

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

ICONPO 2011 is Organized By

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



PROCEEDING : INTERNATIONAL CONFERENCE ON PUBLIC
ORGANIZATION (ICONPO)
Challenge to Develop a New Public Organization Management in
Era of Democratization

January, 21-22, 2011
Yogyakarta, Indonesia

ISBN : 979-1707-99-5

Published : 300 copies

Published by
Department of Government Affairs and Administration
Faculty of Social and Political Science
Universitas Muhammadiyah Yogyakarta
Jl. Lingkar Barat, Tamantirto, Kasihan, Bantul
Daerah Istimewa Yogyakarta 55000

Phone : +62 274 387 656 Faximile : +62 274 387 646

E-mail : ilmupemerintahan@umy.ac.id

Website : <http://www.pemerintahan.umy.ac.id>

Publication and Editor Team
Dyah Mutiarin, Utami Dewi, Eko Priyo Purnomo
Cover Design :
Kamaruddin Yusuf and Ahmad Sobari

Copyright By Department of Government Affairs and
Administration

Printed @ Yogyakarta, Indonesia
2011

ACKNOWLEDGEMENTS

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**

Community. Public organisation does not only deal with problems which is regular in its nature, periodical, and in orderly situation. More often, public organization faces uncertain circumstances that the way of governing as usual cannot be applied. One of the notable constraints in governing community for public organization to manage is disaster. Firstly, disaster often comes at an unpredictable time. Secondly, disaster often bears considerable risks even beyond a public organisation's capacity to deal with. Its quick attack often results in much longer impacts. Thirdly, any single thing, such as food supply, sanitation, water supply, shelter, and so forth, suddenly turns into emergency, meanwhile the public organization has usually shortcomings in resources. Fourthly, any demand for the public organization quickly moves into a big pressure, therefore public organization easily becomes the subject of failure once they are unable to tackle the complex situation. Considering such the specific nature of disaster, there is a clear need for public organization to apply specific governing strategies. This paper tries to elaborate some thinking on governing the disaster-prone community, especially for developing nations, using experiences in various countries. Such a thinking becomes important since it is the developing nations that use to have problems in their bureaucratic structure. A change of mindset in public organization in which disaster should not be treated as business as usual rather as in a crisis is one of the keys. A deep thinking on how to manage the interrelation with some non-government organizations, economic society, academic society, and the media in emergency and recovery based on context and culture, is also worthwhile.

The fourth paper entitled **The Sustainability of Jakarta as the capital city.** It is written by Hartuti Purnaweni Public Administration Program, Environmental Study, Post Graduate Program, Diponegoro University. This paper aims to find out efforts to be done to Jakarta as the Capital City of the Republic of Indonesia. Jakarta has turned from merely old day traditional port to the present day of a megapolitant figure, where skyscrapers mount in many places. Jakarta is an area with low topographic feature as it is situated at the coastline, in particular North Jakarta. As time goes by, the city becomes less convenient as settlements due to traffic jam, flood, land subsidence, land water deficit, inadequate green space, severe air pollution, etc. Jakarta's carrying capacity has been passed over. New public management system is needed. Therefore, a new paradigm has emerged concerning its status replacement as the Indonesian capital city, and to make it a more livable city. Three alternatives are proposed for the solution.

The fifth paper entitled **Democratization and Environmental Politics of Natural Resources Management** at Local level written by Edi Santosa, Governmental Program, Social and Political Faculty, Public Administration, Post Graduate Program, Diponegoro University. The paper aims to deliver the idea that Environmental democracy is not new in Indonesia since it stated its commitments in Rio Declaration in 1992 and World Summit on Sustainable

3
2
1
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

ess
Ali
ral
of
olic
in
ey
in
ey
ng
ost
e-
he

ip
of
iat
on
ue
ly.
se
cy
es
ry
er
s:

ea
t,
et
re
t-
y
r-
y
y
g
s'
o
n.
it
s
d
e

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:

Dr. Dyah Mutiarin
Eko Priyo Purnomo, SIP, M.Res.
Utami Dewi, SIP, MPP

CONTENTS

ACKNOWLEDGEMENTS ~ iii

PREFACE ~ v

KEYNOTE SPEECH : Sunhyuk Kim (Professor, Department of Public Administration, Korea University)

Globalization and Policy Change: The Case of Korea ~ 3

THEME: ENVIRONMENTAL CHANGES AND COLLABORATION IN PUBLIC ORGANIZATION.

The Implementation of Social and Environmental Responsibilities's Regulation by PT Karya Tangan Indah Bali

Ni Putu Tirka Widanti ~ 27

The Sustainability Of Jakarta As The Capital City

Hartuti Purnaweni ~ 41

Democratization and Environmental Politics of Natural Resources Management at Local level

Edi Santosa ~ 55

Governing the Disaster-prone Community

Laila Cholid ~ 67

Conflicts In Environmental Policy-Making In Korea: The Case Of Gyeong Mountain Golf Course

Su-jin, Yu ~ 83

Impacts of Decentralization on Environmental Management in Thailand

Soparatama Jarusombat ~ 107

THEME : NEED ASSESSMENT OF PUBLIC ISSUES IN PUBLIC ORGANIZATION

Leading to Improvement? The Politics of ISO 9001:2000 Transfer to Local Service Delivery

Wawan Sobari ~ 121

Democracy and Growth Revisited : An empirical study using fsQC

Dong-Hyun Choi ~ 155

Government Antismoking Campaign: Quixotic Dream Or Confident Expectation?

Subiyanto ~ 177

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

Amporn Tamronglak ~ 195

The Strategy For Improving Public Services Delivery In Indonesia

Suranto and Awang Anwaruddin ~ 213

THEME : TRANSFORMATIVE LEADERSHIP

Potential Users and Critical Success Factors of e-Government Services: the Case of Indonesia

Ali Rokhman ~ 231

Bureaucracy Culture and Leadership in Indonesian E-Administration

Implementation: Based on Perspective of Knowing and Learning Organization

Ayuning Budiati and Rudiant Komara ~ 245

THEME : CURRENT MANAGEMENT INFORMATION SYSTEM IN ELECTRONIC ERA
Internet Regulatory Policy in Korea: Its Origins, Impact, and Changes
Gyuseong Park ~ 259

THEME : DESIGN OF STRUCTURE ORGANIZATION IN DEMOCRATIC ERA
Competition for jurisdiction over food industry in Korea
Sungeun Park~ 277

THEME : PLANNING AND DECISION MAKING
Making Strategic Works In Local Government: Challenge And Problems, A Case
Study Of Strategic Plan Implementation In Yogyakarta Special Province
Achmad Nurmandi and Eko Priyo Purnomo ~ 295

THEME : CULTURE AND ETHICS OF PUBLIC ORGANIZATION IN DEMOCRATIC ERA;
Transformation Of Public Organization Culture In Indonesian Democratic Era
Arundina Pratiwi ~ 327
Anticorruption Agencies and Reform: The Case of the KPK in Indonesia
Jin-Wook Choi ~ 337
Robust Ondoafi Powers in Central Urban Communities (*Studies Authority Ondoafi in Jayapura Papua*)
Bonefasius Bao ~351
Balance Theory
Inu Kencana Syafie ~ 367

THEME : PERFORMANCE MEASUREMENTT
How Effective is the Indonesian External Public Sector Auditing Reports Before
and After the Audit Reform for Enhancing the Performance of Public
Administration?
Septiana Dwiputrianti ~ 381
Decentralization, Accountability, And Local Government Performance In Indonesia
Sujarwoto and Tri Yumarni ~ 409
Analysis Of Democratic Public Service Network (Case Study in Urban
Transportation Service in Makassar City, South Sulawesi Province, Indonesia)
Alwi ~ 437

THEME : COMMUNICATION PRACTICES IN PUBLIC ORGANIZATION
An Analysis Of The Effect Of Press Freedom On Corruption : Evidence Through A
Cross-Sectional Data Analysis
Songhee Yoo ~ 453
Organizational Communication In Licensing Office Of Yogyakarta City To Achieve
Service Performance
Yeni Rosilawati, Krisna Mulawarman and Dian Kusumadewi ~ 469

THEME : HUMAN RESOURCES MANAGEMENT.
Improving Indonesia Civil Servants Performance Through Job Analysis
Dyah Mutiarin ~ 483
Career Path Planning for Indonesian Public Servant
Utami Dewi and Atik Septi Winarsih ~ 499

**MAKING STRATEGIC PLAN WORKS
IN LOCAL GOVERNMENT: CHALLENGE AND
PROBLEMS**

**A Case Study of Strategic Plan Implementation in
Yogyakarta Special Province**

Achmad Nurmandi^{*)} and Eko Priyo Purnomo^{**)}

Abstract

The term of strategic plan is a new type of approaches 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 YSP Province. This essay examines the implementation of strategic plan in Yogyakarta Special Province (YSP). YSP 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 YSP. First of all, YSP tried to provide the strategic plan to be followed by government officer in their activities according to strategic design and planning school approaches. Secondly, most of local

^{*)} Department Government Affairs and Administration Universitas Muhammadiyah Yogyakarta nurmandi_achmad@ymail.com or nurmandi_achmad@umy.ac.id

^{**)} Department Government Affairs and Administration Universitas Muhammadiyah Yogyakarta eko@umy.ac.id

government's agencies are less understand on their vision and missions. Thirdly, because of the Zero-sum game effect, reaching the goals and mission are difficult. For example, most of their budget spends for their salary. Fourthly, the strategic plan has been implemented but it has not executed in the strategic zone properly and it also does not support for dealing with reaching of the missions from number two to six.

