

PROCEEDING CONFERENCE PROGRAMME

iconpo 2011

International Conference on Public Organization

CHALLENGE TO DEVELOP A NEW PUBLIC
ORGANIZATION MANAGEMENT
IN THE ERA OF DEMOCRATIZATION
Comparing models in various countries

Yogyakarta Indonesia, January 21-22, 2011

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Department of Government Affairs and Administration
Faculty of Social and Political Science
Universitas Muhammadiyah Yogyakarta

In Collaboration with Korea University, Thammasat University
and Universitas Ngurah Rai Denpasar



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This proceeding is a collaborative work done between Faculty of Social and Political Science of Universitas Muhammadiyah Yogyakarta, supported by Korea University, Thammasat University Thailand, and Universitas Ngurah Rai Denpasar. We dedicate this proceeding as an academic collaboration momentum of an International Conference on Public Organization "Challenge to Develop a New Public Organization Management in The Era of Democratization" which had held by Department of Governmental Studies Faculty of Social and Political Science of Universitas Muhammadiyah Yogyakarta, on January 21st – 22nd, 2011, in Yogyakarta, Indonesia.

We wish to thank the Rector of Universitas Muhammadiyah Yogyakarta Ir HM. Dasron Hamid, M.Sc for giving the license to drive this conference. We also express my sincere gratitude to Prof. Sunhyuk Kim of Korea University as our Keynote Speaker. Special thanks go to all of the honorable our paper reviewers for the Proceeding those are Assoc. Prof Azhari Samudra of Universitas Ngurah Rai Denpasar, Prof. Dr. Jin- Wook Choi from Korea University, Prof. Dr. Miftah Thoha, MPA from Universitas Gadjah Mada, Prof. Francis Loh Kok Wah, PhD from University Sains Malaysia, Prof. Dr. Azhar Kasim, MPA from Universitas Indonesia, and Dr. Vidhyandika D Perkasa from Center for Strategies and International Studies Indonesia (CSIS), Prof Amporn Tamronglak and Dr. Soparatana Jarusombat from Thammasat University, without their contribution this paper will never come into being. We also thank to the ICONPO committee, and all collagues for their support to this conference. We thank to all the paper presenters and participants who contributed through their papers in this proceeding.

This proceeding is divided into 10 themes, those are:

1. Environmental changes and collaboration in public organization.
2. Need assessment of public issues in public organization.
3. Design of structure organization in democratic era
4. Planning and Decision making .
5. Human resources management.
6. Culture and ethics of public organization in democratic era;

7. Communication practices in public organization
8. Transformative Leadership .
9. Current Management Information system in electronic era.
10. Performance measurement

Reason for selecting these themes is because the wave of democracy has influence the dynamics of public organization, a well known institution model related to governmental, non-profit, and non-governmental organizations. The dynamic of public organization management in response to democratic era, now encompasses more challenging issues. The issues such the shifting paradigm from government to governance could be seen as the trend drives to the reform of government. The concept of governance means that the government must improves the functions of public organization management process. The process must be efficiently, effectiveness, responsiveness, transparently, participative, and accountable. Other important issues are the growing of gender mainstreaming, public policy processes and the dynamic of civil society which have demanded a changing management of public organization. The most important thing so that public organization could challenge in the democratic era is to improve and develop a new public organization management. Therefore, public organization needs to respond, explore and develop innovative management. It challenges the scholars and practitioners to explore and develop new models of public organization management by drawing the experience and lessons learned of their countries

Thus, the proceeding explores the issues and challenges to develop a new public organization management in the era of democratization. We hope this proceeding will benefit the readers, academicians, politicians and scholars on more about a new way to develop public organization in this democratization era.

Yogyakarta January 21st 2011

Head of Government Science
Dr. Suranto

Dean of Faculty of Social and Political Science
Dr. Nurmandi

PREFACE

The first paper as Keynote Speech written by Sunhyuk Kim (Professor, Department of Public Administration, Korea University) entitled **Globalization and Policy Change: The Case of Korea**. This paper emphasizes on "neoliberal" globalization. The writer argues that neoliberal globalization is just one type of globalization, and it is likely that in the future another type of globalization may emerge. "Varieties" of economic, political, and public administration systems in the world will respond differently to the new wave of globalization. It is essential, therefore, to craft a more prudent national strategy to flexibly and comprehensively deal with different kinds of globalization. The writer examines how Korea has coped with the challenge of globalization, by analyzing how the latest neoliberal globalization has affected governmental restructuring and policy transformation in Korea since its democratization in 1987. It is underscored that Korea needs a better national strategy to handle future waves of globalization—potentially of the non-neoliberal nature. I sketch out the main contents of such a new national strategy, primarily focused on the need to build and nurture more effective multi-sector governance system, increasing communicative and collaborative capacity of all the sectors involved.

The second paper was written by Su-jin, Yu, 3rd semester of master's course Korea University entitled **Conflicts in Environmental Policy-making in Korea: The case of Gyeyang Mountain Golf course**. In this research studies about the Gyeyang Mt. golf course development plan (GGDP) which has shown sharp conflict aspect. Commonly, environmental conflicts in the policy-making have two different belief systems such as environmental conservation and environmental development. Based on this two different belief system, various stakeholders united as a policy actor. Coalition actors from two different values enforce a different strategy to policy-making.

The third paper written by Laila Kholid Alfirdaus of Government Department Faculty of Social and Political Science Diponegoro University Semarang Central Java Indonesia titled **Governing the Disaster-Prone**

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Development in 2002. However, empirical evidence shows that the commitment to implement the ideal is still far behind. In theoretical, policy and empirical area, discussing environmental sociopolitical aspects should include all stakeholders in it. In managing environment and natural resources, both politicians and government officials have the political power as representatives of the state. Their political actions should cover activities of development policies which are oriented towards sustainable development, whether at local, national, regional and global. Rondinelli and Chema (1993) stated that the state should be committed to pursuing sustainable development across the region – it calls for a clean and green environment with fully established mechanisms for sustainable development to ensure the protection of the environment, the sustainability of its natural resources and the high quality of life of its people and neighbours in one earth.

The sixth paper entitled **The Implementation of Social and Environmental Responsibilities's Regulation by PT Karya Tangan Indah Bali** written by Ni Putu Tirka Widanti, Universitas Ngurah Rai, Denpasar, Bali, Indonesia. The paper aims to analyze the most prominent CSR activities of PT Karya Tangan Indah, those are the environmental re-cycling and social religious supports to the traditional village where the company is situated. PT. Karya Tangan Indah's CSR programs are affected by the party receiving supports and the internal organization. From the analysis, it has been found that PT. Karya Tangan Indah's CSR programs on recycling and social religious supports have managed to attract the community's enthusiasm. It is because the ritual ceremonies in the traditional village where PT. Karya Tangan Indah operates are held regularly and involve the entire community members. Based on the analysis findings, it is recommended that the future PT. Karya Tangan Indah's CSR programs should involve the community members commencing from the planning up to the evaluation processes. It is necessary to involve them for sustainable programs and for addressing their needs and priorities. In addition, their involvements are hoped to be able to duly plan and organize the allocated budgets.

The seventh paper is **Impacts Of Decentralization On Environmental Management In Thailand**, written by Soparatana Jarusombat, Ph.D of Faculty of Political Science, Thammasat University, Bangkok, Thailand. This paper describes the process, institutional and legal framework within which the environmental management operates in Thailand. It specifically focuses on the decentralization within central and local government's role in environmental management. The aim of the paper is to examine how interface between the central and local loci of power have affected pieces of legislation relating to management of the environment by central and local government in Thailand.

