

# Problematizations of Organizational Reform Policy at National Institute of Public Administration, Republic of Indonesia

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## Abstract

This article analyses organizational reform policy at National Institute of Public Administration (NIPA) in Indonesia. Drawing on Bacchi's WPR approach to policy analysis, this article aims to interrogate represented problem that is supposed to address. This study finds out that innovation is the most important issue that the policy attempts to address. The policy also responds bureaucratic problem in this country that is poor in creating breakthroughs. Although this organizational reform succeeds to reduce the structure but it also creates a new division of innovation which has tasks to endorse and promote innovation practices. Such tasks are actually available to be embedded in the research division.

**Keywords:** problematizations, organizational reform, NIPA, Indonesia

## 1. Introduction

One of critical issues in Indonesian public sector is bureaucratic reform program. In 2004, the bureaucratic reform was implemented at three central agencies as pilot project, i.e. the Ministry of Finance, the National Finance Auditor Board, and the Supreme Court. Several years later, the central government revised it through the Presidential Regulation (*Peraturan Presiden / Perpres*) No. 81 / 2010 concerning *Grand Design Bureaucratic Reform 2010-2025*. Eight change areas of bureaucracy are expected to occur including organization, business process, regulation, human resource, scrutiny, accountability, public service, and officials mind set and culture set. There are at least three goals that are supposed to be achieved through the reform program. First, the reform aims to create a clean government without corruption, collusion and nepotism practices. Second, it is expected to improve public service quality. And third is to improve bureaucratic capacity and accountability (The President Regulation 2010). This regulation becomes a basis of the bureaucratic reform agenda that is implemented at central, province and local government levels.

The responses from many government institutions at those three levels enthusiastically accepted the challenge to implement the proposed reform program. Generally, in many countries, government officials tend to resist the reform program (Dwiyanto 2015, p. 1). For instance, in Papua New Guinea (PNG), central agency reform program that was introduced in 1999 faced resistance from some departments (Watts 2006). Furthermore, Khan (1991) argues that resistance and lack of political support toward reform program also emerged in India, Pakistan, Bangladesh, Sri Lanka, and Nepal. As a result, the reform program in those countries failed to make changes in the public sector (Khan 1991).

The implementation of bureaucratic reform in Indonesia is criticized because it spends a lot of money. There is a perception that the overarching system cannot tackle some bureaucratic problems, such as overstaffing, underproductive officials, expensive and graft-ridden bureaucracy (Bureaucratic Reform 2013). In addition, Dwiyanto (2015, p. 1) argues that the bureaucratic reform policy does not work to create the expected changes on those eight areas.

*Lembaga Administrasi Negara* (LAN) or National Institute of Public Administration (NIPA), as one of central government agencies, commenced to implement the bureaucratic reform program in 2011. However, the most significant change happened when the Presidential Regulation # 57 / 2013 concerning *Lembaga Administrasi Negara* was issued (The President Regulation 2013). The regulation reduces the number of deputies at NIPA from five to three. In the organization area, the restructuring policy was controversial issue because it should cut some jobs. According to Brunsson and Andersson (2000, p. 723), an attempt of constructing organization is a part of the public sector reform, and the organizational restructuring was a phenomenal issue at NIPA. Since its establishment in 1957, NIPA had done several changes to its organizational structure. The recent restructuring has created a significant change that reduced the structure smaller. NIPA has two main responsibilities including to conduct training activities for government officials and to perform research in the field of public administration. Furthermore, it recently receives an additional mandate to foster a specialist job<sup>1</sup>, namely Policy Analyst.

This article will discuss the problematizations of the organizational reform policy at NIPA based on

<sup>1</sup> Specialist job (or *Jabatan Fungsional Tertentu*) is an official job for government officials with certain skill or expertise and its performance is assessed through a number of credit points that are collected independently as basis to increase its rank.