Key words: strategic plan, strategic management, public sector, Yogyakarta Special Province.

Introduction

Since 1999, all local governments in Indonesia were required to develop a strategic local or regional planning document, which contains the organization's vision and mission of local government. Vision is both dream and hope of the future of its region, while the mission is the translation and transporter of the vision. In addition, common formulation is to improve the welfare of society and social justice. Wilson (1989:33) said that: *All these goals are unclear because reasonable people will differ as to the meaning of such word as "well-being", "potential", "security", "viable", "decent", "welfare", "orderly", and "development"*. Government has adopted the private sector's strategic planning approach to help set priorities and allocate scarce resources in a changing environment.

In many cases, the formulation of vision and missions of local government organizations is very general and unclear, so the implementation formula is not clear well. Besides, public-sector strategic planning is an event—or worse, just a document. A state's strategic plan is presented with much fanfare and then just fades away. Or an agency prepares a strategic plan to meet executive or legislative mandates but does not use the plan to direct agency activities (Urban Institute, 2003). Indications are also not spared from the review of strategic planning documents and the several areas of strategic planning documents have not been functioning as a guide for preparing programs and activities properly (Urban Institute, 2003). Poister and Streb studied on use of strategic planning in United States' municipalities that of the 512 municipal managers who responded to this survey, 225 (44 percent) reported their jurisdictions had initiated formal, citywide strategic planning over the past five years, while the remaining 56 percent indicated they had not done so. The 44 percent reporting some use of strategic planning on a citywide basis is somewhat higher than the approximately 38 percent found by Poister and Streb (1994) nearly 10 years ago, suggesting a modest spread in the use of this approach over the past decade.

Hov
with
quit
orga
New
poo:
stru:
pro:
orga

stra
imp.
ager
becc
doct
conc
obje
opei
deve
Regi

form
estal
Loca
local
as a
lead:
pros
gove
and :

- 1.
- 2.
- 3.
- 4.

As a result, study of strategic plan on public organizations is important. How to modify business strategic plan in business sectors into public sectors with its value is difficult to implement. The public sectors' stakeholders are quite different with business sectors. Because of goals ambiguity, a public organization is difficult as well to reach their long term target. Besides, Newman and Wallender (1978) characterize not-for-profit organizations as poorly managed over the long term, with few or no long-range goals structures and having different constraining characteristics comparing with profit-making organizations. The political relationship between organization public and house representative makes another problem.

A Provincial Strategic Plan (PSS/*Renstrada*) introduced since 2000 is a strategic tactical planning document as the basis for the initial implementation of performance accountability systems of government agencies in chronological order and integrated over a period of 5 years. PSS becomes a reference as well as references in preparing the annual policy document (performance planning) of others. PSS documents, which contain concrete, chronological and integrative of the vision, mission, goals, objectives, policies and programs is a flow that must be followed by operational policy documents (performance plans) tailored to the development of strategic environmental dynamics in annually (Gov Regulation, 2000).

In 2004, the Government of YSP has a regional vision that have to formulate a solid catalytic. The local Government supported the establishment of a competitive society relating to political mandate on the Local Law No. 6/2003. This vision is formulated to achieve the vision of local government in 2020, namely "Realization of Regional Development as a vehicle to bring YSP in 2020 as a center of education, culture and a leading tourist destination, in the continuation of society, independent, prosperous mentally and physically supported by values of clean government and good governance by developing culture of social security and sustainable resource. Meanwhile, the goals are formulated:

1. Improve the ability, competence and professionalism of local government officials in carrying out its duties and functions directed at the betterment of society;
2. Solid administration and implementation of e-Government in improving the service to the community;
3. Realization of the people who enabled (Empowered), competitive (competitive) that leads to independence, through the active role of government, private sector and the community it self;
4. Optimal recovery of natural resources and man-made, the results of research and development and involve the university in an effort to improve the welfare of the people;

5. The growth of resurrection and business network that is directed to the local economy can be managed by independent business people;
6. Recovery of local economic potential to support local economic development and improvement of investment attractiveness.

The formulation of the mission is so huge and difficult to measure it. However, it is a compulsory for Governor to implement it because of Local Regulation (*Peraturan Daerah No.3/2003*). The Governor should execute that mission. Therefore, it is interestingly situation that can be looked at it on the strategic plan, what the strategic plan school to be used and its constraints.

Strategic Management in Public Sector

The term of Strategic planning has been introduced into the public sector 20 years ago, with much of the early literature focusing on local government applications (Poister and Streib, 2005; Dodge and Eadie, 1982; Eadie, 1983; Sorkin, Ferris, and Hudak 1984; Denhardt1985). Study on strategic planning in public sector is mainly a centerpiece of public management. Indeed, a recent study of the public management literature from a practitioner's perspective found strategic planning to be the most frequently discussed topic in at least one major public administration journal (Streib, Slotkin, and Rivera 2001). Beyond strategic planning itself, over the past several years interest has also focused on the broader process of strategic management in the public sector (Vinzant and Vinzant 1996a; Poister andStreib 1999; Zanetti and Cunningham 2000).Over the years a conventional strategic planning process has evolved, based on approaches developed by Bryson (1995), Nutt and Backoff (1992), and others (Koteen 1989), which typically involves clarifying mission and values, developing a vision of the future, analyzing external challenges and opportunities, assessing internal strengths and weaknesses, developing strategic goals and objectives, identifying strategic issues, developing and evaluating alternative strategies, and developing action plans. Yet, a lively debate continues regarding how to go about strategic planning in government in terms of scope (Kaplan and Norton, 1996; Ellingson and Wambsganss 2001), content (Hatry 2002), involvement and participation (Gabris 1989; Geletkanycz and Hambrick 1997; Franklin 2001; Markoczy2001), and approach (Toft 1989; Roberts 2000).The more important issue, however, concerns putting plans into action. Mintzberg (1994) is one of the most vocal critics of strategic planning precisely because organizations' planning activities are too often completely divorced from performance measurement and resource allocation. Thus, effective strategic management, the all-encompassing process of developing and managing a strategic agenda, is of the utmost

imp
"en
the
it as
ext
enc
cha
mar
mar
as 1
org
is th
ther
eval
this
the
plar

such
mea
char
plar
part
area
one.
mus
purp
whic
and
hold
1997
orga
havi
orga
stake

Stra

his t
Mint
of th

importance. Koteen defines strategic management as a broad concept that "embraces the entire set of managerial decisions and actions that determine the long-run performance of an organization" (1989, 18), while Toft portrays it as "an advanced and coherent form of strategic thinking, attempting to extend strategic vision throughout all units of the organization, encompassing every administrative system" (1989, 6). Vinzant and Vinzant characterize strategic planning as the "cornerstone" of strategic management, but they also say that "successful implementation of strategic management requires an assessment of organization capacities in such areas as managerial capability, power structure, culture, leadership, and organizational structure" (1996b, 203). Others agree that "Strategic planning is the primary element but not the essence of strategic management and then the other components are including the implementation and evaluation" (Halachmi, Hardy and Rhoades 1993, 165). Consistent with this view, Nutt and Backoff (1992), Bryson (1995), and others have discussed the importance of implementing strategic plans by anchoring lower-level planning processes in the strategic plans themselves.

The phenomenon on Public management has several characteristics such as, ambiguity on its goals, many stakeholders, and difficulty on measuring its performance and mandate for house representative. These characteristics lead to difficulties involved in implementation of strategic plan. Montanari and Bracker (1986) claim that public organization particularly a strategic public planning unit (SPPU) in today's sociopolitical area, faced with zero funding conditions of two types: zero-sum and zero-one. The first term is the zero-sum conditions that emerges when the state must operate under a balanced budget mandate and the revenue, for all purposes, fixed or decreasing. The second one is the zero-one conditions which exists when the state is experiencing a modest increase in revenue and able to allocate budget increasing for new or favored SPPUs while holding constant or reducing other SPPUs' budgets. Blackbery (in Carthcart, 1997) further explained that there are several differences between private organizations and government organizations. The private organizations have a measure of success on profitability, whereas government organizations usually have a lot of direction on its goals and many stakeholders with different directions from one another.

