governance, dynamic governance, and agile governance. The goal is that state and regional administrators can use it for public policy-making material that benefits the community and is anticipatory.*

**Key words:** *agile governance, dynamic governance, good governance.*

### **INTRODUCTION**

Paradigm is a perspective, concept of thinking, or a model for seeing natural and social phenomena. There are many paradigms that can be used to understand the development of a nation. Management experts, including Peter F. Drucker (1991), argued that the failure of the state to create prosperity for its people was caused more by management factors. In line with this thinking, the World Bank and UNDP developed the concept of good governance, which emphasizes the aspects of good governance, no longer on bodies or people who work in government organizations. Good governance is basically "the way" or "the exercise" in management.

The presence of communication and informatics technology has caused various changes in all aspects of people's lives. The changes are very fast and often difficult to predict. However, the concept of good governance is considered not fast enough to anticipate the changes.

Neo and Chen (2013) then offer a new paradigm called dynamic governance so that the

government can always make adaptive policies by doing three things namely thinking ahead, thinking again, and thinking across.

Changes keep happening all the time. One important change that is happening today is the leap in the field of industry. Schwab (2017), for example, rolled out the concept of "industrial revolution 4.0" which is currently a discussion topic for various groups in the world. In line with RI 4.0, Schwab, in another book with Davis (2018), came with the concept of "agile governance" or agility in facing changes so that it leads to better governance. In dealing with changes, that are difficult to predict, it is not enough to carry out good and dynamic governance, but also to anticipate them with agility.

In understanding social and economic phenomena usually a paradigm used is influenced by a set of norms and essential preconditions<sup>2</sup>. The paradigm concept then further developed by Thomas. S Kuhn, into a "research framework" or "a theoretical

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<sup>2</sup> Iida, Akira;2004. *Paradigm Theory and Policy Making – Reconfiguring The Future*; Tuttle Publishers Tokyo; p.40

approach."<sup>3</sup> Many use the paradigm to explain the development of society in a country.

Some people have the view that countries become poor because they do not have adequate natural resources as the basic capital to build their nation. But that view was later countered by Peter F. Drucker (1991)<sup>4</sup>, the father of modern management, who said that the main cause (causa prima) of the state's failure to create prosperity was more due to its management. The idea was then welcomed by the views of UNDP<sup>5</sup> and the World Bank<sup>6</sup>, which then sparked the paradigm of "good governance" which is a governance reform.

In addition to the good governance paradigm, many paradigms developed by experts on management or governance, for example the reinventing government paradigm developed by Osborne and Gaebler,<sup>7</sup> the new paradigm for governance from Ingraham et al<sup>8</sup>, the paradigm "broke through the bureaucracy of Barzelay<sup>9</sup>. There is an article edited by Ojo & Millard that discusses Government 3.0<sup>10</sup>, which is new paradigm in government. The new one is the Government 4.0 paradigm developed by Stern et al (2018).<sup>11</sup>

Good governance paradigm needs to be analyzed because many countries adopt this paradigm. This paradigm then becomes the standard and one of the conditions in the

relations of cooperation between countries and with international institutions, especially for countries that will get funds from the state or international institutions. For almost two decades, many countries have used good governance paradigm, and even parameters have been made to measure it.

In 2013, Neo and Chen<sup>12</sup> through their book, developed the dynamic governance paradigm, which can be said to be a continuation of the good governance paradigm. In other words, good governance is a prerequisite for moving towards dynamic governance. It is said so because to carry out this new paradigm required a variety of preconditions, which are nothing but fulfillment of the characteristics of good governance.

The dynamic governance paradigm is a concept of thought by taking the case in Singapore, which is then tested by academics in various countries with different characteristics, which then results in different conclusions as well.<sup>13</sup> When dynamic governance was in the golden age of the governance paradigm, Schawb's idea of "agile governance" emerged, which means "an essential strategy to adapt how policies are generated, deliberated, acted and

<sup>3</sup> Iida, Akira, Loc.cit.

<sup>4</sup> Drucker, Peter F; 2001. **Management Challenges for the 21<sup>st</sup> Century**; HarperBusiness

<sup>5</sup> UNDP defines governance as 'the exercise of political, economic, and administrative authority to manage a nation's affairs at all levels'. The word governance means use or implementation, namely the use of political, economic and administrative authority to manage national problems at all level

<sup>6</sup> World Bank defines governance as "the way state power is used in managing economic and social resources for development society." In other words, governance is way on how the state power used to manage economical and social resources for community development

<sup>7</sup> Osborne, David and Ted Gaebler

<sup>8</sup> Ingraham, Patricia W; Barbara S. Romzek and Associates; 1994. **New Paradigms for Government - Issues for the Changing Public Service**; Jossey-Bass Publishers; San Francisco.