Bacchi's WPR (What is the problem represented to be?) approach. It is important to conduct this study for the following reasons: First, many questions are often addressed to government agencies generally because of bureaucratic problems. NIPA is one of the central government agencies that has responsibility in improving the bureaucratic performance through its mandates. The implementation of organizational reform policy becomes urgent issue because of its perceived contribution to improve the government service quality and the bureaucracy in general. Second, a policy is basically intended to solve some specific problem (Bacchi 2009). Then it is important to identify the specific problem that is intended to solve through the organizational reform policy at NIPA. Furthermore, it is important to find out what values are created by the organizational reform policy.

## 2. Nipa's Mandates

NIPA basically conducts three main mandates. First is to undertake training activities for government officials. In this context, NIPA conducts some activities include regulating, training, supervising, monitoring and evaluation on training for government officials. In terms of training activities, it is addressed both for internal and external officials. While supervising, monitoring and evaluation activities are addressed to all training institutions under government agencies. Based on The Government Regulation (2000), there are at least four kinds of training for government officials, such as pre-occupation training for candidates of government officials, leadership training, specialist job training and technical training.

Second is to undertake research, development and innovation in the field of public administration. These tasks allow NIPA to conduct research and development activities in order to produce recommendations to government agencies. Moreover, it also creates and endorses innovations to other agencies in the field of public administration.

Finally is to foster specialist positions. Specialist employees are recruited and trained employees to be specialists who have certain expertise or skill in a specific area. Their performances are assessed based on number of credit points that they collect independently and the collected points will be considered to raise their rank. There are two kinds of specialist positions that are fostered by NIPA, such as Training Instructor (or *Widyaiswara*)<sup>1</sup> and Policy Analyst. The rule of Training Instructor job is organized on The Minister Regulation (2009) # 14 concerning *Special Job of Training Instructor and Its Credit Point*. Furthermore, the rule of Policy Analyst job is organized on The Minister Regulation (2013) # 45 concerning *Special Job of Policy Analyst and Its Credit Point*. Those two Minister Regulations give mandates to NIPA to foster the two specialist jobs.

## 3. Recently Changes

There are at least two prominent changes that have occurred at NIPA recently. The first is creating a new organization structure. This new structure is created based on the President Regulation (2013) # 57 and the Chairman Regulation (2013b) # 14. The second change is developing new training model to revise the previous training model.

### 3.1 New Organization Structure

In 2012, Agus Dwiyanto started to serve for NIPA as Chairman. He was not a career employee at NIPA because he was a lecturer in the field of public administration at Gadjah Mada University and had a high concern in public administration issues. To respond to bureaucratic phenomena and specifically at NIPA, he proposed a draft of organizational reform to the President of Republic of Indonesia. As a result, in 2013, the Presidential Office issued the President Regulation (2013) # 57. To execute the President Regulation (2013), then The Chairman of NIPA<sup>2</sup> issued the Chairman Regulation (2013b) # 14 concerning Organization and Business Process of NIPA. Those two regulations become legal basis to perform organizational reform at NIPA.

The new organization structure consists of three deputies to execute their mandates, such as Deputy of Policy Studies, Deputy of Training for Government Officials, and Deputy of Public Administration Innovation. This new structure has changed a wide span of control (5 deputies) to narrow span of control (3 deputies) which directly report to the chairman. First, the Deputy of Policy Studies performs research activities in some areas including administrative reform, system of public administration, administrative law, decentralization and regional autonomy studies. This deputy also performs the mandate to foster the Policy Analyst specialist officials. Second, the Deputy of Training for Government Officials performs some jobs, including conducting the training activities, fostering the training instructors or *widyaiswara* specialist officials, and also fostering the training units under government agencies. Finally, the Deputy of Public Administration Innovation performs developing of innovation in the field of public administration which includes governance, public service and government officials.

Comparing the new and the previous organization structure one, there are two new things that exist in

<sup>1</sup> *Widyaiswara* is government official position that performs task as training instructor.

<sup>2</sup> The Chairman Regulation of NIPA or *Peraturan Kepala* /Perka LAN is the highest law that made by NIPA.

the new structure, such as innovation and fostering for Policy Analyst mandates. These changes become new challenges for NIPA's officials. Some centers are then created under each deputy to support their deputy jobs. Moreover, to support provincial and local governments, some centers are also created in several provinces as regional representative offices which are called the Center for Public Administration Studies and Government Official Training (*Pusat Kajian dan Pendidikan dan Pelatihan Aparatur / PKP2A*).