Strategic Plan School

Development of a strategic plan is written by Minzberg (1998) through his book "A Guided Tour through the Wilds of Strategic Management". Mintzberg shares some of the flow of strategic planning into several schools of thought as follows:

1. **Design School;** this school of thought looks at strategic planning as a process of conception. At its simplest, the design school proposes a model of strategy making that seeks to attain match or fit, between internal capabilities and external possibilities.
2. **Planning School;** this school of thought sees a strategic planning as a formal process. The central message of the Planning school fitted in neatly with the whole trend in management education and big business as well as a big government practice like formal procedures, formal trainings, formal analysis, and lots of numbers.
3. **Positioning School;** this school of thought argues a strategic planning as a process of analysis. This school also focusing on the content of strategies opened up the prescriptive side of the field to substantial investigation.
4. **Entrepreneurial School;** this school of thought claims a strategic planning as a visionary process. This school not only focused the strategy formation process exclusively on the single leader but also stressed the most innate of mental states and process like intuition, judgment, and wisdom experience insight.
5. **Cognitive School;** this school of thought sees a strategic planning as a mental process. This school as a framework for explaining strategic thinking.
6. **Learning School;** this school of thought sees a strategic planning as a process emergent. This school suggests that the traditional image of strategy formulation has been a fantasy, one which has been attractive to certain managers but did not correspond to what actually happens in organization.
7. **Power school;** this school of thought sees a strategic planning as a process of negotiation. This school takes off the gloves altogether and characterizes strategy formation as an overt process of influence, emphasizing the use of power and politic to negotiate strategies favorable to particular interest.
8. **Cultural school;** this school of thought argues a strategic planning as a process of collective. It is a strategy formation as a process rooted in the social force of culture.
9. **Environmental school;** this school of thought sees a strategic planning as a reactive process. The view of this school does force people in strategic management to consider the range of decisional powers available, given the force and demands of the external context. It also helped to describe different dimensions of the environments facing strategist and to suggest their possible effect on strategy formation.
10. **Configuration School;** this school of thought sees strategic planning

th
G
R
de
St
or
a
C
of

[

[

[

[

[

[

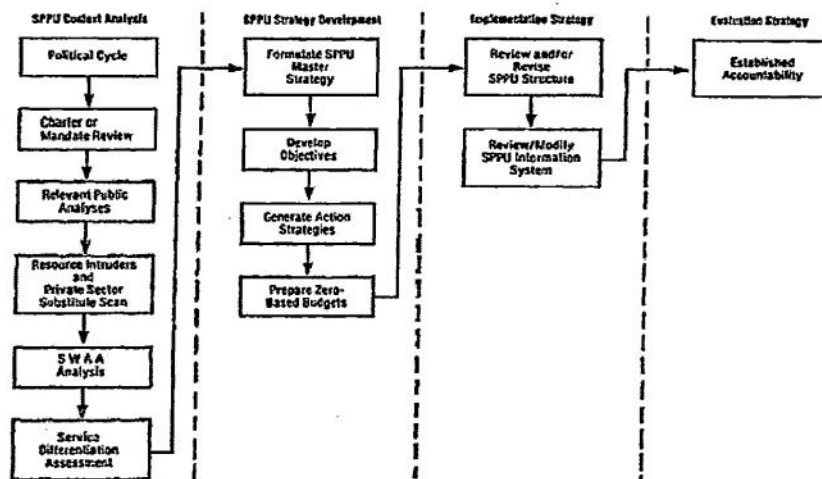
Sc

pl
re

as a process of transformation. This school offers the possibility of reconciliation; one way to integrate the message of the others schools, and describes the strategy making process.

Currently, strategic planning in local government organizations was the implementation of the mandate of Law Number 22 Year 1999 on Regional Governance Jo. Government Regulation No. 108/ 2000 concerning the Regional Head. The Strategic planning model used to follow the school of design and planning model. In a general analysis of the situation using SWOT (strengths, weaknesses, opportunities and threats) analysis based on the author's perception of the environmental situation. Environmental analysis is a critical phase of the process of strategic management. Government organizations face two critical financial situation of a number of zero-and zero-one.

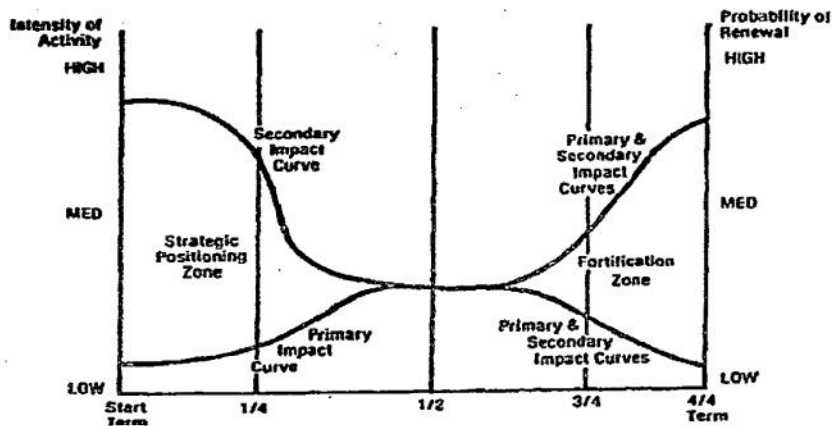
Figure 1. Strategic Management Process of Government Organizations



Sources: John R. Montanari and Jeffrey S Bracker, "The Strategic Management Process at the Public Planning Unit Level", *Strategic Management Journal*, Vo. 7, 1986, h. 252.

Political cycles and the mandate were held to formulate a strategic plan based on the Government regulation (PP. 108 year 2000) and later revised by Law no. 25 year 2004 on National Development Planning System.

Figure 2
Political Cycle Work Unit Area



Sources: John R. Montanari and Jeffrey S Bracker, 1986.

Political cycles affect the strategic management process for five years, which is divided into four terms or phases of time. In the early days, the intensity of strategic planning is quite high, with secondary effects of primary impact of high and low. Formulating a strategic plan not much affects the activities of organizations operating in the short term. Planning will affect the activities of the organization at the end of the semester, for the period or term plan will be terminated and evaluated. Therefore, the impact of its implementation will be high primary and secondary curves.

While the environmental analysis as described in the next SWAA — as the explained before — use or SWOT analysis. SWAA is a continuation of the strengths, weaknesses, advocates, and adversary. SWOT stands for strengths, weaknesses, and threats opportunities. Analysis by Andrew said as quoted by Minzberg and his friends as follows:

1. Strategy formation should be a deliberative process of conscious thought;
2. Responsibility for the control and consciousness must rest with the chief executive officer: that person in the strategies;
3. The models of strategy formation must be kept simple and informal;
4. Strategies should be one of a kind; the best ones result from a process of individualized design;
5. The design process is complete when strategies appear fully formulated as perspective;
6. These strategies should be explicit, so they have to be kept simple;
7. Finally, only after these unique, full-down, explicit and simple strategies are fully formulated then they can be implemented

appr
1.

2.

3.

the fa

that c
and c
strate
a stra
unfor

Unrea
Stratej

Sourc

(Minzberg, 1997, pp.30-1).

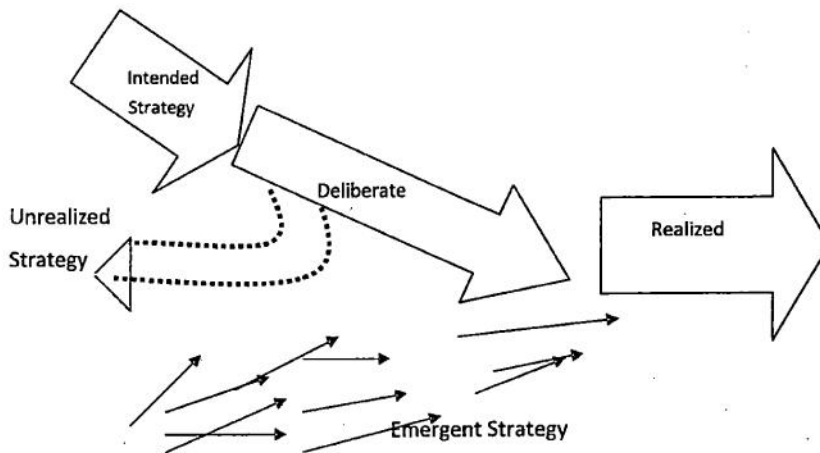
On the other side, Minzberg and his friends criticize the design approach the following school:

1. Concerns about the strengths and weaknesses of using purely judgment very difficult to know the strengths and weaknesses of the organization in the future. However, weaknesses and strengths are known through a long learning process;
2. Structure follows strategy. Formation is not a strategy is a sequence of processes, but integrated between structure and strategy;
3. Making strategy explicit. How local government organizations can avoid the political factors and the situation is fast changing environment.

In other words, the strategy is always considered to be premature in the fast-changing situation

Organizational strategy designed specifically based on the assumption that dug at the time of preparation, but in line with changing circumstances and environmental conditions, often suddenly appeared strategy called strategy emergent. Strategy emergent is not always bad, but combined with a strategy that has been designed is the step most likely to respond to unforeseen events (Minzberg, 1998).