<sup>9</sup> Barzelay, Michael; 1992. **Breaking Through Bureaucracy - A New Vision for Managing in Government**

<sup>10</sup> Ojo, Adegboyega and Jeremy Millard (editors); 2017. **Government 3.0 - Next Generation Government Technology Infrastructure and Services - Roadmaps, Enabling Technologies & Challenges**; Public Administration and Information Technology Volume 32; Springer Publishers; Switzerland.

<sup>11</sup> Stern, Sebastian; Mathias Daub; Julia Klier; Anna Wiesinger; and Azel Domeyer; 2018. **Government 4.0 - The Public Sector in the Digital Age- Leading in a Disruptive World**; McKinsey & Company.

<sup>12</sup> Neo, Boon Siong & Geraldine Chen. 2013. **Dynamic Governance - Embedding Culture, Capabilities and Change in Singapore**

<sup>13</sup> Robert L. Glicksman and David L. Markell. 2016. **Dynamic Governance in Theory and Application Part I**; George Washington University Law School; downloaded from scholarship.law.gwu.edu.

enforced to create better governance outcomes in the Fourth Industrial Revolution. "<sup>14</sup>

How the relationship between the paradigm of good governance, dynamic governance, and agile governance, and how the government responds to the change in paradigm are described in the next paragraph. Theoretically, governance, according to Peter and Pierre, has five main functions, namely: decision making, goal-selection, resource mobilization, implementation and feedback, evaluation, and learning.<sup>15</sup>

## **THEORETICAL REVIEW OF THREE GOVERNANCE PARADIGMS**

### **2.1 Good Governance Paradigm**

In the old paradigm, the government perceived as people or officials, agencies or organizations, and the process of governing a nation in a country. The government is the highest institution in a country that has the authority to achieve the country's goal of making the people prosperous physically and mentally. Then it was realized by the nations of the world that the progress of a country is highly dependent on its management aspects, assuming its political aspects have reached a dynamic equilibrium point.

If the political aspects are still full of conflict, then most of the nation's energy will be used to resolve political conflicts, which in turn makes the country is left behind the other countries. "UN-ESCAP emphasizes that bad governance is one of the root causes of all evil within our societies. Major donors and international financial institutions are increasingly basing their aid and loans on the

conditions that reforms that ensure the undertaken of "good governance".<sup>16</sup>

The World Bank then developed the paradigm of good governance, with the following explanation: "The World Bank's good governance agenda is concerned with the relationship between the state, the market, and civil society in loan-receiving countries. The ideal of the 'minimalist state' has been replaced with that of the 'effective state'. The Bank argues that to ensure the efficiency, the state must play a critical role in managing and regulating the market and civil society."<sup>17</sup>

Good governance has various characteristics. Each expert makes different characteristics. BIOA (British and Irish Ombudsman Association), for example has six principles of good governance, namely: 1) independence; 2) openness and transparency; 3) accountability; 4) integrity; 5) clarity of purpose; and 6) effectiveness<sup>18</sup>. These six principles seem to be appropriate for carrying out the duties of the Ombudsman institution but are not necessarily suitable for other fields of work. The World Bank itself then formulated the main characteristics of good governance for the public sector, which included:

- 1) Participatory;
- 2) Consensus oriented;
- 3) Accountable;
- 4) Transparent;
- 5) Responsive;
- 6) Effective and efficient;
- 7) Equitable and inclusive;
- 8) The rule of law.<sup>19</sup>

In the good governance paradigm, there are three domains involved, namely the public sector, private sector, and society. Each domain

<sup>14</sup> Schawb, Klaus and David. 2018. *Shaping The Futute of The Fourth Industrial Revolution – A Guide to Building A Better World*; p.230.

<sup>15</sup> Peters B. Guy and Jon Pierre; 2016. *Comparative Governance – Rediscovering the Functional Dimension of Governing*; Cambridge University Press; p.30-31.

<sup>16</sup> United Nations – Economic and Social Commision for Asia and the Pasific; *What is Good Governance*; diunduh dari [escape-prs@un.org](mailto:escape-prs@un.org) pada tanggal 7 Juni 2019.

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<sup>17</sup> Collingwood, Vivien; editor. 2001. *Good Governance and The World Bank*. Executive Summary; Nuffield College, University of Oxford; diunduh dari WebPage.pdf.

<sup>18</sup> BIOA (British and Irish Ombudsman Association); *Guide to Principles of Good Governance*; diunduh dari [www.ombudsmanassociation.org/docs/BIOAGovernanceGuideOct09](http://www.ombudsmanassociation.org/docs/BIOAGovernanceGuideOct09).