The eighth paper is titled **An Empirical Study of the Autonomy of Thai (Autonomous) Public Organizations** written by Associate Professor Amporn Tamronglak, Head of Public Administration Department and Director of Executive Public Administration (EPA) Program, Faculty of

Political Science, Thammasat University, Bangkok, Thailand. The latest Administrative Reform in Thailand in 1999 reflected the influence of New Public Management (NPM) perspectives, leading to a drastic restructuring of age old bureaucracy. "Agencification" or creating new single purpose agencies was one of various approaches to face lift bureaucracy in the name of "Public Organizations or Autonomous Public Organizations (APOs)" to be free from tedious regulations and hierarchical commands of politicians. Since (Autonomous or Quasi-autonomous) Public Organizations Act has been issued in 1999, there are approximately 29 agencies created. This paper aims at attacking and analyzing the issue of autonomy of Public Organizations in Thailand, which is the main reason in hiving off from their original organizations. The theoretical basis of autonomy employed in the study is drawn from Peters Verhoest and others, particularly in the areas of personnel and financial management. Constructive questionnaires were employed and collected between June and August 2010 from all 29 Public Organizations. In-depth interviews with the agency's executives were conducted to gain insight knowledge of the concept in practice. The statistical analysis shows that Thai APOs are more or less independent from the politicians. Though the legal and administrative structure of their establishment, they somewhat recognize and are responsive to the demands of the relevant Ministries. On the contrary, they are able to maintain the balance and handle the pressure in such a way that the agencies can carry out and accomplish the government policies professionally and cost-effectively.

The ninth paper written titled **Government Antismoking Campaign: Quixotic Dream Or Confident Expectation?** By Subiyanto of Wijaya Putra University. Smoking habit was one of global problems, but the effects of it are very dangerous on smoking related diseases, so Indonesian Government had to take the genius actions. This study investigated the effects of Government Antismoking Campaign on Behavior of Smoking in East Java. Research model was adopted from the Theory of Reasoned Action dan the Theory of Planned Behaviour introduced by Ajzen and Fishbein modified by DeVries et al. The population were smokers or someone who have experience with cigarette smoking in East Java, sampling method by Multistage Cluster Random Sampling in three stages. Data analysis utilized Structural Equation Modelling (SEM) used AMOS 4.01. Hypothesis analysis used regression Weight standardized estimates, compare p value in 5percent significancy, if p value < 5percent is mean significant. This study found four negative significant hypothesis and two not significant hypothesis. The effect of Government antismoking campaign on Attitude toward smoking behaviour and on Subjective norm of smoking are not significant, while effect of Attitude toward smoking behaviour on Refusal skill, the effect of Subjective norm of smoking on Refusal skill, are negative significant. The effect of Refusal skill on Behavioural intention to smoke, and the effect of Behavioural intention to smoke on Behaviour of smoking are also negative significant. There were

recommendations for Indonesian Government, cigarettes industries and collaboration among government and cigarettes industries.

The tenth paper entitled **Leading to Improvement? The Politics of ISO 9001:2000 Transfer to Local Service Delivery** and written by Wawan Sobari, Lecturer and Convenor of the Department of Political Science, Faculty of Social and Political Science, University of Brawijaya Malang. This paper addresses three main questions concerning the process, impacts and external evaluation of the transfer of ISO 9001:2000 to service delivery at the local secretariat office in the Regency of Malang Indonesia. Its methodology applies qualitative approach to build understanding by intensifying the research process aimed to obtain the full picture of the transfer. This paper shows some important findings around this transfer; first, the decision to transfer is a result of social process aimed to build better image of the office. As well, a policy network, ranges from local to international actors, has constructed the ISO 9001:2000 implementation as the best practice in service delivery. Finally, the certificate attributed to the implementation of ISO 9001:2000 cannot adequately assures the improvement of technical capacity of the office. Rather, it has created dependency on assurance server to sustain the performance improvement. Thus, this transfer has created a qualified office, not an educated office that is self-achieved fulfilment in delivering better service.

The eleventh paper **Democracy and Growth Revisited : An empirical study using fsQCA** written by Dong-Hyun Choi, Graduate Student, Department of Public Administration, Korea University. This paper will analyze The relationship between political freedom and economic growth has been a much scrutinized topic over the past few decades. According to Barro once the impact of other exogenous factors are controlled for, the effect of democracy on growth is weakly negative. He further raised the possibility of a nonlinear relationship between democracy and growth. Barro's work, while convincing in terms of methodological rigor and interesting in terms of the observations made, nonetheless is hardly free from the flaws that may potentially undermine the credibility of his arguments. This is the point of departure for this article. The first section of the article discusses the potential flaws evident in Barro (1996), and suggests ways to improve upon his work. The second section introduces fuzzy set qualitative comparative analysis (fsQCA) as an alternative methodological approach, and analyzes the relationship between democracy and economic growth using fsQCA. The analysis generally concurs with the nonlinearity hypothesis suggested by Barro (1996): democracy does in fact disparately impact economic growth at different levels of democracy. For full democracies and authoritarian regimes, causal combinations indicate that democracy has a positive impact on economic growth. For flawed democracies and hybrid regimes with intermediate levels of democracy, the dynamic between democracy and economic growth is revealed to be negative.

The twelfth paper entitled **Competition for jurisdiction over food industry in Korea** was written by Sung Eun Park, Korea University. This paper points out the matter of food safety management system with a view of competition for jurisdiction over food industry among the Ministry of Health and Welfare and the Ministry for Food, Agriculture, Forestry and Fisheries and affiliated organizations. Each ministry has separate basic positions and approaches to food industry policy: regulation and promotion. The policy image has been changed into "regulation" as public anxiety and concern for hazardous foods has grown since the end of 1990. They complete take charge of promoting or regulating the food industry by establishing or amending laws, expanding organizations and mobilizing a coalition. Coordination by policy committee, cooperation between agencies, and integration of agencies were introduced as measures to eliminate unnecessary competition for jurisdiction.

The thirteenth paper written titled **Making Strategic Plan Works In Local Government: Challenge And Problems, A Case Study of Strategic Plan Implementation in Yogyakarta Special Province** by Achmad Nurmandi and Eko Priyo Purnomo of Universitas Muhammadiyah Yogyakarta. The term of strategic plan is a new type of plan in Indonesian government that introduced since 1999 based on Law No. 22/1999. As a new approach, government organization has tried to set priorities and allocated scarce resources according to the formulated vision and mission. Meanwhile, these strategic efforts have not been successful achieved yet, including in Yogyakarta Province. This essay examines the implementation of strategic plan in Yogyakarta Special Province. The Yogyakarta has vision and missions that are looked at this paper as basis of analysis. Measuring on how they can reach their goals and missions is an appropriate way to analyze the how the strategic plan works. Using qualitative data and choosing a case study method, this research also have conducted in-depth interviews with bureaucrats in Yogyakarta. First of all, the Yogyakarta province tried to providing the strategic plan to be followed by government officer in their activities according to strategic design and planning school approaches. Secondly, most of local government's agencies are less understand on their vision and missions. Thirdly, Zero-sum game effect, reaching the goals and mission are difficult because most of their budget is spending their salary. Fourthly, The strategic plan has been implemented but it has not executed the strategic zone whose it support for dealing with mission from number two to six .