Figure 3
Strategies Deliberate and Emergent



Source: Henry Minzberg, *Strategy Safari*, the Free Press, New York, 1998, h. 12.

Research Method

This research used qualitative analysis with descriptive research methods. Descriptive study is conducted to describe the exact nature of, symptoms or signs of subsequent developments in the relationship between the object of research with other social phenomena (Surachmad, 1982). The characteristics that accompany the descriptive research method are:

1. Concentrate on solving existing problems at this point about the real problem.
2. Data collected at first arranged, described and then analyzed.

In term of research type, this research is a case study model. While the form of descriptive methods used in this study is a case study. Regarding the case study itself can be intensive and detailed case. The subjects investigated consist of one unit is regarded as cases, because of the depth and detail. Case studies generally produce a longitudinal picture of the results of data collection and analysis of cases within a certain time period.

This research also focuses in YSP organization as the unit of analysis consisting of a number of departments, agencies, and offices. Particularly, this research examines a number of Government agencies who implement strategic plan (*Restrada*) 2004-2008. The strategic plan is the guidance and direction of development to achieve the objectives or performance.

Strategic Plan Implementation: Zero-Sum Conditions

Development Strategic Plan, as described previously using the School of Design and Planning. In this pattern, which is based on a strategic SWOT analysis at the time, the plan was compiled. On the way it turns out, weaknesses, strengths, opportunities and threats formulated in the plan document were quite unclear and limited information in order to anticipate the changing environment-bounded rationality (Simon, 1979).

YSP The Basic Strategic Plan between 2001-2006 and 2001-2005, regional development programs DIY Province established the Regional Development Vision to be achieved in 2020, namely: "*Realization of Regional Development as a vehicle to reach the condition of the Special Region of YSP in 2020 as the Center for Education, Culture, and Regional Leading Tourist Destination in developed communities, independent, inner and outer peace is supported by struggle values and clean government in term of good governance by developing endurance Socio-cultural and sustainable resources.*"

As line mentioned above, the Provincial Government of DIY has developed a vision of the Government to support the vision of regional development to be achieved it by 2020. YSP's vision is to be an ideal year Strategic Plan 2004-2008, is: "*Catalytic solid local government and support the*

esta.
govi
dire
and
by tl
dep
inn
wea

Mi

Mi

Mi

Mi

Mi

Mi

Mi

6

miss
inter
strat
ones
econ
rese
meas

publ
servi
is in
Pran
acco

has e

establishment of a competitive society". According to this vision, Local government means catalytic in his new role, the Government will be more directed as a regulator and manager of the direct executors of the business and services. Based on the experience, if a business can be conducted entirely by the community and still done well by the Government, it will cause the dependence of society on the government. Therefore, creativity and innovative spirit of community and individual members of society become weak.

Table 1
Mission and Goal Category

Mission	Content	Zone	Impact
Mission 1	Bureaucracy Consolidation	Fortification	Secondary
Mission 2	Public Services	Strategic	Primary
Mission 3	Government Role	Strategic	Primary
Mission 4	Government Province Role as a coordinator	Strategic	Primary
Mission 5	Public Participation	Strategic	Primary
Mission 6	Economic Sustainability	Strategic	Primary

Based on content analysis, mission 1 is categorized as a consolidated mission that have main goal to improve organizational capability and internal improvement. Meanwhile, mission 2 until 6 are categorized as a strategic mission, which is suitable with vision of YSP Province. Strategic ones are to attain improvement of public services, public participation, economic sustainability and province role in governing activity. Also, researcher found that there were not clear indicators that can be used to measure the achievement of mission.

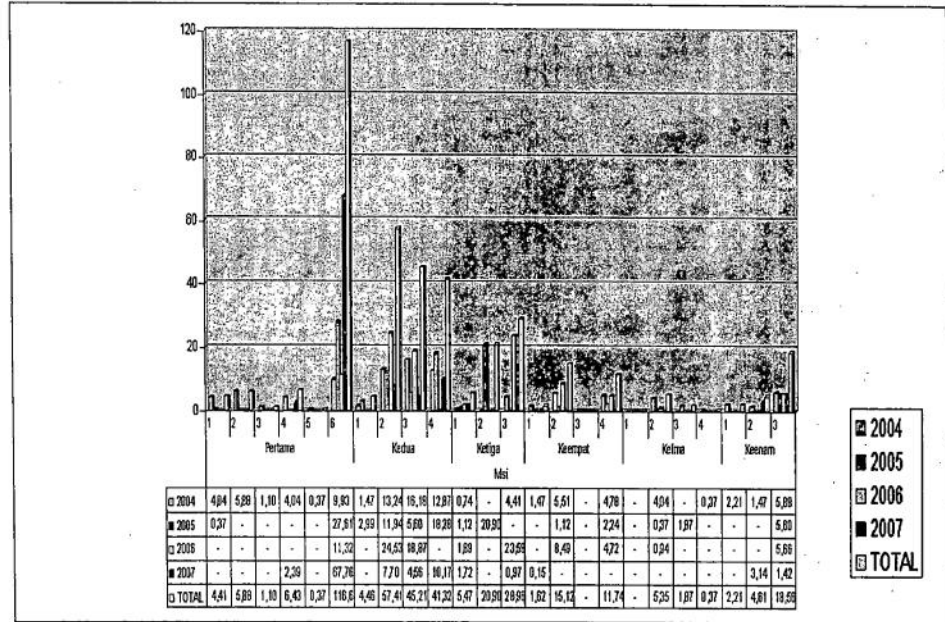
The ultimate goal of the reform of the bureaucracy which is the core of public administration development program is to improve the quality of service. Relating to this issue, data' survey show that good governance YSP is in fourth place after Gorontalo, West Sumatra and East Java (Agus Pramusinto, 2007). There are six targets in this first mission have been accomplished 4 indicators and five indicators that have not been achieved.

In term of program evaluation and execute the government rule, YSP has established 6 mission, 24 targets and 84 programs. In term of achieving

the missions and targets, they have executed 1983 activities from 2004 to 2007. The biggest activities were implemented in 2007, around 1337 program or 67% from the total activity between 2004 and 2007. Besides, it spent around 29% budget, Rp.1.067.387.620.225. Because of earthquake, on 27 May 2006, there were lots of programs implemented to rescue the victims rather than to implement the designed missions and targets. Consequently, the implemented programs were the smallest, 106 programs and spent 21% Budget. Compared by 2004 was 268 programs and 2005 was 272 programs.

The figure number 4 below shows that the first mission on target number 5 has the biggest of activities from 2004 to 2007. The target goal is adequate facilities and infrastructure and government personnel to ensure implementation of the tasks of government. These reached 1019 activities around 51% from the total activities. It can be assumed that the YSP spent more budgets for apparatus' expenditure than providing public services. It is a consequence of the zero-sum approaches that apparatus' expenditures eliminate and turn aside the other mission.

Figure 4
Government Expenditures in YSP



Relating to apparatus's expenditures, from 2004 to 2006, YSP spent around 25 % of total budget and then it rose nearly 52% in 2007 (Fig 5). It can be assumed that it is relevant with YSP vision. Therefore, most of budget and program was devoted to implement the government's rule a catalyst and only a regulator. At the beginning, it was compulsory if the government has to spend lots of resources. Besides, it needs for setting up the system, institution, and human resources. The YSP Government realizes that the bureaucracy needs to be reformed and transforms to be more flexible.

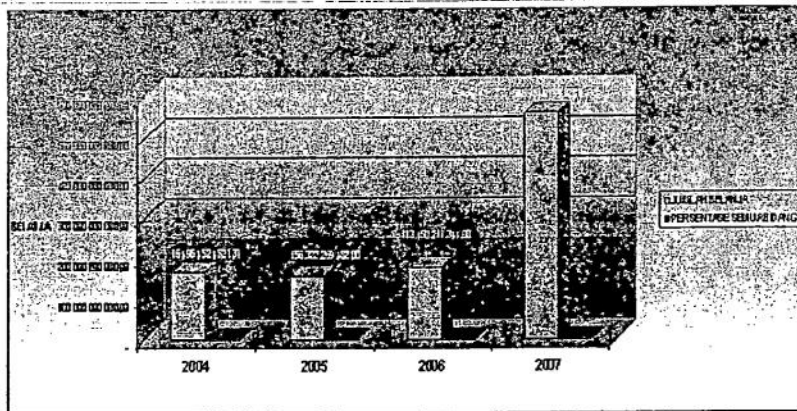


Figure 5

The comparison of Governments expenditure with the Total Budget in 2004-2007

Source: Government Expenditures in 2004-2007.

Then to realize that vision, strategic plan that is poured into a mission that will be analyzed as follows:

Implementation of Mission 1:

Improving the bureaucracy with institutional strengthening, restructuring employment, increasing the ability of local government officials through the transformation of the bureaucracy.

- In the first mission there are six objectives to be achieved, namely:
1. Institutional governance in their local needs. Indicator: pattern arrangement of the organizational structure that is simple and filled;
 2. Guidelines for organization and management, local device profiles, job descriptions and clear groups and meet its needs. The main indicator of the job description availability, supporting indicators: the existence of guidelines for job competency;

3.