<sup>19</sup> United Nations – Economic and Social Commision for Asia and the Pasific; op.cit.

has different characteristics. There are characteristics of good government governance for the government sector, good corporate governance for the corporate sector, and good society governance for the public sector. All three domains must also implement good governance.

All this time, the paradigm of good governance is more focused on the government sector alone, yet without the corporate sector and the people who have implemented good governance, it will be difficult to realize good governance. These three sectors have reciprocal work relationships that need each other, if one sector has not or does not run good governance, it will also affect the other sectors.

The corporate sector has different good governance characteristics. For example, the OECD published the Principles of Corporate Governance in 1999, which were then revised in 2004 as follows:

- 1) Ensuring the basis for an effective corporate governance framework;
- 2) The rights of shareholders and key ownership functions;
- 3) The equitable treatment of shareholders;
- 4) The role of stakeholders in corporate governance;
- 5) Disclosure and transparency
- 6) The responsibilities of the board.<sup>20</sup>

In *The SAGE Handbook of Corporate Governance*<sup>21</sup>, there is an explanation of the evolution corporate governance concept. Tricker<sup>22</sup> argues that corporate governance is an old concept that is as old as trading activities, but the phrase "corporate governance" is relatively new. Keasey et al.<sup>23</sup> describes governance reforms in the United Kingdom, Germany, France, Japan, and China.

<sup>20</sup> Mallin, Christine A; 2010. *Corporate Governance*; Third Edition; Oxford University Press; Great Britain; p.38.

<sup>21</sup> Clarke, Thomas and Douglas Branson; editors; 2012. *The SAGE Handbook of Corporate Governance*; SAGE Publication Ltd; London, Los Angeles, Singapore, New Delhi.

<sup>22</sup> Tricker, R.I (Bob) dalam *ibid*.p.39-77.

<sup>23</sup> Keasey, Kevin; Steve Thompson; and Mike Wright; 2005. *Corporate Governance -*

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Background to the need for corporate governance reforms, many problems occur in corporations that harm the wider community, including shareholders. Through corporate governance reforms, it is expected that good corporate governance will be achieved.<sup>24</sup>

On the other hand, the community as an object of government and corporate sector activities also need to have good governance (good society governance), so that its interaction with the other two domains results in positive values. Kawelwa in his writing, explained that: "In conclusion, we can see that civil societies have a vital role to play in governance, they limit and control the power of the state, protect citizens from abuse of their human rights, and sensitize citizens on their rights and obligations. They also help the government implement sound policies that help sustain the lives of people.<sup>25</sup> They also help the government implement policies aimed at helping to maintain people's lives. This explanation is a continuation of the previous description, which says that: "Civil society plays a vital role in promoting good governance and democracy."<sup>26</sup>

In line with the characteristics of good governance as stated above, good society governance has at least seven characteristics as follows: 1) honesty, 2) openness, 3) responsibility, 4) participatory, 5) adhere to commitments, 6) tolerance, and 7) solidarity. The three domains in good governance, as stated above, are expected not to work alone and are trapped in the "egcosystem", but move in an ecosystem. The experts then developed the concept of collaborative governance, as written by Donahue and Zeckhauser,<sup>27</sup> by Agranoff &

*Accountability, Enterprise and International Comparisons*; John Wiley & Son, Ltd; England.

<sup>24</sup> *Ibid*.p 4-8.

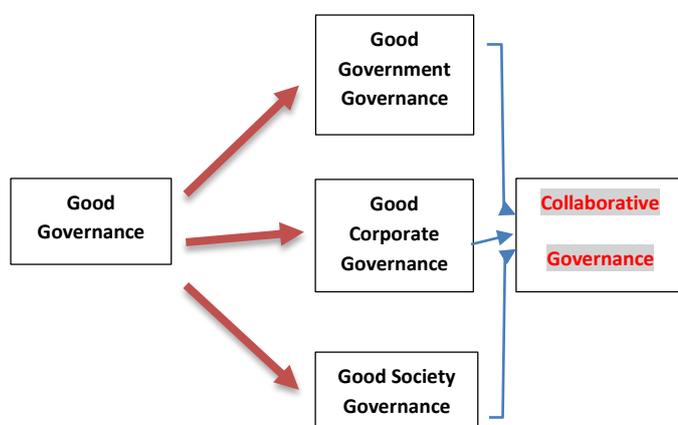
<sup>25</sup> Kawelwa, Chilufya; *The Role of Civil Society in Governance*; diunduh dari *academia.edu*.p.4.