The fourteenth paper written titled **Improving Indonesia Civil Servants REVITALISASI PELAYANAN PUBLIK MELALUI ANALISIS JABATAN 'Performance Through Job Analysis** by Dyah Mutiarin "Dr. Dyah Mutiarin- Department of Government Affairs and Administration Universitas Muhammadiyah Yogyakarta. The red tape phenomenon in Indonesia civil servants performance Khusus berkaitan dengan birokrat pemerintah, banyaknya persoalan yang timbul dalam pemerintahan selama ini pada

dasarnya menunjukkan rendahnya kemampuan dan kurangnya sikap dari aparaturnya untuk mencoba peduli dan membantu masyarakat serta pengguna jasa pemerintahan lainnya dalam memenuhi kebutuhannya. This shows the lack of ability and lack of capacity to carry government tasks. This phenomenon needs improvement. Improving the quality of the state apparatus resources is directed to realize the professional human resources, neutral, and prosperous for civil servants as well as citizen at large. Hal itu merupakan faktor penting dalam menunjang peningkatan kapasitas dan akuntabilitas kinerja instansi pemerintah. This is an important factor in supporting capacity and accountability of civil servants as well as state apparatus. Analisis jabatan diperlukan dalam pengembangan pegawai yang pada hakekatnya adalah suatu upaya pemenuhan kebutuhan tenaga kerja secara kualitatif sesuai dengan persyaratan pekerjaan yang ditentukan dengan mempertimbangkan kepentingan-kepentingan individu pegawai untuk dapat mengembangkan potensinya seoptimal mungkin mencapai karier setinggi-tingginya di dalam organisasi. Therefore, in order to achieve the quality of human resource in civil servants, the government need to continue to improve the application of merit system in the administration of personnel management by implementing job analysis. The future of structure bureaucratic organizations as public organization tend to be slender but rich in function. The concept of 'the right man in the right place in the right time' needs to be applied correctly in order in filling the vacancy actually forward the principle of professionalism through the process of job analysis.

The fifteenth paper titled **Career Path Development for Indonesian Public Servant** by **Utami Dewi, S.IP, MPP** and **Dra. Atik Septi Winarsih, M.Si** of Government Affairs and Administration Department, Universitas Muhammadiyah Yogyakarta. Decentralization demands more competent and professional public servants, so that they can perform jobs well particularly in delivering services to society and in maximizing local resources. However, several problems surrounding civil service management have hampered this decentralization goal. These obstacles come from government regulations, institutional relationship and human resources. There are some regulations on civil service affairs but many of them are incompatible. Ironically, moreover, the important regulation on public servant management-career path development- has not been formulated yet. This career path development is crucial since it guides the staff to plan their job position in the future. Moreover, it is beneficial for manager in the public sector to conduct staff placement and promotion. Therefore, the formulation and implementation of career path development is a must to find the best staff in the right job. In doing so, performance measurement that consists of performance appraisal, competency test and fit and proper test may be chosen as a model. This paper will reveal this career path development by firstly evaluating the practice of recruitment; promotion and mutation; salary; and performance appraisal system in recent Indonesian studies.

The sixteenth paper was written by Jin-Wook Choi, Associate Professor, Department of Public Administration, Korea University entitled **Anticorruption Agencies and Reform: The Case of the KPK in Indonesia**. This paper analyze the establishment of an anticorruption agency (ACA) due to reduce corruption in a county in this case is Indonesia. This paper examines the effectiveness of anticorruption law enforcement functions of the KPK, the Indonesia's ACA that was created in 2003 and identifies key challenges that lie ahead of the KPK. By adopting key performance indicators, this paper finds that the KPK has been successful in carrying out three-pronged anticorruption strategies—repression, prevention and public relations, which is congruent with strong public support to and trust in the KPK. However, the KPK faces several challenges posed by inherent structural limitations and external political forces that may threaten the efficacy of the Commission's anticorruption functions. While the public has to show continuous strong support to the KPK, the Commission must effectively perform legally mandated and socially expected anticorruption functions with high integrity and discipline in order to become a de facto ACA.

The seventeenth paper written by Bonefacius Bao entitled **Robust Ondoafi Powers in Central Urban Communities (Studies Authority Ondoafi in Jayapura Papua)**. This paper aims to find out Ondoafi in the capital to actualize its power, and care for it so the power of capital in the middle of an urban community. There are three power capital Ondoafi namely social capitals, symbolic and material. Assuming the persistence of capital even living in urban areas had to survive because they have the ability to manage symbols, manage social relationships and manage the economy. Allegations were proven because of the discussion about the workings of the three capital Ondoafi power, can be in the know that Ondoafi respond to change with the actualization of such capital through a revitalization strategy, adaptation and repositioning. Those capitals are not working alone but comes along. Ondoafi convert into equity capital one another so that there is a logical relationship with his rule. Capital-capital is reproduced and exchanged with each other. In practice the power to show how the three capital Ondoafi able to manage its power to make strategic changes. Ondoafi thus becomes very important and strategic for anyone who needs it.

The eighteenth paper was written by Arundina Pratiwi, entitled **Transformation of public organization Culture in Indonesian Democratic Era**. The main problem discussed on the paper provide an understanding about the transformation of public organization culture in Indonesian democratic era. Literatures research, both from books and media publications, on current development of transformative public services performed by several regional governments provides the primary conceptual foundation for investigating the effect of democratization process on the transformation of public organization culture in Indonesia. Additionally, this paper reveals the specific example on transformation of

organizational culture in the regional government of Jembrana in Bali which is currently often used as the best example for other regional governments across Indonesian archipelago. Jembrana case can be classified as a success of public organization culture transformation, with its main goal to overcome the bad image of Indonesian public institutions in serving public needs. The achievement of Jembrana can be used as an important example to motivate other regional governments to improve their commitment on providing good public services.

The nineteenth paper is **An Analysis of the Effect of Press Freedom on Corruption: Evidence through a Cross-Sectional Data Analysis** written by Songhee Yoo, mastercourse student, Korea university. This study attempts to find the relationship between the government corruption and the media based on Latham's democratic theory. First of all, the empirical results of this study show that the autonomy of the media reduces corruption. It can be seen as an element of direct democracy that makes up for the constraints of indirect democracy. In addition, the writer further investigated the impact of the economic level and social globalization on corruption through the empirical research. Therefore, when the anti-corruption policy is established, the administrator should carefully consider whether the policy runs the risk of suppressing the economic growth of a country. And globalization is an opportunity to establish anti-corruption agencies and institutions. Because increasing the level of trust with other countries brings down corruption in the field of related work. Finally, determinant element of reduced corruption is identified as femininity. However, the simple increase in the employment of women may not be the solution. If the organization wants to reduce corruption, they must increase the culture of femininity. Efforts should not stop at recruiting more female workers, but rather focus on the improvement of organizational culture.

The twentieth paper entitled **Organizational Communication licensing Office of Yogyakarta City to Achieve Service Performance** and written by Yeni Rosilawati lecturer of UMY, Communication Department majoring in Public Relations subjects, Krisna Mulawarman, lecturer of UMY, Communication Department, majoring in a broadcasting subjects, and Dian Kusumadewi alumni of Communication Department UMY, graduated in 2009. The paper focus on Licensing Agency it is an organization in the field of services still relatively new, however Licensing Office of Yogyakarta city has a strong commitment in carrying out its functions. Awards obtained Jogjakarta City Government Licensing Service Award include Investment Award from BKPM as City Best One Stop Service Providers in 2007 later in the year 2008 Licensing Office Title again awarded the Excellent Service Award 2008 as the image of one government agency that has the quality of public services best. This study sought to describe the steps the Licensing Office of organizational communication Jogjakarta City Government to improve service performance.

The twenty first paper entitled **Potential Users and Critical Success Factors of e-Government Services: the Case of Indonesia** written by Ali Rokhman, Post Graduate Program in Administration Science, Jenderal Soedirman University. This paper elaborated more on Implementation of e-government in Indonesia began in 2003. However, until then the public services that provided through e-government are still very limited in quantity as well as quality. Based on the research the internet users are they who have the characteristics in majority consist of: female, have age in twenty one to thirty years old, have bachelor education degree, and they have been using the Internet for a period of seven to nine years. Considering this phenomenon therefore from the government's perspective, the most critical factors for successful implementation of e-government are the e-leadership and the opportunity to develop employees' capacity in the technical training on e-government.

The twenty second paper entitled **Bureaucracy Culture and Leadership in Indonesian E-Administration Implementation: Based on Perspective of Knowing and Learning Organization** written by Ayuning Budiati and Rudiant Komara the paper focus on Indonesian E-administration implementation involves bureaucratic culture and leadership issues. Those issues appear due to the change that occurs if e-administration is implemented nationally. Implementing e-administration can be risky, expensive and difficult because public employees are not being motivated to improve and provide policy about ICT. This situation causes a lack of policy including operational guides at every level of government to improve ICT. Improvement of ICT literacy and skill is needed in Indonesia's e-administration implementation. The paper will analyze those factors regarding the organization's paradigms: organization as learning and knowing organization.