4.

5.

6.

dev
area
of p
bure
com
of D
Han
inn
Gov
The

by th
the l
a)

b)

c)

d)

conc
reso
a.

3. Performance assessment tools and job competency implementation. Indicators: implemented performance assessment instrument;
4. Staffing system is steady, tested, and ensured a healthy employee career. The main indicators: the existence of reward & punishment;
5. Adequate facilities and infrastructure and government personnel to ensure implementation of the tasks of government. The main indicators: the availability of facilities and infrastructure required;
6. Achieving economic sustainability through people empowerment.

Above objectives are interrelated and seek to be achieved through the development of public sector governance. The levels of achievement in this area are described as follows: The performance of government development of public sector reform program is closely related to bureaucracy. A lot of bureaucratic reform projects were facilitated by funding agencies or private companies. This is due to the extent of the network owned by the Province of DIY, which can not be separated from the presence of Governor Sri Sultan Hamengkubuwono X. In the course of the last five years, there were some innovative planning programs that created by the initiation of the Provincial Government of DIY in collaborating with the Donor or funding such as: The Asia Foundation, Swiss Contact, World Bank, and the Partnership.

One of the results of policy research (World Bank Study) conducted by the Bill and Many (et al Purbokusumo, 2006) found that the main problem the bureaucracy DIY Province are:

- a) Financial aspects, which is a lack of budget that has not been results-oriented user
- b) Aspects of human resources, in amounts exceeding the ideal number, but the quality are not comparable to that required. It demonstrates the weakness of manpower planning which can cause incompatibility needs;
- c) Aspects of institutional organization, which even has a job description, but some level of organization there are many overlapping;
- d) Aspects of the work culture in which public servants work culture is not fully aware of the vision and mission of public organizations as a public servant (Purbokusumo, 2005, p. Viii).

Following up on these findings, then taken some steps that have been conducted since the early 2000s until 2005, which is developing human resources through red tape:

- a. **Arrangement of structural positions with several methods**
 - (1) Perform the fit and proper test to determine the structural competence of officials concerned;
 - (2) Conduct an assessment center and the delivery of the vision and mission officials who will be promotions to the Echelon II;

- (3) Applying a scoring method for the placement of civil servants in the structural position based on the Affairs and Regional Autonomy No. 811.212.2/007321/SJ November 6, 2000;
- (4) Acceleration of the officials to conduct structural position of certain functional.
- b. **Arrangement of certain functional**
Development of public demands for service-oriented real needs become more complex, functional position is one response to the needs of the community. This position is designed to fill certain functions that actually contribute to the achievement of bureaucratic performance.
- c. **General functional arrangement**
If this can happen, the unit will be better service in line with the fulfillment of the general functional positions such as administrative office computers. Settlement of the general functional position as more urgent to be realized in accordance with the spirit of streamlining the organization but still rich in functions
- d. **Implement a training transformation of bureaucracy to develop entrepreneurship in environmental bureaucracy**
In 2006, there has been transformation training for bureaucrats, which was attended by 40 participants and as many as 38 people who passed. Currently, the alumnus have reached 300 people, but still many people who doubted the effectiveness of training activities
- e. **Develop corporate culture by internalization and socialization of cultural values of government.**
Because of the YSP culture is so unique; developing the organization value that implement the local culture is intensive. This is not a stigma for the state apparatuses in DIY, but the challenge can be cultivated in the bureaucracy. As a result, achieving the figure of YSP's bureaucratic culture with all its uniqueness and benefits to the community is in line with the existence of DIY Province which is expected to provide counseling and shelter for everyone.
- f. **Examines the monitoring of reward and punishment systems in coaching tablespoons red tape**
To pursue this monitoring of reward and punishment systems, YSP as Special Region, has issued the Governor of YSP No. 49 Year 2005. This rule is Guidelines for Granting Award (reward) and sanctions (punishment) for civil servants in the province of YSP Special Region Government.
The ultimate goal of the reform of the bureaucracy which is the core of public administration development program is to improve the quality

Imp
Imp
soci

a.

b.

c.

d.

edu
gov
29/
you
loc
Tec
Ac
You

of service. Relating to this issue, data' survey show that good governance YSP is in fourth place after Gorontalo, West Sumatra and East Java (Agus Pramusinto, 2007). There are six targets in this first mission have been accomplished 4 indicators and five indicators that have not been achieved.

Implementation of Mission 2:

Improving services, consultation and assistance in order to increase society's ability to have a strong competitive advantage

The second mission there is four objectives, namely:

- a. Government officials are able to provide excellent service to the public in accordance with the duties and authority. The main indicators are accessibility to public services and web-based Information Systems
- b. Communities are responsive to service delivery. Key Indicators are the existence of institutions that handle complaints and the number of complaints, supporting indicators: unemployment rate, the number of transmigrates, life expectancy, infant mortality rate, the number of births assisted by medical personnel, number of family planning acceptors, health facilities, the type of treatment used in the population, number of social institutions, number of orphanages, cultural property, cultural events, art appreciation, number of visits for performing arts, the number of museum visits, the behavior of society.
- c. Standard Guidelines for quality of service and Service (MSS) are carried out and meet the needs of the community. The main indicators: the level of achievement of SPM, supports indicators: Human Development Index, literacy rate, school enrollment rate, gross enrollment rate, the net enrollment rate, ratio of total village school, with pupil-teacher ratio, the ratio of classroom to pupils, the number of universities, a national test scores and graduation rate and, achievement students at the national / international.
- d. Facilities and infrastructure adequate services.

Four targets mostly trying to be achieved through the development of education, health and manpower and transmigration. In the field of governmental grouping in the budget based on Home Ministry Decree No 29/2002, the education sectors are grouped together with the field of culture, youth and sports. In the province of DIY, a field which is managed by a local unit of the Department of Education (which includes a sub-unit of the Technical Education Training Center, Institute of Developing Learning Activities, Institute for Communication Technology Education, Institute for Youth Development and Sports, SLB Interior coaches, and SLB 1-4 YSP

Affairs), Office of Culture (including sub-units such as Sono Budoyo Museum and Cultural Park), and local libraries.

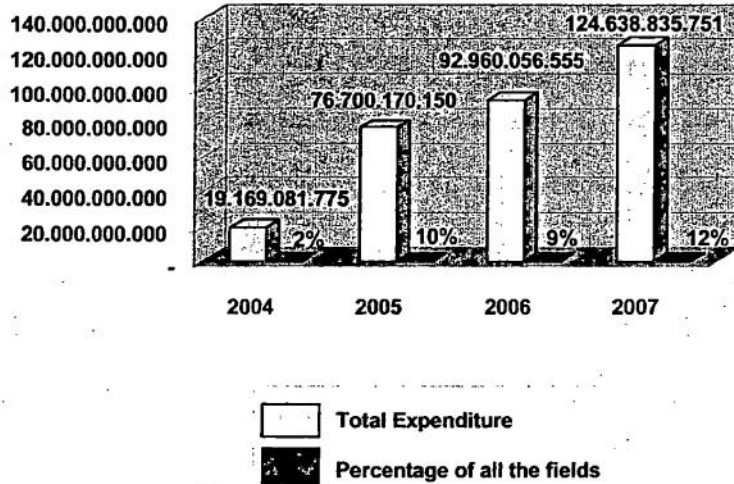


Figure 7
 Comparison of Total Spending in Education Culture, Youth and Health
 on YSP's Budget 2004-2007
 Source: Government Expenditures of YSP Province in 2004-2007

Basic Plan of YSP 2001-2005 development vision is to realize the DIY as a center for education and culture in 2020, as well as a leading tourist destination. Therefore, it is not surprising that the funds allocated for this field ranges from 9-12% of the total budget. The allocation of substantial funds are intended to implement strategic programs such as improving educational opportunities for the community; improvement, facilitation and regulation of non-formal education, informal and development of community participation, improve services and social rehabilitation, development of arts and local cultural values, preservation of and preserving and developing traditions.

In the annual plan document 2004, while doing development of an effective human resources and development of infrastructure and facilities, has it provided for the enhancement and expansion of quality educational opportunities at all levels and types, extension methods/learning system and curriculum of education, improving educational facilities, youth and sports, improving academic skills and professionalism and then improving

the
 fac
 edi
 and

ma
 tot:
 qua
 rea
 allc
 in 2
 qua
 con
 edi
 imp

Pla:
 Spa
 exc
 trar
 ser
 whi
 has
 in I

whi
 In a
 par:
 con
 pro
 serv
 and
 is th
 Prej

edu
 schc
 Hov
 vari
 to ir
 edu
 seve

the welfare of staff. While the local ME budget in 2005, an increase in the facilitation and implementation in order to improve the quality of graduate education, increase public participation in conservation of cultural values, and enhance the reading culture to guide society.