<sup>26</sup> *Ibid*. p. 2.

<sup>27</sup> Donahue, John and Richard Zeckhauser; 2011. *Collaborative Governance - Private Roles for Public Goals in Turbulent Times*; Princenton University Press; Princenton and Oxford.

McGuire,<sup>28</sup> Emerson and Nabatchi,<sup>29</sup> Sirianni,<sup>30</sup> and others. Sirianni said that: "In collaborative governance, policy design aims to empower, enlighten, and engage citizens in the process of self-government."<sup>31</sup> In another section Sirianni put forward eight core principles of collaborative governance, as follows: 1) coproduce public goals; 2) mobilize community assets; 3) share professional expertise; 4) enable public deliberation; 5) promote sustainable partnerships; 6) build fields and governance networks strategically; 7) transform institutional cultures; and 8) ensure reciprocal accountability.<sup>32</sup>

From the explanation above, it can be concluded that when talking about the paradigm of good governance, therein is contained good governance from three domains (government, corporation, and society). In other words, the characteristics that apply to good governance also apply to the three domains with modifications according to the nature of each domain. The explanation can be simplified in the form of images as follows:



<sup>28</sup> Agranoff, Robert and Michael McGuire; 2003. *Collaborative Public Management – New Strategies for Local Governments*; Georgetown University Press; Washington, DC.

<sup>29</sup> Emerson, Kirk and Tina Nabatchi; 2013. *Collaborative Governance Regims*; Georgetown University Press, Washington, DC.

<sup>30</sup> Sirianni, Carmen; 2009. *Investing in Democracy – Engaging Citizens in Collaborative Governance*; Brooking Institution Press; Washington D.C.

<sup>31</sup> Ibid. p.39.

<sup>32</sup> Ibid. p.42.

The good governance paradigm developed in the early 1990s and now used by most countries that are bound by bilateral or unilateral cooperation. Even O Campo has developed a concept called "global governance" in the context of development, which is essentially related to global public goods and global social and environmental goals.<sup>33</sup>

Various international institutions have set parameters to measure good governance. One of them is the Worldwide Governance Indicators (WGI). There are six dimensions of governance measured: 1) Voice and Accountability; 2) Political Stability and Absence of Violence; 3) Government Effectiveness; 4) Regulatory Quality; 5) Rule of Law; 6) Control of Corruption.<sup>34</sup> Every year a WGI ranking of countries in the world, both overall and for each dimension, is made so that the development of its governance can be widely known by the public, which in turn will affect the credibility of the ruling regime.

## 2.2 Dynamic Governance Paradigm

Singapore is a small island country but attracts the attention of many other countries because of its achievements in various fields, especially those related to governance.<sup>35</sup> In order to understand it, Neo and Chen offer a new paradigm called dynamic governance, which can be said to be a further approach to a good governance paradigm. In order to produce public policies that are adaptive to change so as to build a dynamic governance paradigm, three capabilities from the government are needed, namely: 1) thinking ahead; 2) thinking again; 3)

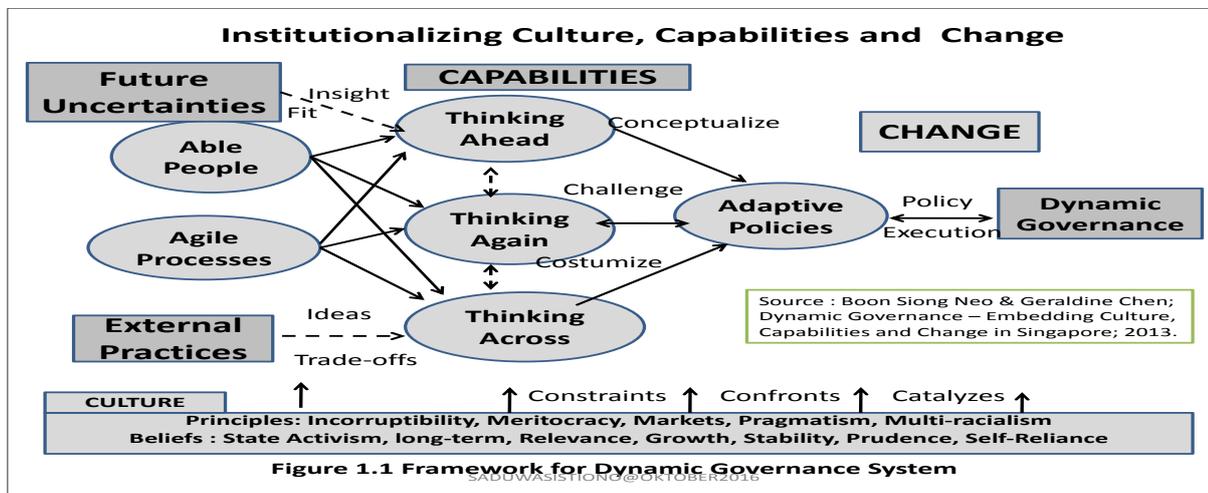
<sup>33</sup> O Campo, Jose Antonio; editor; 2016. *Global Governance and Development*; Oxford University Press.