The twenty third first paper written by Gyuseong Park, Korea University entitled **Internet Regulatory Policy in Korea: Its Origins, Impact, and Changes**. The paper aims to show the reason why the Korean Internet regulatory policy to ensure safety has its own uniqueness which cannot be observed in other countries; using external plug-in program instead of built-in and highly dependent upon specific platform. According to the study following the institutional approach of regulatory policies, these "Korean-style" regulations were created to solve technological constraints in the early beginning stage of development of Internet transactions, but these regulatory policies results in many "unexpected outcomes," such as strengthening monopoly in Operating system and Web browser market, customers' inconvenience, and paradoxical outcome which regulations intended to enhance security eventually weaken the safety. These regulations have been challenged, and recently announced its abolishment by Korean government due to its negative consequences. Based upon this case, the paper argues that the technological factor, inertia of institution, and various actors and their interests around regulatory policies are important to understand these

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regulatory policies, and it contends that IT regulatory policies should be technologically neutral because these policies cannot catch up the rapid evolution of these industries.

The twenty fourth paper entitled **Decentralization, accountability and local government performance in Indonesia** written by Sujarwoto, PhD Student at Institute for Social Change University of Manchester UK and Yumarni, Lecturer on the Department of Public Administration, Jenderal Soedirman University Purwokerto Central Java Indonesia. This article contributes to an understanding the linkage between local government accountability, corruption, and citizens' participation. Departing from critiques on fiscal federalism theory, we propose hypothesized pathway through which decentralization can lead better local public service performance. The basic hypotheses underlying this research is that decentralization will result in better local public service performance only if mechanisms for strengthen political accountability are established within local governments. Without strong political accountability, decentralization only creates powerful incentives for political and bureaucrat agent to capture local political process and misallocate public resources. The writer tested these hypotheses against evidence from 155 newly empowered local governments in Indonesia. Governance Decentralization Survey Data (GDS) is used to examine the linkage between decentralization, accountability and local government performance in the country. The results of simple and multilevel regression model broadly support the hypotheses. Less corruption, higher local government accountability and citizen's political participation are all associated with better local government performance. In contrast, poorly performing local public services are often deeply rooted in their political and social contexts. Local governments often fail to provide better public service when political accountability is absent due to weak checks and balances, lack of transparency, and weak electoral incentives. These effects remain statistically robust across all regression specifications

The twenty fifth paper written by Septiana Dwiputrianti, Senior Lecturer and Head of Postgraduate Program School of Public Administration, the National Agency for State Administration (STIA LABandung, West Java, Indonesia entitled **How Effective is the Indonesian External Public Sector Auditing Reports Before and After the Audit Reform for Enhancing the Performance of Public Administration?**. The research aims to enrich the existing administration, accountability, and auditing of public sector literature. Two main research questions; firstly, how is the quality of information in the audit reports of the BPK; secondly, what are the key factors influencing the effectiveness and ineffectiveness of information in the audit reports.

The study revealed that the executive's history had historically neglected the roles and functions of BPK. Auditors lacked independence as the executive influenced the administration and finances of BPK. Auditors also had lack of opportunity to increase their professionalism. Since there was little incentive

for auditors not to accept audit fees from auditees, the objectivity and integrity of auditors was reduced significantly. Since the third amendment of 1945 Constitution in 2001, the Indonesian government had reformed laws and regulations related to public sector auditing for strengthening BPK. In situation where the Indonesian public administration needs immediate reform, BPK keeps trying to improve its professionalism and independence to provide qualified audit reports. BPK has been given much attention to education, training, and the development of other skills and knowledge; implemented remuneration; applied a rewards and sanctions. This study revealed a significant improvement in the amount and quality of in audit resources, including numbers of qualified auditors, representative offices, information and technology, and modern equipment. However, many new auditors lack of experience and lack of diverse educational backgrounds in addition to accounting and finance for conducting performance auditing. To enhance the quality of public administration and accountability, this study gives recommendations for BPK in (1) strengthening its independence, (2) expanding auditor's professionalism and competency in risk management (3) improving the facilities of the training centers, (4) increasing follow up of audit reports, (5) evaluating laws and regulations, (6) enforcing the implementation of performance auditing.

The twenty sixth paper Titled **The Strategy For Improving Public Services Delivery In Indonesia** by **Dr. Suranto**, Department of Government Science, Muhammadiyah University of Yogyakarta and **Awang Anwaruddin** of Center of Research and Development for Information System and Administration Automation, National Institute of Public Administration of the Republic of Indonesia. The crisis of public services in Indonesia has spread out to almost all sectors for decades. The poor level of public services performance suffered by customers is mainly indicated by sluggish service processes and excessive service cost. Various public policies have been undertaken to improve public services performance; however, no significant improvement is perceptible.

This paper attempts to find a strategic solution to improve the public services in Indonesia. Through a depth analysis, a positive answer is recommended: The Indonesian Government should carry out a comprehensive approach of bureaucratic reform, including the bureaucratic institution, management, human resources, and service culture. Since the reform is complicated and massive, however, it should be carried out incrementally, through preliminary, implementation, and evaluation stages.

The twenty seventh paper titled **Analysis Of Democratic Public Service Network Case Study in Urban Transportation Service in Makassar City**, South Sulawesi Province, Indonesia by: **Dr. Alwi, M.Si**. In general, public services organized by government bureaucracy are still serious problem, including urban transportation services/public transportation in Makassar City. In this case, urban transportation services in Makassar City have not

been able to provide service as expected by citizen. As principle of democracy, citizens are "masters" who must be delivered service satisfactorily by state officials. Therefore, government bureaucracy, in fact, must understand the needs of citizens and this is what writers call democratic public service. Theoretically, to solve complex problems such as problems of urban transportation services necessary inter-organizational networks, because many institutions and associated with it. Merging the two concepts into the concept of democratic public service (urban transportation) network is a new concept in the science of public administration. Inter-organizational network aims to use resource efficiently and effectively, as well as a democratic public service aims at making citizens as the focus of public service through their involvement in the process of solving public problems. This study aims to describe the implementation of democratic public services (urban transportation) network in Makassar City. This study used qualitative methods and case study research strategy to uncover the deeply democratic public services network. Data collection techniques used was observation, in-depth interviews, and documents. Processing technique and data analysis is the analysis of qualitative descriptive case study. The result of research pointed out that the implementation of democratic public service (urban transportation) network in Makassar City has not been effective.

The twenty eighth paper titled **Balance Theory** by Dr. Inu Kencana Syafii. When people ask why today Islam is blasphemed throughout the world — forbidden wearing headscarves in France, in the United States its presence is examined and in Australia its organizations were disbanded — with various accusations we did not expect, this was because Islam is one of the world paradigms worried shifting all previous paradigms. After weakened communism socialism and capitalistic liberalism is the only wide world paradigm, they concerned about the return of the — according to them — tyrant rule, then it is anticipated with slander and propaganda. However, inevitably, humankind will understand goodness, truth, and the beauty, also in ethics, logic and aesthetics. So where are the ideologies sitting in case Koran assembled all the disciplines of science, moral ethics, and nuances of art? How about Al Fatihah which became Prolegomena and *preamble*, in addition to reading of the prayer becoming the rhythm of worship? It should be impregnated that Al-Fatihah is the core essence of transcendental thinking in three world grand narrative

Yogyakarta, January 21th, 2011

Editors:

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An Empirical Study of the Autonomy of Thai (Autonomous) Public Organizations

Associate Professor Amporn Tamronglak, Ph.D.¹⁴

Abstract

The latest Administrative Reform in Thailand in 1999 reflected the influence of New Public Management (NPM) perspectives, leading to a drastic restructuring of age old bureaucracy. "Agencification" or creating new single purpose agencies was one of various approaches to face lift bureaucracy in the name of "Public Organizations or Autonomous Public Organizations (APOs)" to be free from tedious regulations and hierarchical commands of politicians.

