

## **Critical Reorientation of Bureaucratic Reform and Good Governance in Public Sector Administration in Indonesia**

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### **Abstract**

Good governance today in Indonesia has become a key word in every formulation of the policy objectives of government bureaucratic reform within the framework of the change and utilization of the state administration system. In this context, this study seeks to critically evaluate the development and dynamics of good governance and its relation to the New Public Management in Indonesia. The idea of good governance in the public sector requires changes and presentations of government actors and state apparatus. This study reviews the development of bureaucratic reform in Indonesia that has been running for the last two decades. The results of the investigation indicate the need for further emphasis on aspects of the performance of government human resources at all levels in Indonesia, active involvement of the community in policy making, and public sector administration accountability.

### **Keywords**

Bureaucratic Reform, Good Governance, Public Sector Administration, Indonesia.

### **Introduction**

Public bureaucracy has a very important and decisive role in the administration of state government and nation building. For this reason, the public bureaucracy functions to provide services and empowerment to citizens in a transparent and accountable manner (Rahmat, 2013). However, there is a general perception about the quality of bureaucracy in Indonesia which is inefficient and not manageable. During this time, the bureaucracy in Indonesia has developed inefficiencies, convoluted and many formal rules that are not obeyed. Bureaucracy in Indonesia is also characterized by high employee growth and organizational structure expansion and makes the bureaucracy bigger and bigger (Romli, 2008). Bureaucracy also increasingly controls and controls society in the political, economic and social fields. The tendency of an area to enlarge the organizational structure is indeed inherent from the nature of an organization called bureaucracy. The bureaucracy

will try to create a new structure without seeing the needs and capabilities of existing funds. This concern is voiced by many who are connected with organizational culture in public sector management. Bureaucratic structural issues in some cases involve budgeting for public services as it influences the quality of public services (Mir & Sutiyono, 2013).

Rachmat (2013) asserted that the public administration system in Indonesia currently still faces very basic problems. The existing bureaucratic structure, norms, values and regulations are still oriented to the fulfillment of the interests of the authorities and not to the fulfillment of civil rights of citizens. Another factor that is a problem is how difficult it is to reform public services. This condition is related to the behavior and competence of the bureaucratic apparatus. In addition, the eradication of corruption, collusion and nepotism is not yet optimal in the world of public bureaucracy. This problem is related to system, structural, and bureaucratic culture factors (Knott, & Miller, 1987). In the context of creating this large structure, people often refer to it as Parkinson's bureaucracy (see, Jochimsen, 2009). The characteristic of Parkinson's bureaucracy is that every state official wishes to increase the number of his subordinates, and they give each other jobs. As a result, bureaucrats tend to continue to increase the number of employees without regard to the tasks they have to do (Evers, & Schiel, 1990). This is certainly very contrary to the Weber-style bureaucracy, which wants an efficient, effective, rational and professional bureaucracy. This model of bureaucracy often referred to as the ideal type of bureaucracy (Rogers, 1969). In addition, good governance can be realized if supported by principles that can generate trust in the form of participation, law enforcement, transparency, responsiveness, equality and fairness, and accountability (Nawawi, 2012).

Bureaucratic reform in the context of state administration, and good governance are the two main concepts for improving the conditions of national and state life in Indonesia. Both of these concepts are concepts that are interrelated to one another and are not relatively new concepts. Some groups state that the successful implementation of bureaucratic reform will be very supportive in the creation of good governance (Prasojo & Kurniawan, 2008). In this context, this study seeks to critically evaluate the development and dynamics of good governance and its relation to the New Public Management in Indonesia. Because broadly, the idea of good governance in the public sector requires changes and presentations of government actors and state apparatus (Tjiptoherijanto, 2008), this study reviews the development of bureaucratic reform in Indonesia that has been running for the last two decades. The results of the investigation indicate the need for further emphasis on aspects of the performance of government human resources at all levels in Indonesia, active involvement of the community in policy making, and public sector administration accountability.