<sup>34</sup> WGI dikembangkan oleh World Bank. Diunduh dari [info.worldbank.org](http://info.worldbank.org).

<sup>35</sup> One of Singapore's achievements can be seen from IMD World Competitiveness ranking in 2019, which occupies the top position, up two ranks from the previous year. Indonesia in 2019 also experienced an increase in 11 ranks from the order of 43 (2018) to the order of 32 (2019). Information can be downloaded from <https://www.imd.org.wcc>.

thinking across. Thinking far ahead (thinking ahead), means that the government must understand the future that will affect the country and place it in policy so that people can take advantage of the new opportunities created.<sup>36</sup>

dynamic systems models. He said: "It brings together tailored theorizing on sustainability transitions and dynamic system modeling."<sup>39</sup> The explanation above can be simplified in the form of an image as follows.



Source: Excerpted from Figure 1.1. Framework for Dynamic Governance Boon Siong Neo & Geraldine Chen; Dynamic Governance Embedding Culture, Capabilities and Change in Singapore, 2013

The state administrators are required to think proactively leaving reactive thinking styles in the form of taking action after an event occurs so that they are always left before the dynamics of change.

Thinking again is defined as the act of reviewing various policies and programs that are already running whether it is still in accordance with turbulent changes. If necessary, revisions are made to policies and programs in order to be able to achieve the objectives effectively.<sup>37</sup> In this case the state administrators are required to become statesmen by preventing being trapped in a "vested of interest," making it difficult to think and act objectively. Whereas thinking across means that the government needs to look for ideas and practical interests from other places outside the traditional boundaries of the state, to then be packaged and contextualized with the domestic environment.<sup>38</sup>

According to Beer, dynamic governance is a blend of theories of change with

The dynamic governance paradigm developed by Neo and Chen has been arranged in a coherent, comprehensive, and systematic stage, including nine scopes including 1) framework for dynamic governance, 2) conceptual foundations, 3) context for development, 4) cultural foundations, 5) policy execution, 6) policy adaptation, 7) people development, 8) process innovation, 9) sustaining dynamic governance. Of the nine scopes, something is interesting in the eighth scope, which is the innovation process, which involves creating agile structures and systems. Neo and Chen argued that: "For dynamic governance to be effectively institutionalized, organizational processes must be designed and implemented so that the governance system can still continue to function even when there is a change in leadership."<sup>40</sup> This concept then has close links with Schawb and Davis's views on agile governance.

<sup>36</sup> Neo & Chen; op.cit. p.14.

<sup>37</sup> Ibid, p.14-15.

<sup>38</sup> Ibid. p.15.

<sup>39</sup> Silvia Ulli- Beer (editor); 2013. *Dynamic Governance of Energy Technology Change - Socio -*

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*Technical Transitions Toward Sustainability;* Springer, Heidelberg. Abstract.

<sup>40</sup> Neo and Chen; op.cit. p 383.

### 2.3 Agile Governance Paradigm

The book of Klaus Schwab, a Founder and Executive Chairman of the World Economic Forum published in 2016 entitled "The Fourth Industrial Revolution", has caused turmoil among business people, industrialists, politicians, and academics. In his position as the leader of an authoritative world economic forum, Schwab illustrated that there would be a fourth industrial revolution driven by major changes (megatrends) on three aspects, namely physical, digital and biological.<sup>41</sup> Major changes to the physical aspects include the presence of autonomous vehicles, 3D printing, highly developed robots and new materials. Digital changes are bridged with the simplified concept of IoT (Internet of Things) as "a relationship between things (products, services, places etc) and people that are made possible by connected technologies and various platforms"<sup>42</sup>. Changes to this aspect will make people more dependent on IT technology. In the biological aspect, there is a biological edit with the ability to customize organisms through the writing of DNA, which opens the possibility of the emergence of various new organisms.<sup>43</sup> In brief the industrial revolution 4.0 will cover nine aspects as follows:



Schwab goes on to explain that the industrial revolution will have an impact on five fields namely economics, business, national and

global, society, and individuals. In the economic field includes growth, employment, and the nature of work that prioritizes brain power (mentofacture) rather than muscle strength (manufacture)<sup>44</sup>. In the business sector includes changes in consumer expectations, products based on data development, innovation cooperation, and new business models. In the national and global fields include changes in government, districts, regions and cities, and international security. Changes in the field of society include imbalances and the middle class, as well as the community. Changes in the individual sphere include identity, morality and ethics; human relations, as well as the management of public and private information that is changing.