The amount of education funding, but still carry out our constitutional mandate which states that the educational budget of at least 20% of the total budget. Therefore, in 2006, there planned by the ME to improve the quality of education through increased budget allocations for education to reach 20% in 2009. The desire was so strong, has given birth to the budget allocation policies for public spending reached 100% in 2004-2006, and 60% in 2007. Many countries that have the conviction that human resources (HR) quality will be able to compete with other countries. In this case, one of the components that are directly related to human resource development is education. Therefore, the quality of human resources is always looking for improvement through a good education system.

In accordance with the vision contained in the Regional Development Plan of YSP in 2001-2005 to realize as the Centre for Education in 2020. Spare the word "education center" refers to the center of educational excellence in Indonesia. Statement of objectives in the Strategic Plan to translate the vision is: "The guidelines for the excellent service and minimum service standards, called minimum standard for public services (SPM), which is should be implemented. Consequently, establishing of the SPM has been prepared and facilitated by the Partnership for Governance Reform in Indonesia, in 2003.

The SPM is a provision about the type and quality of basic services which is the local affairs of the right to obtain a minimum of every citizen. In accordance with the mandate of Article 11 paragraph (4) and Article 14 paragraph (3) of Law Number 32 of 2004, the SPM is applied to matters concerning the region, particularly in relation to basic services, both provincial and local District / City. The Basic service is a type of basic public services and absolute to be met with the needs of people in social governance and economic. Regulations implementing Article 14 of Law No. 32 of 2004 is the Government Regulation Number 65 Year 2005 on Guidelines for Preparation and Implementation of the SPM.

Development of quality human resources can be done through education and its relation to the provision of educational facilities including school buildings, teachers, literature completeness and educational facilities. However, any effort to improve education has always been hampered by various obstacles. For the provincial government of DIY is always working to improve the quality of education, particularly through the provision of education facilities and infrastructure. In the Strategic Plan, has established several strategic programs, namely:

1. Strengthening of community service
2. Development-oriented learning model of education in providing skills
3. Quality indicator system development of information technology-based education
4. Development of service excellence in special education
5. Improvement, facilitation and regulation of kindergarten education, elementary, junior and senior high and vocational school
6. Development of excellent service through a global model school
7. Updating of the teaching methods

To view the achievement of educational development in order to realize a DIY as a center of education, there are some indicators that need to be considered, include: level of literacy, school enrollment rates, the value of UNAS, the ratio of the number of schools, the ratio of the number of students and teachers, pupil ratios and class, the number of higher education and the public interest to study in YSP.

Health indicators seen from the figures that show trends in life expectancy increased from 72.6 in 2004 to 74 in 2006 (DHO DIY, 2006). AHH is above the national average of only 66.2 years (CBS, 2004). In addition to viewing this indicator DIY Strategic Plan also emphasizes on improving services, facilities and infrastructure as well as extensions to the community.

At the same time, the transmigration area which was originally planned to cope with unemployment in DIY in the 2003-2005 period continued to decline from 1519 soul number initially in 2003 and then shrank to 1014 souls in 2004 and last in 2005 only about 645 souls only. This decrease was caused by a lack of interest of the community to develop themselves in new areas and a strong sense of attachment to the land of birth. From the overall strategic planning program, announced in this mission, there were 48 programs that have been achieved and 8 programs that have not been reached.

Implementation of Mission 3:

Repositioning the role of local government is an effort to increase community capacity in the global competition.

In the third mission there are three objectives to be achieved, namely:

- a. Government officials who are dynamic and able to adapt to changing conditions of society and global conditions. The main indicators: the level of government.
- b. The concept of the new role of catalytic local government, which clearly outlined and agreed upon by the stakeholders of government. Indicators: public-private investment ratio , the elasticity of public-

c.

dev
and
coo
200
200
req
YSF
incr
targ
rem

Imp

Est
ord

a se
a.

b.

c.

d.

throu

- private investment, Incremental Capital Output Ratio (ICOR, #16805), with Gross Regional Domestic Product (GDP) based on the user, GDP by industrial origin of base price, GDP by industrial origin at constant prices, GDP growth by sector of production.
- c. The concept of community capacity building in global competition. Indicators: export performance, the performance of imports, and the poverty index.

Three targets mostly trying to be achieved are; through the development of cooperatives and small industries and handicraft household and social sector development. Judging from the development of cooperatives in the province of DIY has a tendency to increase from 2003 to 2006, where in 2003 and 1919 the number of cooperative units in the year 2006 has reached 2031 units. In term of social indicators, the most of the requesting is based on the Human Development Index. Nationally, HDI YSP inter-period of time has increased significantly, reached 68.7 in 1999, increased to 70.8 in 2002 and rose again to 73.5 in 2005. Overall, of the 3 targets in strategic planning found 16 programs that reach and then the remaining 3 programs that have not been achieved.

Implementation of Mission 4:

Establishing the networks/networking with the city and stakeholders in order to enhance the competitive society is strong.

The Fourth mission includes the four objectives to be achieved, through a series of programs and activities. Those goals are as follows:

- a. Networking inter-governmental institutions is more stable in areas that provide opportunities for the public to participate in regional and global competition. The main indicators: the number of MoU, a network organization and the district town.
- b. Networking between the government and other stakeholders to strengthen the position of the community with indicators are number of MoU
- c. Standard operating procedures for network utilization that can be implemented by stakeholders with indicators are SOP.
- d. Network infrastructure implementation. Indicators: target of infrastructure and agriculture and fisheries, agriculture and fisheries contribution, the exchange rate of farmers, index of prices received by farmers.

The four goals contained in this mission largely sought to be achieved through the development of agriculture and fisheries, and forestry and

plantations. In other words, trying to restore natural resources optimally with all stakeholders to build networks to improve competitiveness is strong. As a result, from 2004 to 2007 has found 88 of the MoU between the government and other stakeholders. Moreover, in term of agriculture and plantations, commodity exports contribute a large enough is important clove leaf and green / black. There was around 347 639 kg with a value of U.S. \$ 1,681,144 and 274,237 U.S. \$ has been produced. This is due to good climate and fertile soil of YSP which is still mainly mountainous areas. Besides, in term of fisheries' contribution came from fresh fish and shrimp production about 26 794 kg with a value of U.S. \$ 83,232. The four of objectives have been achieved 7 planned programs and then only 1 program that have not been reached due to the problem of decreased cooperation from 30.7% in the year 2004 to be 22.7% in 2007.

Implementation of Mission 5:

Capacity building and community's participation in supporting for the government.

The Fifth mission includes four objectives to be achieved, through a series of programs and activities. Four goals in the fifth mission are as follows:

- a. Governments officials have opened up opportunities of public participation in government with main indicators are: public consultation. Communities are proactive and responsive in anticipation of opportunities provided. Main indicator of investment performance is regulatory laws that support community empowerment indicators of regulation;
- b. Opportunities for public participation that could reach the level of governance indicators accessible.

The four objectives contained in the five most trying mission is achieved through the development of tourism and culture. Because the Special Region of YSP is a province rich in culture and tourism, the objective purpose of this advice is for recovery local economic potential to support for the local economic development and to improve investment attractiveness. In tourism, according to data from Baparda DIY, there were a significant number of tourists declined quite dramatically from 5,064,241 in 2005 to only 2,848,463 in 2006. The rate of tourists declined in 2006 due to several natural disasters and then issues of Mount Merapi eruption. For example, the earthquake that occurred on May 27, 2006, the number of tourists dropped dramatically by -50.57%.

of cu
like t
arena
desti
5th, t
not t
ment

Impl

Dem

of pr
follow

a.

b.

c.

deve.
field,
and l
Forei
2003
grow
perio
Incre
but a

show
of vil
39 th
numl
87 th

In term of culture sector can be seen from the number of overall events of culture between 2003 and 2004 increased by 2.19% through regular events like the Festival of Culture in YSP. The Cultural wealth can serve as an arena of expression, cultural appreciation community, while also as a tourist destination. From the overall program, announced in the mission of the 5th, there were 4 programs that have been achieved and only 2 that have not been achieved with respect to investments in areas that have been mentioned previously.

Implementation of Mission 6:

Utilizing the local economy is based on the concept of Economic Democracy.

The sixth mission includes three goals to be achieved, through a series of programs and activities. The Three goals in the sixth missions are as follows:

- a. Strengthening small medium economic unit with the main indicators: the number of small medium enterprises and the number of cooperatives.
- b. Ease of licensing services at all levels (central, provincial, district / city). The main indicators: strengthening united licensing agency.
- c. Solid management of tourism that supports local economic development. The main indicators: increase the number and length of stay of tourists. Environmental field, the number of villages with water pollution, number of villages that have air pollution.

The three goals in sixth mission largely achieved through the development of the economic and the environment sectors. In the economic field, investment into the reference count, these can be seen from the rise and fall of the growth charts Domestic Direct Investment (PMDN) and Foreign Direct Investment (FDI) in YSP from 2000 to 2005. In the year 2002-2003 reveals that an increase in capital investment was very impressive growth in both domestic and foreign investment respectively 8.13% in the period 2001-2002 to 22.59% and -14.98% in the period 2001-2002 to 58.29%. Increasing the fuel prices in 2005, the investments amounted to only -6.28%, but actually it increased domestic investment.