## **Good Governance Orientation and New Public Management**

The administration of government which involves various parties, not only the government itself but along with the community and the private sector, has recently been known for its mention of good governance (Djumiarti, 2010). Implementation of government requires a lot of considerations that must be used as the main handle so that the concept of the implementation of autonomy can run as it should. Among the various considerations is the application of good governance which is one of the principles that needs attention (Syaukani 2003). World Bank (1992) defines good governance as an implementation of solid and responsible development management, in line with the principles of democracy, efficient markets, avoiding misallocation of investment funds, and preventing corruption both politically and administratively, carrying out budgetary discipline and creating legal and political framework for the growth of business activity (see also, Santiso, 2001; Woods, 2000; Knack et al., 2003; Syahr, 2019; Wiratraman, 2013). The establishment of a good governance framework requires codes of governance that emerge as the main tool to improve the effectiveness of governance systems in the public sector (Kharisma, 2014).

According to Pramono (2008), the paradigm of good governance is one of the paradigms that is now a central issue in the context of national and state development. In general it can be said that good governance refers to the process of governance management through the broad involvement of stakeholders in the economic, social and political fields of a country and the utilization of natural, financial and human resources according to the interests of all parties in a manner consistent with the principles of justice, honesty, equality, efficiency, transparency and accountability (Rorong et al., 2016). Public service delivery is an attempt by the state to fulfill the basic needs and civil rights of every citizen of goods, services, and administrative services provided by the public service providers. The 1945 Constitution mandates the state to meet the basic needs of each of its citizens for their welfare, so that the effectiveness of a government system is largely determined by the merits of public service delivery (Maryam, 2016).

Djumiarti (2010) underlined that the focus of governance analysis is the actors involved in decision making and its implementation from both formal and informal structures. Good governance is created if all actors are actively involved in the process of decision making, implementation or not implemented as well as evaluation. There are 8 characteristics for good governance, namely participation, rule of law, accountability, transparency, responsiveness, effective and efficient, consensus orientation and equity and inclusiveness. Governance is a new paradigm in the governance management system.

There are three pillars of governance, namely the government, the private sector, and society (Djumiarti, 2010). Meanwhile, the government management paradigm that previously developed was government as the sole organizer of government. Bureaucratic reform is directed at creating clean, responsible, professional, efficient and effective bureaucracy, and creating excellent service to the community. Conceptually, in creating this, it starts from the redefinition of vision, mission and strategy, the study of the separation and merger restructuring and the sharpening of functions, the study of the workload of organizational units. Apparatus as a mover and organizer of government tasks plays an important role in a government system. Therefore, the basic foundation for complete bureaucratic reform must start from the reform of HR management (Akny, 2014).

According to Santosa, (2009), with the shifting paradigm from government to governance, which emphasizes collaboration in equality and balance between government, the private sector, and civil society, a new public administration view or paradigm called good governance. Demands for bureaucratic reform can be carried out within the framework of the New Public Management (NPM) paradigm in order to realize good governance. This embodiment requires interaction between communities and state administrators in equality of position based on broad public consensus (Fernanda, 2006). The results of the implementation of bureaucratic reform will be reflected in the effectiveness and efficiency which are realized in the principles of sustainability, justice, transparency and accountability, involvement of civil society (Tahir, 2015).

### **Bureaucratic Reform in Indonesia's Public Sector**

In general, bureaucratic reform is synonymous with efforts to modernize government administration (Damanhuri & Jawandi, 2017). The effort to create a democratic, clean and authoritative government system is a top priority for the people and government of Indonesia in the current reform era. Bureaucratic reform in the form of public service as one of the demands for reform has become the initial emergence of awareness of public service mechanisms and a milestone of government awareness to organize its government system (Sudrajat, 2009). The spirit of reform that characterizes the utilization of the state apparatus is directed at realizing state administration that is capable of supporting the smooth and integrated implementation of the tasks and functions of the administration of state and development in order to face the challenges of globalization. The effort to make this happen is by practicing the principles of good governance (Bappenas, 2002).

Sunarno (2020) defines bureaucratic reform as a process of changing fundamental bureaucratic conditions towards a new, better order. According to Sunarno (2020), there are 4 key words in the definition, namely process, dynamic change, fundamental, and oriented to a new bureaucratic order. This means that reform is a process, so the reform must be carried out gradually and systematically so that it requires setting a clear agenda and priorities in doing so is an important thing that must be made before the reform is carried out in stages, integrated and on established policy lines. Benveniste (1991) states that bureaucracy must provide services to the public objectively and impartially. Thus, the public bureaucracy as a policy manager and service agent should not only be neutral towards political power, but must have accountability for something that becomes an action to the public within the framework of exercising the authority given to it.