In another book, Schwab with Davis,<sup>45</sup> as stated in the previous description about the changing shape of the future concerning the industrial revolution 4.0, as well as providing instructions for building a better world. Associated with the world of government, they explained that the various benefits of new technology that originally came from the private sector needed to be managed properly. They explained that:

Governance, however, is not just the government: the formal structures we have for creating laws and regulations. Governance includes the development and use of standards, the emergence of social norms that can constrain or endorse use, private incentive schemes, certification and oversight by professional bodies, industry agreements and the policies that organizations apply voluntary or by contract in their relationships with competitors, suppliers, partners, and customers.<sup>46</sup>

In welcoming the industrial revolution 4.0, Schwab and Davis put forward various strategies that need to be carried out by the stakeholders. Specifically for the government, they suggest two strategies namely: 1) Adopt an

<sup>41</sup> Schwab, Klaus. 2016. *The Fourth Industrial Revolution*; Crown Business Publishers, New York. p.14-21.

<sup>42</sup> Ibid. p. 18

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<sup>43</sup> Ibid. 21-22.

<sup>44</sup> Ibid. p.28-47.

<sup>45</sup> Schwab and Davis; op.cit.

<sup>46</sup> Ibid. p 224-225.

agile governance approach; 2) Work across boundaries.<sup>47</sup> In connection with the first strategy, they mentioned that agile governance as a model to adapt the industrial revolution 4.0, which should explore and catalyze nine things as follows:

- a) Creating policy labs - protected space within government with an explicit mandate to experiment with new methods of policy development by using agile principles.
- b) Encouraging collaborations between government and business to create and develop regulations using iterative, cross-sectoral and flexible approaches.
- c) Supporting crowdsourcing policy and regulatory content to create more inclusive and participatory rule-making processes.
- d) Promoting the development of ecosystems of private regulators, competing in markets to deliver quality governance in line with overarching social goals.
- e) Developing, popularizing, and requiring the adoption of the principles of innovation to guide researchers, entrepreneurs, and commercial organizations receiving public funding.
- f) Promoting the integration of public engagement, scenario-based on foresight approaches and social science and humanistic scholarship into science and research efforts.
- g) Supporting the role of global coordinating bodies to provide oversight, spur public debate, and evaluating the ethical, legal, social, and economic impacts of emerging technologies.
- h) Fostering new approaches to technology assessment that combine far greater public deliberation and participation, with acknowledgment and reflection of values, incentives and politics influencing decision-making in both research and commercialization.
- i) Incorporating the principles to "improve efficiency, public services and public welfare,

better equipping government agencies to respond to change.<sup>48</sup>

To carry out agile governance, the government and regional governments must accustomed to make concepts that are processed in a "laboratory." The Research and Development Agency of ministries and universities can be a government laboratory for formulating and testing models before they are widely applied. Involving the government, academics, business people, and the community as in the quad helix model, seems to be appropriate for carrying out agile governance.<sup>49</sup>

Agile governance has been widely discussed and applied in the corporate sector, especially related to project work. One definition is as follows: "Agile governance is all about creating value across the organization, not just within an individual project. Agile governance purposes to create a bridge between organizations' management and the teams that are completing projects."<sup>50</sup> Agile governance can be said to be all related to value creation across the organization, not only in individual projects. Smart and agile governance create a bridge between the management of the organization and the team working on the project.

On the other hand, the World Economic Forum gives the meaning of "Agile governance as adaptive, human-centered, inclusive and sustainable policymaking, which acknowledges that policy development is no longer limited to the government but rather is an increasingly multi-stakeholder effort."<sup>51</sup> This concept is then getting closer to the views of Neo and Chen, who emphasize "adaptive policy". When we surf on the internet, there will be many agile governance models seen from various angles. Some see from the point of view of management, projects, stages of transformation, data utilization, use of IT, culture, goals, companies, and so on. One model related to

<sup>47</sup> Ibid. p.230-233.

<sup>48</sup> Ibid. p. 231-232.

<sup>49</sup> Ernest J. Wilson III; **How to Make a Region Innovative**; Strategy+Business Magazine; Issue 66 Spring 2012. Booz& Company. Inc.

<sup>50</sup> Retrieved from [studi.com](http://studi.com).