Since (Autonomous or Quasi-autonomous) Public Organizations Act has been issued in 1999, there are approximately 29 agencies created. This paper aims at attacking and analyzing the issue of autonomy of Public Organizations in Thailand, which is the main reason in hiving off from their original organizations. The theoretical basis of autonomy employed in the study is drawn from Peters Verhoest and others, particularly in the areas of personnel and financial management. Constructive questionnaires were employed and collected between June and August 2010 from all 29 Public Organizations. In-depth interviews with the agency's executives were conducted to gain insight knowledge of the concept in practice. The statistical analysis shows that Thai APOs are more or less independent from the politicians. Though the legal and administrative structure of their establishment, they somewhat recognize and are responsive to the demands of the relevant Ministries. On the contrary, they are able to maintain the balance and handle the pressure in such a way that the agencies can carry

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out and accomplish the government policies professionally and cost-effectively.

Key words: autonomy, quango, autonomous public organizations, quasi-government organization, New Public Management,

I. Introduction

Autonomous Public Organizations (APOs) in Thailand are considered as "quango" as recognized in UK, New Zealand and Scandinavian Countries or "hybrid or quasi-government organizations" as known in the U.S. Thailand's APOs have long been established before the beginning of the Public Service Reform Plan of 2540-2544 B.E. The idea can be traced back to the early year prior to 1990 (2533 B.E.). Historical development of APOs can be presented in three periods as follows:

First Period: from 1942-1990

The term of independent or autonomous agency was not coined in the first period. The establishment of "special agency" in providing certain purpose of public service was cumbersome. An act needed to be passed through rigorous legislative process which was considered inappropriate to this particular purpose (OPDC, 2005: 1-2). Twelve agencies were then established during this time either by the Act or the Royal Decree, whichever way was more convenient. They are the Bank of Thailand (BOT), the Teachers' Council of Thailand, the War Veterans Organization of Thailand, the Crown Property Bureau, the Zoological Park Organization, the Exchange Equalization Fund, the Office of the Rubber Replanting Aid Fund, the Institute for the Promotion of Teaching Science and Technology, the Thailand Institute of Scientific of Technological Research, the Sports Authority of Thailand, and the Financial Institutions Development Fund. (Nitikraipot, 1999, 2000)

The serious probing issue arose from the uncertainty of its legal status. Whether it was considered "public agency" or "state-owned enterprise" was not clarified. The results were the complications in personnel management system, the performance evaluation, and most importantly the budgetary and financial system (Nitikraipot, 1999, 2000).

Second Period: from 1990-1999

It was in 1990 that the legal problem of the agencies created earlier was realized by the Government. For the first time a study on the "third type organization" was done when General Chavalit Yongchaiyudh was a

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Prime Minister. Suranaree University of Technology was created as a pioneer. Later on, ten more organizations were established. A total number of more than 30 organizations were grouped under the public organizations that "are neither government organizations nor state enterprise." However, the issue of its legal status still mattered and becoming more complex, regarding the subsidy from the government, the loan guarantee from the Ministry of Finance, ect. (Nitikraipot, 1999).

Third Period: 1999 - present

In the late of 1990's, an Administrative Reform Committee was set up to study the Thai bureaucracy. The new ideas of "agencification" together with the New Public Management (NPM) innovation were brought in from the Western countries, mainly United Kingdom and New Zealand. In addition to the previous study on "third type organizations," the Public Organization Act was passed on February 13, 1999. The legal status of "third type organizations" was solved. The name of "(Autonomous) Public Organizations" has its own legitimacy in the Thai government system. The Act provides APOs with all legal foundations in structuring the organizations and systems of personnel and financial management.

Under the new Act, the public organizations can be easily established by executive orders, not by the Act through parliament's approval. At present, there are twenty-nine APOs created by the Act, under the arm's length of various ministries¹⁵. Some were abolished, for instance, the Office of the Educational Reform and the Health Promotion Foundation, and new agencies were issued. The list of the agencies and dates of establishments sorted by affiliated ministries is presented in Table 1.

¹⁵ Besides agency-typed APOs issued through the promulgation of the Public Organizations Act, there are also other fifteen agency-typed APOs which are created by the separate Acts passed by the Parliament, based on recent categorization of public organizations by the Office of the Public Sector Development Commission (OPDC, 2010), including

There is also another type of independent agencies mandated by the 1997 Constitution through the democratization process. The main purpose of the establishment is to free the agencies from political interventions in its operations so that they can make decisions regardless of any politicians' influences. They are as the Ombudsmen, the National Human Rights Commission, the Constitutional Court, the Administrative Courts, the National Counter Corruption Commission, the State Audit Commission, the Elections Commission, the National Economic and Social Advisory Council, the National Broadcast Commission, and the National Telecommunication Commission.

Table 1.
Lists of Thai Autonomous Public Organization created by the Public Organization Act of 1999

Responsible Ministries	Names of Thai APOs	Dates of Establishments
Ministry of Education	1) International Institute for Trade and Development (ITD)	10 th May 2001
Ministry of Education	2) Mahidol Wittayanusorn School (MWITS)	25 th August 2000
Ministry of Education	3) The National Institute of Educational Testing Service (NIETS)	2 nd September 2005
Prime Minister Office	4) The Office for National Education Standards and Quality Assessment (ONESQA)	3 rd November 2000
Prime Minister Office	5) Thailand Convention and Exhibition Bureau (TCEB)	27 th September 2002
Prime Minister Office	6) The Designated Areas for Sustainable Tourism Administration (DASTA)	2 nd June 2003
Prime Minister Office	7) The Office of Knowledge Management and Development (OKMD)	4 th May 2004
Ministry of Culture	8) The Princess Maha Chakri Sirindhorn Anthropology Centre (SAC)	15 th November 2000
Ministry of Culture	9) National Innovation Agency (NIA)	1 st September 2009
Department of Agriculture	10) Agriculture Research Development Agency (ARDA)	14 th March 2003
Department of Agriculture	11) Highland Research and Development Institute (HRDI)	14 th October 2005
Department of Agriculture	12) Chalemphraklat Agricultural Museum Institute of His Majesty	22 nd June 2009
Ministry of Energy	13) The Energy Fund Administration Institute (EFAI)	26 th March 2003
Ministry of Information and Communication Technology	14) Software Industry Promotion Agency (SIPA)	23 rd September 2003
Ministry of Commerce	15) The SUPPORT Arts and Crafts International Centre of Thailand (SACICT)	30 th October 2003
Ministry of Commerce	16) The Gem and Jewelry Institute of Thailand (GIT)	31 st December 2003
Ministry of Finance	17) Neighbouring Countries Economic Development Cooperation Agency (NEDA)	16 th May 2005
Ministry of Natural Resources and Environment	18) Thailand Greenhouse Gas Management Organization (TGO)	6 th July 2007
Ministry of Natural Resources and Environment	19) Biodiversity-Based Economy Development Office (BEDO)	16 th July 2007
Ministry of Science and Technology	20) Synchrotron Light Research Institute (SLRI)	16 th July 2007
Ministry of Science and Technology	21) Hydro and Agro Informatics Institute (HAI)	19 th September 2007
Ministry of Science and Technology	22) National Astronomical Research Institute of Thailand (NARIT)	31 st December 2007
Ministry of Science and Technology	23) Thailand Institute of Nuclear Technology (TINT)	20 th April 2006
Ministry of Science and Technology	24) Thai Film Archive (TFA)	22 nd June 2007
Ministry of Science and Technology	25) Geo-Informatics and Space Technology Development Agency (GISTDA)	2 nd November 2000
Ministry of Defense	26) Defense Technology Institute (DTI)	31 st December 2007
Ministry of Public Health	27) The Healthcare Accreditation Institute (HAI)	22 nd June 2009
Ministry of Public Health	28) Banphaeo Hospital (BH)	10 th September 2000
Ministry of Social Development and Human Security	29) The Community Organizations Development Institute (CODI)	27 th July 2000
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	31)	

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Source: Adapted from Office of Public Sector Development Commission. (2010). *Principles of Categorization of Government Agencies are under the Supervision of the Executives*. Bangkok: Office of Public Sector Development Commission.