Some of the issues and agendas that are developing in relation to bureaucratic reform include the modernization of personnel management, restructuring, downsizing and rightsizing, management and organization changes, engineering government administration processes; performance-based budgeting and participatory planning processes, as well as new relationship relationships between government and society in development and governance (Alfikri, 2012). According to Effendi (2005) which states that governance implies how a nation distributes power and manages resources and various problems faced by society. In other words, the concept of governance contains elements of democratic, fair, transparent, rule of law, participatory and partnership (Hodge & Greve, 2007).

### **Bureaucracy and Good Governance in Public Sector Administration**

Bureaucratic reform in Indonesia has become a paradigm of innovation and renewed enthusiasm for improving the quality of public services in order to realize good governance. This can be seen from the large number of changes to the management of the public administration system which is increasingly echoing in various regions to share and collaborate especially those relating to direct service to the community (Damanhuri & Jawandi, 2017). Zuhro (2016) states that the realization of good governance is closely related to the performance of the bureaucracy. Both have a positive correlation in the sense of mutually influencing the performance of the bureaucracy and community empowerment the better the positive effect on development.

The synergy relationship between the government and the community will produce a strong government supported by the community. For this reason, it is necessary to have mutually reinforcing interactions between the government and the community to create

national economic progress. As an institution oriented to public services, actors in government need to organize their work with a governance guide and code of ethics that focuses on serving the public interest or the interests of the community. Because of the large proportion of the public in government work, government actors receive attention and attention from various parties in the community, both directly and indirectly served by certain work units as a feed back to assess the effectiveness of government work (Rorong et al., 2016). Dvorin and Simmons (1972) states that bureaucracy is a repository for a unique and unique public trust. This shows that the application of good governance and performance as well as the application of good governance are closely related to performance closely related to bureaucratic reform (Jauhari et al., 2015; Brinkerhoff, & Wetterberg, 2013).

According to Sunarno (2020), there are several key factors that must be possessed as a form of implementing and achieving goals and objectives, namely leadership commitment, self-will, understanding; and consistency. In practice, bureaucratic reform must be carried out continuously and consistently, and requires strict planning and implementation. This is because good governance has become a key word in every formulation of the policy objectives of government bureaucratic reform in the context of the change and utilization of the state administration system in the broadest sense in Indonesia. Hence, the reorientation to good governance implies involving the participation of stakeholders, the public and the private sector. Good governance as a paradigm that is transformed into actual implementation in public sector administration can be realized if it is built on trust in its three supporting pillars, namely the state, private sector, and society. Countries with their government bureaucracy are required to carry out good public services. The private sector contributes as a manager of resources outside the state and government bureaucracy and contributes to the management of these resources. The spirit of reform that characterizes the utilization of the state apparatus is directed at realizing state administration that is capable of supporting the smooth and integrated implementation of the tasks and functions of the administration of state and development in order to face the challenges of globalization. The effort to make this happen is by practicing the principles of good governance

## **Conclusion**

As an implementation of the administrative function of government, the effort to create a democratic, clean and authoritative government system is a top priority for the people and government of Indonesia in the current reform era. Bureaucratic reform in the form of public services as one of the demands for reform has become the beginning of the

emergence of awareness of public service mechanisms and a milestone in the government's awareness to organize the government system. The spirit of reform that characterizes the utilization of the state apparatus is directed at realizing state administration that is capable of supporting the smooth and integrated implementation of the tasks and functions of the administration of state and development in order to face the challenges of globalization. The effort to make this happen is by practicing the principles of good governance.

The reorientation to good governance also implies involving the participation of stakeholders, the public and the private sector. Good governance as a paradigm that is transformed into actual implementation in public sector administration can be realized if it is built on trust in its three supporting pillars, namely the state, private sector, and society. Countries with their government bureaucracy are required to carry out good public services. The private sector contributes as a manager of resources outside the state and government bureaucracy and contributes to the management of these resources.

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