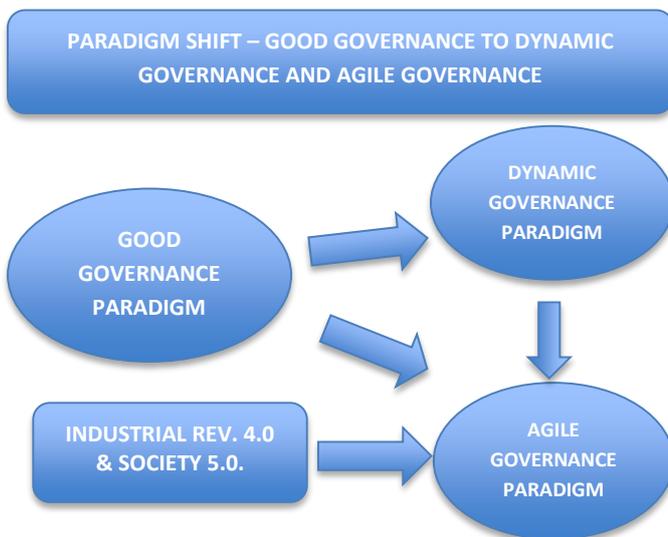
<sup>51</sup> Retrieved from [weforum.org](http://weforum.org) entitled "Agile Governance: Reimagining Policy-making in the Fourth Industrial Revolution."

management is to Adapt 2.0 Agile Governance Framework.<sup>52</sup> It includes eight aspects as follows: 1) planning; 2) baseline management; 3) forecasting and reporting; 4) governance structure; 5) gating and assurance; 6) commitment management; 7) benefit and value management; 8) portfolio management.

In line with Kuhn's view<sup>53</sup>, that a paradigm when it is considered unable to explain existing phenomena, will gradually be replaced by a new paradigm through a process called the revolution of thought. Therefore, the paradigm of good governance needs a refinement into agile governance that leads to better governance, both directly and through the dynamic governance paradigm. The changes can be simplified through the following picture:

Governance Framework. IndigoBlue. From indigoblue.co.uk

The three paradigms that have been put forward above can be simply compared through the table as follow:



**COMPARISON OF THREE PARADIGMS**  
(Good Governance, Dynamic Governance, and Agile Governance)

Good Governance (GG) Paradigm	Dynamic Governance (DG) Paradigm	Agile Governance (AG) Paradigm
Initially, it was a concept used by the World Bank and UNDP to encourage	Initially it was a concept applied in Singapore, which	GG and DG alone seem to be deemed insufficient to anticipate changes

<sup>52</sup> Retrieved from indigoblue.co.uk.

<sup>53</sup> Kuhn, Thomas. S. 1996. *The Structure of Scientific Revolution*; University of Chicago Press; Chicago.

<p>countries that received foreign debt to run the GG so that their debts were not misused.</p> <p>GG covers three domains, namely the public, corporate and community sectors, the third of which needs to implement good governance according to their respective parameters.</p> <p>It has been used in many countries and already has parameters to measure it on a world scale through the WGI (World Governance Index).</p>	<p>made it able to adapt towards unpredictable environmental changes quickly. DG can be said is a modification of GG, in order to be able to make adaptive policies. To implement DG requires a prerequisite that is running GG first. DG tends to be reactive to change.</p> <p>It tends to only put pressure on the government as a public policymaker who is required to make policies that are adaptive to changes in the internal and external environment.</p> <p>Many trials began in various countries that have different characteristics from Singapore but there are no global scale parameters yet.</p>	<p>that occur in the industrial revolution 4.0. Better governance is needed which is more proactive in dealing with change.</p> <p>To apply AG, GG and DG prerequisites are required, so that the various preconditions needed are available in advance.</p> <p>AG is a new concept that has not been tested by various empirical facts that were explored through research. In addition, this concept has not been tested in societies that are still running the industrial revolution of previous generations (1.0; 2.0; and 3.0).</p> <p>The new paradigm that needs to be tested with empirical facts in various countries with different characteristics to be accepted as a global paradigm, and measured on a mondial basis.</p> <p>There have been many agile governance models in various aspects compiled by experts.</p>
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## 2.4 What The Government And The Local Government Should Do?

In an era that changes very quickly, the government sector must not be the party that always lags behind other sectors, especially the corporate sector. It is said so because the government by the constitution and legislation is given the power to regulate the wider community, including the corporate sector, so that the life of the nation and state of a country can run harmoniously and have good progress.