According to section 5 of the 1999 Public Organizations Act, APOs are created as single-purpose agencies, and their activities are distinctively different from other government organizations and state enterprises. They are responsible for performing special social duties in educational standard and quality assessment, training and development of public servants, art and cultural conservation, sports, research, science and technology, environment and natural resources conservation, medical care and public health, social welfare, and other public services. Their missions are in three areas (Table 2):

1) Development and Implementation of specific and important government policies. Five agencies are in this category. 2) Services requiring academic specialty or interdisciplinary. There are 16 agencies in this category. 3) General public services. There are 8 agencies in the last category.

Table 2 List of Thai APOs by Mission Groups

Agencies
Mission 1 Development and Implementation of specific and important government policies (5 agencies)
1. The Office of Knowledge Management and Development (OKMD)
2. Thailand Convention and Exhibition Bureau (TCEB)
3. Highland Research and Development Institute (HRDI)
4. The SUPPORT Arts and Crafts International Centre of Thailand (SACICT)
5. The Designated Areas for Sustainable Tourism Administration (DASTA)
Mission 2 Services requiring academic specialty or interdisciplinary (16 agencies)
4. Geo-Informatics and Space Technology Development Agency (GISTDA)
5. The Princess Maha Chakri Sirindhorn Anthropology Centre (SAC)
6. The Office for National Education Standards and Quality Assessment (ONESQA)
7. Agriculture Research Development Agency (ARDA)
8. Software Industry Promotion Agency (SIPA)
9. The Gem and Jewelry Institute of Thailand (Public Organization) (GIT)
10. Thailand Greenhouse Gas Management Organization (TGO)
11. Biodiversity-Based Economy Development Office (BEDO)
12. Thailand Institute of Nuclear Technology (TINT)
13. National Astronomical Research Institute of Thailand (NARIT)
14. Defense Technology Institute (DTI)
15. The Healthcare Accreditation Institute (HAI)
16. Software Industry Promotion Agency (SIPA)

17. The National Institute of Educational Testing Service (NIETS)
18. Hydro and Agro Informatics Institute (HAI)
19. Synchrotron Light Research Institute (SLRI)
20. National Innovation Office (NIO)
21. Thailand Institute of Nuclear Technology (TINT)
Mission 3 General public services (8 agencies)
22. Banphaeo Hospital (BH)
23. Mahidol Wittayanusorn School (MWITS)
24. The Community Organizations Development Institute (CODI)
25. The Energy Fund Administration Institute (EFAI)
26. International Institute for Trade and Development (ITD)
27. Neighbouring Countries Economic Development Cooperation Agency (NEDA)
28. Thai Film Archive (TFA)
29. Chalermphrakiat Agricultural Museum Institute of His Majesty

Source: Adapted from Office of Public Sector Development Commission. (2010). *Principles of Categorization of Government Agencies are under the Supervision of the Executives*. Bangkok: Office of Public Sector Development Commission.

Governing Structure

Under the 1999 Public Organizations Act, each APO is established by individual different Royal Decree allowed by the law. However, the governing system of each APO is formulated and designed to fit all APOs. The "One size fits all" approach of governance composes of the Board of director, appointed by the minister in charge, and the Chief Executives or Directors who are appointed by the Board and responsible to manage the agencies. The members of the Board of director should not be more than 11 persons, who would be representatives from government organizations and non-government officials. More importantly, the cabinet has made the resolution in 2005 to prohibit all members of the Board to refrain from any political affiliations. The members are not allowed to have any political connection to the political party in whichever way interplaying at the national or local levels. It is clear that the law has prohibited the fusion of politics and administration in the agencies to ensure that the management of the agency is secured from the intervention of any political interests (Wilson, 1887). The principle of conflict of interest is strictly enforced directly and indirectly to all members of the board. The members would stay for five years and two consecutive terms are allowed whiles the directors of the agencies would stay for four years and the same condition is applied.

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Independent Management and Control

The main creation of the APOs is not to make profit, nonetheless, the agencies are able to collect fee, charges, tariffs, and other kinds in returns for products and services delivered. Despite their authority to generate incomes and revenues, the government still provides financial support to their activities. In returns, they have to be accountable to their performance and management through annual report to the government and performance evaluation periodically. Their annual budget requests would be reviewed and overseen by the Budget Bureau. The agencies can enjoy their freedom from political intervention under the chain of command of Ministries in their operations. Most important of all, they can have certain degree of autonomy and flexibility in management which is deprived of under the traditional bureaucratic structure. Question remains; are the APOs really independent and flexible in their operations and management in practice?

This paper discusses the issue of autonomy or independence of Thai APOs, particularly the aspect of managerial autonomy of the agencies. Initial findings¹⁶ from the empirical research of all twenty-nine APOs during June-October, 2010 are presented. The research questions, using COBRA's format, attack the autonomous authorities of the agencies in Personnel/ Human Resources Management and Budgetary and Financial Management. Specifically, the research covers the following issues:

1. Do the APOs have the autonomy in making strategic decisions regarding their human resources management?
2. Do the APOs have the autonomy in making day-to-day decision regarding their human resources management?
3. Do the APOs have the autonomy in making strategic and policy decision regarding the investment, budget, and financial management?
4. Do the APOs have the autonomy in making decisions in regarding the investment, budget, and financial management?

II. Autonomy Concepts and Models

From the literature review, the term "autonomy" has been used interchangeably with "independence" in various research and study on "quango" (Verhoest, Peters, Bouckaert, and Bram, 2004, p. 101). By definition

¹⁶ While writing this article, the author is still collecting more data from APOs. The interviews are being arranged to gain more inside information from the administration of the agencies. The results presented in this paper are only part of the ongoing study on "Autonomy and Accountability of Thai Public Organizations."

from Merriam-Webster dictionary (online, 2010), "autonomy" means "1) quality or state of being self-governing; especially the right of self-government; 2) self-directing freedom and especially moral independence; and 3) a self-governing state." From Merriam-Webster Learners' Dictionary, it means "1) the state of existing or acting separately from others and 2) the power or right of a country, group, etc., to govern itself." It is clearly stated that the autonomous agency requires that it has the right and freedom to act, to direct itself in order to separate its existence from others. This meaning is much more crystal when the term "independence" is being applied together. As stated, the term "independence" means "the quality or state of being independent" (Merriam-Webster online Dictionary, 2010). It can also be translated as 1) freedom from outside control or support: the state of being independent and 2) the time when a country or region gains political freedom from outside control" (Merriam-Webster's Learners' Dictionary, 2010). Integrating the above definitions of "autonomy" and "independence", it can be concluded that the autonomous agency refers to the organization that has the rights and freedom to act, to direct, and govern itself in order to separate its existence from others and outside control or support. In terms of management, it can also be referred, for the purpose of the study, as the agency that has the rights and freedom to govern its own agency and to make decisions without the control and consultation/support from the related ministries in areas of personnel management system and budgetary and financial systems. (Pollitt, 2004: 34-38; Shapiro quoted in Busuioc, 2009: 603). The two terms will be employed interchangeably in this paper.

The autonomy of the agency is further explained by Busuioc (2009) in two dimensions 1) as the state of being independence and 2) as the "autonomization" process or the process of making it as a separate body with the freedom or the ability to make decisions in actions/ practice and in law. (Busuioc, 2009: 602, 614; Christensen and Laegreid, 2004: 131). The state of being independence is considered one of the core principles in developing Good Governance in all public organizations (Busuioc, 2009: 601). The agency that has its legitimacy as speculated by law is structurally situated apart from the political control of the Ministry. It would enjoy the political freedom from outside domination. However, being disconnected to the line of command does not imply that the agency is free from the control of its responsible ministry.