In term of environment sectors, the YSP's Strategic Plan is still not showing good performance, this is shown by the increasing of the number of villages that experienced water pollution from 27 villages in 2003 became 39 the village in 2005. Also visible from the air pollution and increasing the number of villages that have air pollution, which was from 63 in 2003 became 87 the village in 2005. Therefore, in a total of three goals through 10 programs

targeted to the mission of the 6th. Besides, there were 5 programs are accomplished and then the five others programs have still not been reached yet.

From the summary achieved indicators and not achieved indicators, the target in relating with the indicators 86 indicators met or 72.88%. And then it has not achieved as much as 23 units or 27.12. In other words, it means that the level of achievement RENSTRADA is quite well. However, a more focused attention should be given to the development of education, culture and tourism in order to realize the Province of YSP as a Centre for Education, Culture and Tourism Regional Leading goal in 2020. Even though the existing data also show that the percentages of targets have not been reached only 27.12 percent, the reaching of the goals is more important. Because of achieving the goals is an appropriate way to deal with the vision 2020.

Analysis of Mission Achievement

Based on aforementioned, we also could assume that in the first term of strategic plan implementation, the first mission got the biggest budget compare with other missions. This mission focuses on internal consolidation rather that providing the public service. Therefore, the implementation of strategic plan is categorized as medium performance. As a result, the impact of its implementation is more secondary impacts well (Fig 7).

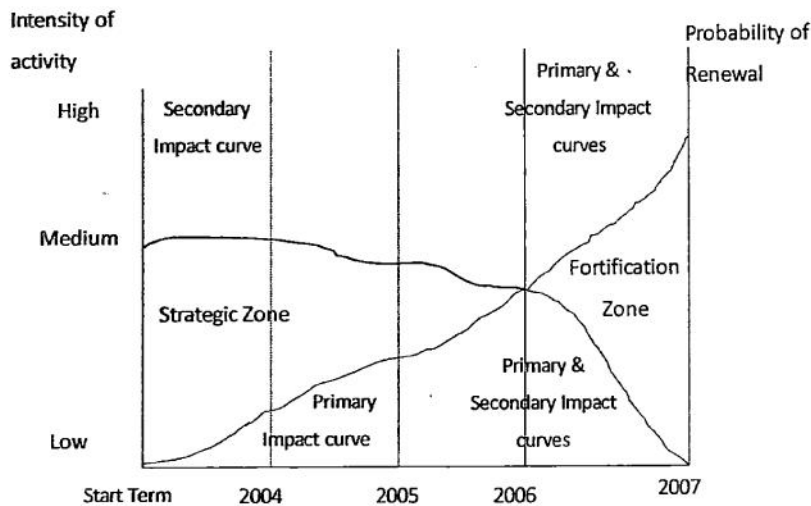


Figure 7
The Performance for Implementation of Strategic Plan

B
which
goals.
proble
are so
public
spendi
unit sp

Prop
Source

T.
govern
Beside.
was a
infrastr
that ev
times (

The r

Year
2006
2007
2008
2009

Source
In

Based on the interview, elites have done several screenings for planning which will be implemented. It can minimize the activities without clear goals. However, in term of missions' implementation, Bappeda has a problem to control and maintain the unit's proposals. Many of proposals are so vague and difficult to reach the goals. For example, Department of public works and infrastructures spends lots of their budget for salary spending rather than for developing the infrastructures. In addition, this unit spends more resources than another unit such as Dept of tourism.

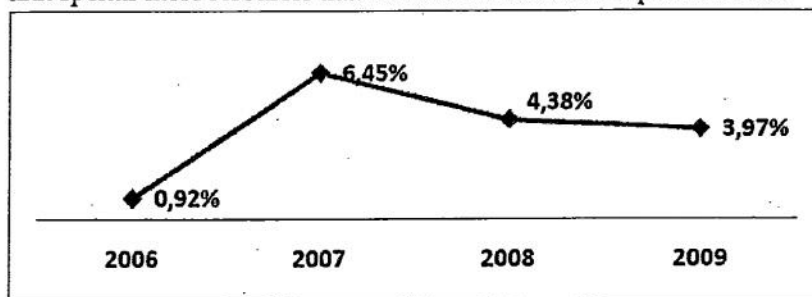


Figure 8

Proportion of Infrastructure Expenditure in Local Expenditure 2006-9
Source: Local Government Budget 2006-2009.

The proportion of infrastructure expenditure comparing with the local government Budget was 0.92% in 2006 and then rose to 6.45% in 2007. Besides, it declined from 4.38% in 2008 to 3.97% in 2009. Even though, it was a significant increase comparing with expenditure in 2006. The infrastructure's costs leads to increasing the PDRB around 8.46-8.93. It means that every time the spending of Infrastructure will increase the PDRB 8 times (Table 1).

Table 1

The number of multiplying effect between infrastructure expenditures and PDRB

Year	Infrastructure expenditures (in Billion Rupiah)	Expenditure Multiplier Infrastructure on PDRB	Impact of the Infrastructure expenditures on PDRB (in Billion Rupiah)
2006	43.1	8.46	364.778
2007	68,8	6.92	476.442
2008	63,8	8.85	564.426
2009	56,1	8.93	500.553

Source: Sinergi Visi Utama Consultant, *Study on Infrastructure Expenditure Impact on Economic Growth in DIY Province*, 2010.

According to Nutt and Backoff,

"Goal ambiguity, limits in the acquisition of resources, low expectations, and the absence of incentives pose obstacles for the strategic manager. Several steps are required to deal with these obstacles. First, ideals can be used in place of goals. Goals should be avoided because they are ambiguous in public organizations and tend to remain so after clarification attempts" (Nutt and Backoff: 1992).

Besides, ideals provide a picture of the desired future state of the organization, giving concrete cues on which to build action. Ideals indicate best-case and worst-case situation that describe clients, programs, reputation and competence. The worst-case provides a floor on which to build, and the best-case provides a target to plan toward. Ideals provide intentions that can be articulated in the concrete terms preferred by organizational leaders. They provide targets and offer ways to seek compromise among competing views that indicate what organization is (is not) about (Nutt and Backoff, 1992).

From the summary achieved indicators and not achieved indicators, the target in relating with the indicators 86 indicators met or 72.88%. And then it has not achieved as much as 23 units or 27.12. In other words, it means that the level of achievement RENSTRADA is quite well. However, a more focused attention should be given to the development of education, culture and tourism in order to realize the YSP as a Centre for Education, Culture and Tourism Regional Leading goal in 2020. Even though the existing data also show that the percentages of targets have not been reached only 27.12 percent, the reaching of the goals is more important. Because of achieving the goals is an appropriate way to deal with the vision 2020.

Conclusion

In YSP contexts, the Government of YSP already created a regional vision to formulate a solid catalytic that the Local Government supported the establishment of a competitive society relating to political mandate on the Local Law No. 6/2003. These are as a guide for the implementation of policies and this called as a strategic plan. These rules make the YSP government should rely on it if they want to create and implement any policies.

According to the above analysis, there are several key findings. First of all, the YSP tried to providing the strategic plan to be followed by government officer in their activities. According to strategic design and planning school approaches, they have not succeeded to perform as the strategic plan. For example, they do not have clear indicators and specific goals. Secondly, most of local government's agencies are less understand

bu
an
sal
ex
nu

Pr

the
gui
reg
inf
gu:
org
pla
sch

Th

inj
sig
of
gov
ent
mo
Ind
the

Re

An

Bac

Ber

Bro

on their vision and missions. As a result, they create any programs but it less implemented. 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.

Practical Implications

The result of practical research makes several recommendations about the regulation of regional strategic plan shall be provided with a detailed guide. Although these recommendations will minimize the possibility of regions to innovate in preparing the strategic plan, but at least provide information to regional benchmarks of good strategic plan. Second, the guidelines for the preparation of strategic plans of local government organization shall be equipped also with a method or other strategic planning perspective, such as schools of entrepreneurship, the positioning school, school culture, school and school environment configuration.

Theoretical Implications

Based on the above analysis, the authors look at some theoretical implications of this research. This approach has the financial capacity of a significant impact on strategic planning model. In the financial capability of low-governmental organizations will encourage the executive government to make new breakthroughs, which more resembles the pattern entrepreneurial school. This pattern can be observed in a number of objects more studies, which have this characteristic. The practice of government in Indonesia is currently more like a pattern of government will encourage the formulation of strategic plans with the school network.

References

- Anderson, James E. (1979), *Public Policy Making*, Holt, Rinehart and Wiston, New York, Chapter 1-2
- Backoff, Robert, Barton Wechsler, and R.E.J. Crew. 1993. The Challenge of Strategic Management in Local Government. *Public Administration Quarterly* 17(2): 127-45.
- Berry, Frances Stokes, and Barton Wechsler. 1995. State Agencies' Experience with Strategic Planning: Findings from a National Survey. *Public Administration Review* 55(2): 159-68.
- Broom, Cheryle A. 1995. Performance-Based Government Models: Building a Track Record. *Public Budgeting and Finance* 15(4): 3-17.