Given that changes in the world are going so fast and are difficult to predict accurately, the first strategic step is to encourage people who work in the government sector to continue learning. Regarding this matter, Peter M. Senge has long reminded the need to build a learning organization supported by a learning group consisting of people who are continuously learning (individual learning).<sup>54</sup> Wise words from George Bernard Shaw who said that: "Progress is impossible without change, and those who cannot change their minds cannot change anything," seems to be material for contemplation.

Through a continuous learning process will encourage sensitivity to change, so as to change one's mind set. The public sector is the sector that is the slowest to change compared to other sectors, often caused by the existence of personal interests embedded in it (vested of interest) and fears of facing changes due to limited competence. Social media such as Facebook, Twitter, WhatsApp and the like can be used as media for individual learning together with groups of one profession, as well as a means of preventing hoax news.

The next strategic step is to get used to managing time (time management), so that

time, which is a rare and valuable commodity, can be utilized optimally. In government institutions, time is often not managed carefully. The forms include unnecessary morning parade (replaced by fingerprints), meetings start late, meeting agenda is not clear so it becomes long-winded, the target time to complete a task is often absent so that it can be completed at any time. Perhaps the people of Indonesia need to learn from Japanese society about how to manage and value time. Without respecting time we cannot catch up, anticipate change, let alone be a pioneer of renewal. The method starts from simple matters such as meetings start on time, making agendas and meetings that are detailed and consistently held, every time there is work accompanied by a target completion time so as to provide clarity for those who need it. Stern et al (2018) reminded of the existence of a new principle in the digital era namely: "The Fast Eat The Slow".<sup>55</sup> People, who are slow in decision-making, will be defeated by those who are fast. The saying that says "Let Slow Origin Survive," needs to be changed to: "Let Quick Origin Success."

The third strategic step is continuously build competencies of each individual working in the government sector. In Indonesia, even though it is very late but there is already a policy that sets position competency standards. Each civil servant (ASN) is required to have certain technical competencies to occupy a position, in addition to socio-cultural competencies, managerial competencies, and government competencies.<sup>56</sup> ASN who has certain technical competence if it is developed in a sustainable and multilevel manner will be built into a professional, who then joins the professional

<sup>54</sup> Senge, Peter M; 1990. *The Fifth Discipline : The Art & Practice of The Learning Organization*; Doubleday Publishers.

<sup>55</sup> Stern, Sebastian; Matthias Daub; Julia Klier; Anna Wiesinger, and Azel Domeyer; 2018. *Public Services – Government 4.0 -The Public Sector in Digital Age*; McKinsey & Company. p.14.

<sup>56</sup> Position competency standards have been regulated through Minister of Administrative

Reform and Bureaucratic Reform Regulation No. 38 of 2017 concerning Competency Standards for Civil Service Offices. Specifically, ASN who works in the Ministry of Home Affairs and regional governments in Indonesia is added to one competency, namely government competence as regulated through Minister of Home Affairs Regulation No. 108 of 2017 concerning Government Competencies.

association. Through this association the competencies concerned will be continuously honed according to the progress of the times together with his colleagues.

In macro policy, Law Number 5 the Year 2014 concerning State Civil Apparatus and PP Number 11 Year 2017 concerning Management of Civil Servants has given signs, which are then followed up with Minister of Administrative Reform and Bureaucratic Reform No. 38 of 2017 concerning Position Competency Standards State Civil Apparatus. This policy still needs to be followed by concrete steps such as the preparation of competency campuses for each type of position that includes the name of the competency, competency definition, description and level of competence, as well as behavioral indicators that can be observed and measured.

The fourth strategic step is to encourage the development of innovations from stakeholders so that they are not always left behind compared to other countries. According to the 2018 Global Innovation Index, Indonesia is ranked 85 out of 126 countries assessed.<sup>57</sup> It means that Indonesian innovation is still in the low to medium category. Without high innovation power, the natural wealth given to the Indonesian people does not make it prosperous and prosperous, even it will only become a battleground for the owners of large capital who want to master it. The paradox that emerges is that Indonesia is a rich country, but there are still many poor people. They cannot see the potential that is in front of the eye, such as beautiful natural scenery, craftsmanship skills, natural resources to be transformed into something that benefits many parties because of the weak power of innovation. The innovation ranking mentioned above becomes a challenge for state administrators (at the central and regional levels) to encourage increased innovation power of the nation's children who are competitive in the current era of globalization. For autonomous regions, there is already a legal basis in Law Number 23 of 2014 concerning Regional Government, which is

followed up with Government Regulation No. 38 of 2017 concerning Regional Innovation. The key is real action because innovation without action is only a dream.

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<sup>57</sup> [globalinnovationindex.org](http://globalinnovationindex.org). entitled Global Innovation Index 2018.

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