The issue of "control" is essential and closely tied to the self-governing public organizations. The agency is not allowed to run its business freely without the system of checks and control on its performance and finance.¹⁷

¹⁷ The issue of accountability is discussed in detailed in the research on "Autonomy and Accountability of Thai Public Organizations."

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The agency is expected to be responsive and accountable to wide range expectations from various stakeholders involved (Romzek 1998; Romzek and Dubnick 1987). Accountability is a two-way relationship between the principal and the agent. In the public's eyes, they both need to be able to respond, explain and answer to all those concerns about their performance and accountable for their actions and decisions (Finer 1941). The complexity of accountability and the measures of control can be revealed in multifaceted: the performance standards, downward and upward accountability (Verhoest, Peters, Bouckaert, and Bram, 2004); Ex ante Control, Ongoing Control, and Ex post Control accountability (Busuioac, 2009: 607-608); or four typology of accountability, namely, bureaucratic accountability, professional accountability, legal accountability, and political accountability (Romzek 1998; Romzek and Dubnick 1987). However, the author would like to note that the issue of the accountability is not at the focal point of the discussion in this paper. The main concern is to reveal whether the Thai APOs are independent and flexible to become self-governing bodies as desired.

The model employed in this research is derived from Verhoest, Peters, Bouckaert, and Bram (2004).¹⁸ Verhoest and the research team from The Catholic University, Leuven, Belgium has done extensive research on the autonomy of public organizations over the past ten years in the 1980s. The idea of *autonomization* has its influence from the Administrative Reform during the past years in OECD countries. The fad of "agencification" came from the New Public Management (NPM) practices in UK and other developed countries in order to make Weberian form of organization more efficiency, effectiveness, and economy, by creating a single-purpose agency performing one specific function (Lægreid, Verhoest, and Jann, 2008, pp. 93-94). The findings of their long research result in six dimensions of autonomy. They are as follows:

- i) **Management Autonomy:** This dimension of autonomy covers two majors types: human resources management and financial management in four areas:
 - a. Autonomy in strategic human resource management: framework

¹⁸ Other perspective on autonomy is from the research of Jørgen Grønnegaard Christensen (1999) presented at the ECPR Joint Sessions of Workshops, Mannheim in 1999. The perspective used in this research is more recent and still active. The research project has been done since 2002 and is now part of the COBRA project. Indicators and pattern of independence for public organizations have been developed. The study compares the independence of Flanders and Scandinavian countries in Norway and Ireland, etc. More information on this project can be reached at <http://www.publicmanagement-cobra.org/>

on salary scale and remunerations for agency staff, criteria for performance evaluation, policy guidelines for promotion and rewards system, policy and criteria for recruitment.

- b. Autonomy in operational human resource management: able to make independent and final decisions on staff performance evaluation process, and how to rewards them.
 - c. Autonomy in strategic financial management: the ability to set targets and decide the terms on investments, tax rate, and criteria for service charges and policy on joint-investment with private partners as allowed by law.
 - d. Autonomy in operation financial management: ability to flexibly transfer budget and expenses across any categories of budget allocations within the budgeted year.
- ii) **Policy Autonomy:** This dimension concerns two aspects, regarding the ability of the agency in making discretion over target groups and policy choices/ mechanism/ instruments to be over sighted from the responsible ministerial.
 - iii) **Structural Autonomy:** This dimension of autonomy is about the administrative board of the agency, the number of representatives serving on the board who are from the central government or state.
 - iv) **Financial Autonomy:** Does the agency have discretion over its incomes and revenues? Where do the money for its administration and management come from: the responsible Ministry, other public organizations, authority to generate own revenues, other financial support in other forms, e.g. fee, charges for goods and services, donations, subsidies, membership fees, etc.
 - v) **Legal Autonomy:** This dimension of autonomy focuses on the legal aspect of the agency as stated in its law. The issue here is whether the agency is created by the Act that requires the approval of the Parliament or executive order or Royal Decree which demands the approval from the Executive or the Cabinet only. Each would give the agency different level of autonomy in managing its operations.
 - vi) **Intervention Autonomy:** The last dimension autonomy refers to the ability of the agency to have discretion authority in making all kind of ex post decisions without the interference from the central government, for example, submitting performance report incoherence with the guidelines as agreed and provided by the central government, being rewards and punished if the results of performance evaluations not in line with the central government requirements, etc. If the agency needs to comply with the central government guideline, policy and targets, it is found to be lack of autonomy and is subject to decrease or increase in budget allocation and supports.

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Due to time limitation in this study, the main focus of the empirical research was designed to gear towards the management autonomy of Thai APOs in two areas of Human Resources Management and Financial Management as they are considered as integral to its separation from the traditional structure.

III. Research Methodology

In this study, a set of questions on the management autonomy of the APOs in the areas of Human Resources management and financial management are designed, based on CORBA's concept (Common Public Organization Data Base for Research and Analysis), and distributed to twenty-nine APOs during June-August of 2010 at all levels of employees. In the questionnaires, there are two major part of autonomy: personnel management and financial management. In each part, the questions would cover the matters regarding the strategic and operational questions on personnel management and vice versa in the financial management. Three questions are raised for each subcategory. The respondents are requested to answer "yes" or "no," depending on the relevancy of each item. The score of "1" is given to "yes" answer and "0" is given to "no" answer.

Mathematically computed, the "yes" answers of each subcategory are summed up and divided by the number of questions in the subcategory, which are 3 in this case. There are four possible scores:

- a. score of 0 means the respondents answer "no" to all questions in the subcategory;
- b. score of 0.33 when the respondents answer one "yes" in the subcategory;
- c. score of 0.66 when the respondents answer two "yes" in the subcategory; and
- d. Score of 1 when the respondents answer "yes" to all questions in the subcategory.

In addition, the results are also statistically analyzed and tested using mean and One-Way ANOVA at the significant level of 0.5 (p value < 0.5). The findings are presented and interpreted considering the three major mission groups of Thai APOs, classified by three dimensions of administrative responsibility, experience dimension, and situation dimension: 1) Developments and Specifically important government policies, 2) Services employing specific technique or interdisciplinary and 3) General public services. In-depth interviews with executives are conducted to provide insight information and clarify the statistical findings.

IV. Findings and Discussions

About 50 percent of questionnaires are received and analyzed. The findings find different stories for autonomy of the agencies in Human Resources Management and Budget and Financial Managements as follows:

Autonomy in Human Resources Management

The results from the survey (Table 3) reveal that the Thai APOs of all groups are mostly independent in all areas (score of 1) of Human Resources Management, accounted for more than 50 percents. To be specific, respondents, over 60 percents agree that their agencies are independent in making strategic decisions in terms of salary scale policy, performance evaluation criteria and promotion policy. They (approximately 50 percents) also agree that their agencies are much more flexible in day-to-day Human Resources Management functions, regarding staff hiring and recruitment, annual evaluation review of staff performance and salary increase at the end of the year.