- Bryson, John M. 1995. *Strategic Planning for Public and Nonprofit Organizations: A Guide to Strengthening and Sustaining Organizational Achievement*. Rev. ed. San Francisco: Jossey-Bass. Kap
- Chekland, Peter (1999), *Soft System Methodology: A 30 years retrospective*. Jhon Willey & sons, Chichester. Kot
- Denhardt, Robert B. 1985. Strategic Planning in State and Local Government. *State and Local Government Review* 17(4): 174-79. Kur
- Dodge, William R., and Douglas C. Eadie. 1982. Strategic Planning: An Approach to Launching New Initiatives in an Era of Retrenchment. *Management Information Service Report* 14(9): 1-13. Lan
- Donald, Carrie G., Thomas S. Lyons, and Rebecca C. Tribbey. 2001. A Partnership for Strategic Planning and Management in a Public Organization. *Public Performance and Management Review* 25(2): 176-93. Mal
Mar
- Dunn, William N. (1994), *public policy Analyst: An Introduction*, Prentice-Hall International, Englewood Cliffs, New Jersey, Chapter 8-9 Mar
- Dwiyanto, Agus. (2003), *Teladan dan Pantangan (Dalam Penyelenggaraan Pemerintahan dan Otonomi Daerah)*, Pusat Study Kependudukan UGM. Mar
- Dye, Thomas R. (1981), *Understanding Public Policy*, Prentice-Hall, New Jersey, chapter 1 Mel
- Eadie, Douglas C. 1983. Putting a Powerful Tool to Practical Use: The Application of Strategic Planning in the Public Sector. *Public Administration Review* 43(5): 447-53. — — —. 2000. Change in Chewable Bites: Managing the Strategic Change Portfolio. In *Handbook of Strategic Management*, 2nd ed., edited by Jack Rabin, 123-39. New York: Marcel Dekker. Min
New
- Experiences with Participation in Strategic Planning. *American Review of Public Administration* 31(2): 126-38.
- Fensterbusch, Kurt and Motz, Annable Bender (1980), *Social Research for Policy Decisions*, Walsworth Publishing Company, California, Chapter 5. Nutt
- Franklin, Aimee L. 2000. An Examination of Bureaucratic Reaction to Institutional Controls. *Public Performance and Management Review* 24(1): 8-21. — — —. 2001. Serving the Public Interest? Federal Nutt
- Gabris, Gerald T. 1989. Educating Elected Officials in Strategic Goal Setting. *Public Productivity and Management Review* 13(2): 161-76. Osb
- Gargan, John J. 1989. *Strategic Management in City Government: Continuing the Interplay of Rationality and Politics*. In *Handbook of Strategic Management*, edited by Jack Rabin, Gerald J. Miller, and W. Bartley Hildreth, 403-23. New York Poist
- Hendrick, Rebecca. 2000. Comprehensive Management and Budgeting Reform in Local Government. *Public Productivity and Management Review* 23(3): 312-37. Poist
- Henry Mintzberg, et al, (1998), *Strategy Safari*, The Free Press, New York, Herbert Simon, (1979), *Administrative Behavior*, The Free Press, — —

- Kaplan, R.S., and D.P. Norton. 1996. *The Balanced Scorecard: Translating Strategy into Action*. Boston: Harvard Business School Press
- Keputusan LAN: 239/IX/8/8/2003 tentang Perbaikan Pedoman Penyusunan Pelaporan Akuntabilitas Kinerja Instansi Pemerintah
- Koteen, Jack. 1989. *Strategic Management in Public and Nonprofit Organizations: Thinking and Acting Strategically on Public Concerns*. New York: Praeger.
- Kuncoro, Mudrajat. (2004), *Otonomi dan Pembagian Daerah (Reformasi, Perencanaan, Strategi dan Peluang)*. Penerbit Erlangga.
- Langbein, Laura Irwin (1980), *Discovering Whether Programs Works: A Guide to Statistical Methods Program Evaluation*, Goodyear Publishing Company, California, Chapter 1-2
- Mahmudi. (2005), *Manajemen Kinerja Sektor Publik*, UPP. AMP. YKPN Marcel Dekker. 56 *Public Administration Review* • January/February 2005, Vol. 65, No. 1
- Margareth E Carthcart, (1997), *Strategic Planning in a Government Organization*. Technical Communication,
- Markoczy, Livia. 2001. Consensus Formation during Strategic Change. *Strategic Management Journal* 22(11): 1013-31.
- Melkers, Julia, and Katherine Willoughby. 1998. The State of the States: Performance-Based Budgeting Requirements in 47 out of 50 States. *Public Administration Review* 58(1): 66-73.
- Mintzberg, Henry. 1994. *The Rise and Fall of Strategic Planning: Reconceiving Roles for Planning, Plans, Planners*. New York: Free Press
- Newcomer, Kathryn, Edward T. Jennings, Cheryle Broom, and Allen Lomax. 2002. *Meeting the Challenges of Performance-Oriented Government*. Washington, DC: American Society for Public Administration, Center for Accountability and Performance.
- Nutt, Paul C., and Robert W. Backoff. (1993), *Organizational Publicness and Its Implications for Strategic Management...*
- Nutt, Paul C., and Robert W. Backoff. 1992. *Strategic Management of Public and Third Sector Organizations: A Handbook for Leaders*. San Francisco: Jossey-Bass.
- Osborne, David, and Ted Gaebler. 1992. *Reinventing Government: How the Entrepreneurial Spirit Is Transforming the Public Sector*. Reading, MA: Addison-Wesley.
- Poister, Theodore H., and David M. Van Slyke. 2002. Strategic Management Innovations in State Transportation Departments. *Public Performance and Management Review* 26(1): 8-74.
- Poister, Theodore H., and Gregory Streib. 1994. Municipal Management Tools from 1976 to 1993: An Overview and Update. *Public Productivity and Management Review* 18(2): 115-25.
- . 199. Strategic Management in the Public Sector: Concepts, Models, and Processes. *Public Productivity and Management Review* 22(3): 308-25.

- Pramusinto, Agus, *Governance Profile (in Indonesian)*, www.Kemitraan.or.id.
- Roberts, Nancy. 2000. The Synoptic Model of Strategic Planning and the GPRA: Lacking a Good Fit with the Political Context. *Public Productivity and Management Review* 23(3):297-311.
- Sorkin, Donna L., Nancy B. Ferris, and James Hudak. 1984. *Strategies for Cities and Counties: A Strategic Planning Guide*. Washington, DC: Public Technology.
- Sri Sultan HB X. (2005) dalam Yuyun Purbokusumo, et al, *Reformasi Terpadu Pelayanan Publik, Kemitraan Prov DIY dan Pembaruan Tata Pemerintahan di Indonesia*,
- Stacey, Ralph D et.al (2000) *Complexity and Management, Fad or Radical Challenge to System Thinking*. Routledge.London.
- Steiss, Alan Walter. 1985. *Strategic Management and Organizational Decision-Making*. Lexington, MA: D.C. Heath.
- Streib, Gregory. 1992. Applying Strategic Decision Making in Local Government. *Public Productivity and Management Review* 15(3): 341-55.
- Streib, Gregory, B.J. Slotkin, and Mark Rivera. 2001. Public Administration Research from a Practitioner Perspective. *Public Administration Review* 61(5): 515-25.
- Swanstrom, Todd. 1987. The Limits of Strategic Planning for Cities. *Journal of Urban Affairs* 9(2): 139-57.
- Toft, Graham S. 1989. Synoptic (One Best Way) Approaches of Strategic Management. In *Handbook of Strategic Management*, edited by Jack Rabin, Gerald J. Miller, and Hildreth W. Hildreth, 3-34. New York: Marcel Dekker.
- Vinzant, Douglas H., and Janet Vinzant. 1996a. Strategy and Organizational Capacity: Finding a Fit. *Public Productivity and Management Review* 20(2): 139-57.
- . 1996b. Strategic Management and Total Quality Management: Challenges and Choices. *Public Administration Quarterly* 20(2): 201-19.
- Tuomi, Ilka. (1999), *Corporate Knowledge, Theory and Practice of Intelligent Organization*. Metaxis, Helsinki.
- Willoughby, Katherine G., and Julia E. Melkers. 2001. Performance Budgeting in the States. In *Quicker, Better, Cheaper? Managing Performance in American Government*, edited by Dall Forsythe, 335-64. Albany, NY: Rockefeller Institute Press.
- Wilson, James Q. (1989), *Bureaucracy: What Government Agencies Do and Why They Do It*. Basic book. USA.
- Zanetti, Lisa A., and Robert B. Cunningham. 2000. Perspectives on Public Sector Strategic Management. In *Handbook of Strategic Management*, 2nd ed., edited by Jack Rabin, 554-60.

CU