Table 3. Autonomous of Thai APOs in Human Resources Management

(N = 279)

Scores	HRM Strategic Autonomy			Total	HRM Operational Autonomy			Total
	Group 1	Group 2	Group 3		Group 1	Group 2	Group 3	
.00	2 (12.5)	11 (6.3)	6 (8.8)	19 (7.3)		7 (4.2)	2 (3.0)	9 (3.6)
.33		17 (9.7)	5 (7.4)	22 (8.5)	3 (18.8)	17 (10.2)	9 (13.4)	29 (11.6)
.67		11 (6.3)	15 (22.1)	26 (10.0)	5 (31.3)	48 (28.7)	23 (34.3)	76 (30.4)
1.0	14 (87.5)*	137 (77.8)*	42 (61.8)*	193 (74.2)	8 (50.0)*	95 (56.9)*	33 (49.5)*	136 (54.4)*
Total	16 (100)	176 (100)	68 (100)	260 (100)	16 (100)	167 (100)	67 (100)	250 (100)

The statistical results are verified by the in-depth interviews with the Executive directors of Thai APOs that they have more autonomy to initiate new policies, set targets for the agencies performance, and much more flexible in managing their human resources. Political interventions from

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the politicians are not the main issue even though certain numbers serving on the Board of Directors are selected by the Ministries with the approval of the cabinet. One reason explained by the key informants is that because they are new agencies where there are no prescriptive ground rules. Anything proposed by the executives and concurred by the boards would not be objected by the politicians as long as it does not break any relevant APOs law and regulations. Secondly, the basic law of APOs as laid down by the APO Act of 1999 does not touch upon the detailed operations of each APO. The agency needs to issue its own laws and regulations in practice. Lastly, personal relationship between the executive directors and the board is also crucial on this matter. By the statutory design, the executive director is selected from outside the agency by the board through a vigorous process of personal interview. The one selected, therefore, would definitely warrant to cooperative work with the board.

Autonomy in Budget and Financial Management

The survey results (Table 4) uncover that the respondents of Thai APOs in different mission groups as categorized by the OPDC have distinctive response to the budget and financial independence of their agencies. Most respondents, accounted for 33.3 percents and 43.8 percents respectively in Group I (developing and implementing specific and important Government policies) and 3 missions (serving general purposes), think that their agencies have no make strategic decision in framing their HRM policy at all; while the respondents in Group 2 mission think that they are more autonomous in one or three areas of strategic HRM. The information from the in-depth interview with the executives tells that the nature of the APOs in this category requires technical knowledge and skills from academicians from universities and academic institutions who prefer to work independently. Result-oriented style of management is more appropriate for professionals of all disciplines to come forwards and work together as a team. Certain level of autonomy to provide them some room to initiate strategic decisions on tax, revenues for charges of services or in-kinds policy and target is of advantages. For the APOs in Group 1 and 3, they need to be closely responsive to Government policies. Strategically, the cabinet and ministries are accounted for the value for money of policy outcomes.

However, the results (Table 4) at the operational level reveal substantial different conclusions. The Group I and 2 APOs are found to be independent in at least 2 areas of managing their budget and money, approximately 46.7 percents in Group 1 and 36.6 percents in Group 2 respectively; while Group 3 is claimed to be autonomous in one area of budget and financial management (accounted for 33.3 percents). Internal operation and detailed line-item budget

are not of concern to the board and the politicians. Most APOs fully have significant autonomy in budgeting and balancing their balance sheet. However, it is important to note that APOs are not allowed by their laws to invest their remaining revenues in high risk investments such as stock market, bonds, or funds. They are also prohibited to make profit from their services, only minimal charges or service fees are permitted. In all, it can be concluded that the agencies are under close scrutiny of the government regarding their incomes and spending; whiles have more autonomy over HRM.

Table 4 Autonomous of Thai APOs in Budget and Financial Management

(N = 279)

Scores	Strategic Autonomy			Total	Operational Autonomy			Total
	Group 1	Group 2	Group 3		Group 1	Group 2	Group 3	
.00	5 (33.3)*	30 (19.5)	28 (43.8)*	63 (27.0)		8 (4.7)	9 (13.0)	17 (6.7)
.33	4 (26.7)	42 (27.3)*	9 (14.1)	55 (23.6)	1 (6.7)	38 (22.5)	23 (33.3)*	62 (24.5)
.67	3 (20.0)	38 (24.7)	20 (31.3)	61 (26.2)	7 (46.7)*	56 (33.1)	20 (29.0)	83 (32.8)
1.0	3 (20.0)	44 (28.6)*	7 (10.9)	54 (23.2)	7 (46.7)*	67 (39.6)*	17 (24.6)	91 (36.0)*
Total	15 (100)	154 (100)	64 (100)	233 (100)	15 (100)	169 (100)	69 (100)	253 (100)

A one-way between subjects ANOVA was conducted to compare the differences of three different APOs mission groups on the autonomy of the agencies. The results (Table 5) find no significant difference in the agencies' capacity to make strategic and policy discretion in Human Resource Management. However, there was a significant difference in the agencies' capacity to make autonomous decisions in at least two different mission groups in the strategic level of Budget and Financial Management at the $p < .05$ level for $[F(2, 23) = 5.47, p = 0.005]$. Post hoc comparisons using the Scheffe test indicated that the mean score for the Mission Group 2 was significantly different from that of the Mission Group 3 (Mean difference = 0.1765, SD = 0.054). Taken together, these results suggest that Thai APOs in Mission Group 2 and 3 have the different capacity to make autonomous

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decisions strategically in Budget and Financial Management. The agencies are differently independent in certain areas of defining criteria for investment, tax rate, product and services charges, and framework for partnering with any private organizations.

At the operational level, the results of a one-way ANOVA comparing the differences among three APOs mission groups also reveals that there was a significant difference in the agencies' capacity to make autonomous decisions in at least two different mission groups in the Budget and Financial Management at the $p < .05$ level for $[F(2, 25) = 6.959, p = 0.001]$. Post hoc comparisons using the Scheffe test indicated that the mean score for the Mission Group 1 was significantly different from that of the Mission Group 3 (Mean difference = 0.2493, SD = 0.869); and that the mean score for the Mission Group 2 was significantly also different from that of the Mission Group 3 (Mean difference = 0.1416, SD = 0.0458). Taken together, these results suggest that Thai APOs in Mission Group 1 and 2 have the different capacity from APOs in Mission Group 3 to make independent decisions at the operational level in day to day management of budget and finance, concerning procurement, choice and use of budget and finance, and capacity to spend budget across items.

Table 5 ANOVA results of Thai APOs Autonomy

Autonomy Issues	df (F)	Sig. (p<.05 level)
Human Resources Management		
Strategic Human Resources Management	2, 257 (1.148)	.319
Operational Human Resources Management	2, 247 (.275)	.760
Budget and Financial Management		
Strategic Budget and Financial Management	2, 230 (5.471)	.005*
Operational Budget and Financial Management	2, 250 (6.959)	.001*

V. Conclusions

Ever since Thai Autonomous Public Organizations have been established over ten years, there has never been an empirical study on the independence of the agencies. This paper presents the results of empirical study of twenty-nine Thai APOs and finds the APOs in all three mission groups to have substantial autonomy and opportunities to influence policy, in terms of personnel/human resources (set general rules with respect hiring, salary scale, performance evaluation framework and rewards) and budget and financial management. Statistical test suggests that they have autonomous discretion in making decisions in Budget and Financial Management both at the strategic policy level and operational level. Those agencies in Mission Group 2 and 3 have the different capacity to make autonomous decisions strategically in Budget and Financial Management in certain areas of defining criteria for investment, tax rate, product and services charges, and framework for partnering with any private organizations. The Thai APOs in Mission Group 1 and 2 also have the different capacity from the APOs in Mission Group 3 to make independent decisions at the operational level in day to day management of budget and finance, concerning procurement, choice and use of budget and finance, and capacity to spend budget across items.

It can be said that the Thai APOs are more flexible than they were under the traditional structure with direct control of the Ministries, leaving them more room to regulate and direct themselves in becoming self-governing bodies, both human resources and financial management. However, the power to make discretion does not authorized without any control and supervisions from politicians and other measures of accountability. The agencies are required to report and exercise their authorities in correspondence with guidelines of the Budget Bureau and over sighted by the Office of the Auditor General of Thailand (OAG). The agencies' performance need to meet KPI performance standard provided by the Office of the Public Sector Development Commission (OPDC). On the other hand, the politician will give opinion and recommendation to the selection committee who would be appropriate to run the agency. With all due respects, the APOs in Thailand enjoy the legitimacy as "quasi-autonomous public organizations" while able to juggle, balance, and maintain the flexibility to run the offices and the ability to account to the relevant parties involved.

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