The previous structure was stipulated by the Chairman Decree (2004) # 4 concerning Organization and Business Process of NIPA. The previous structure had five deputies (Echelon I). They consisted of the Deputy of Organizational Performance and Government Official Studies, Deputy of Policy and Service Management Studies, Deputy of Development Administration and Public Administration Automation Studies, Deputy of Training for Government Officials, and Deputy of National Leadership Training School. They were considered as line units that conduct the main mandates of NIPA. Each Echelon I had several subordinate units (Echelon II level). Moreover, Secretariat, as supporting unit, served NIPA in managing resources. It had two bureaus, i.e. Bureau of Planning, Organization and Cooperation, and Bureau of General Affairs.

In additional, NIPA also manages Centre of Language Training in Jakarta and three Schools of Public Administration (*Sekolah Tinggi Ilmu Administrasi / STIA*) in Jakarta, Bandung (West Java) and Makassar (South Sulawesi).

### 3.2 *New Training Model*

In the field of training mandate, a new training model was introduced in 2013 to replace a previous training model. This training change is especially applied to pre-occupation training and leadership training. Pre-occupation training is a mandatory training for candidates of government official. Training participants have to spend 263 hours in this training, which consists of 18 days in the class and 13 day internship in the government agencies (The Chairman Regulation 2014). The internship is a compulsory task in this new model, while in the previous one it was not a part of the training.

Then leadership training is arranged for candidate of public managers in the government agencies in the central, province and local government levels. There are four levels of leadership training that describe the level of echelon, such as leadership training level I, II, III, and IV which train candidates of Echelon I, II, III and IV respectively. According to the Chairman Regulation (2013a) concerning Guidance of Leadership Training for Echelon I, the new training curriculum consists of five learning steps.

First step is diagnosis of change need. In this step, training participants learn to diagnose their own organizations and to find out some aspect or area that needs to reform. Second step is taking ownership (Breakthrough I). This step allows participants to build organizational learning about importance of reform action toward some aspects in the organization. Third step is change arrangement and team building. Participants learn to create a change project proposal and to identify related stakeholders. Participants also learn to build an effective team to perform the planned change project. Fourth step is leadership laboratory (Breakthrough II). Participants need to implement the change project proposal in their organizations. And finally is evaluation step. In this step, training participants will share their knowledge and experiences during implementation of their change project. This evaluation step is performed in a seminar forum. Participants who succeed to implement their project will pass the training and be awarded a competence certificate in visionary leadership while the unsuccessful participants will get attendance certificates only.

Those learning steps are also applied in leadership trainings for Echelon II, III and IV. Each echelon has a different expected competence to achieve. The output of this new training model is a change project which is arranged by each participant and implemented in their organizations. On the previous leadership training model, the output was only paper and all participants mostly passed the training.

Moreover, NIPA also conducts Reform Leader Academic training, an 832-hour training program that is claimed to create reformers among government officials to be candidate of world class leaders in the future. This training is arranged to build innovative spirit specifically for Echelon II and III level managers. By this training, they are expected to increase their innovative knowledge and skill in dealing with bureaucratic problems. Innovative thinking and attitude to create changes in the government bureaucracy is an emphasis in this training so that they can give value added for the people ('LAN Adakan' 2015a).

## 4. **Organizational Reform**

The public sector reform is a complex, multi-level, and dynamic process that requires change at three levels of public sector systems, such as macro, meso and micro levels. Macro-level reform talks about redesigning the systems to transform institution and the rule of game. Then meso-level reform concerns on transforming organizational changes or organizational culture of public sector agencies, such as organization structure, process, procedure, and employment models. And finally, micro-level reform concerns on behavioural and attitude changes of individual in adapting toward working conditions (O' Flynn 2015, pp. 19-20).

In term of meso-level reform, some countries or organizations put transforming organization as part of

their attempt to reform their organizations. However, different approaches are used to make the organizational reform. New York Police Department (NYPD) applies organizational learning (OL) approach as a reform program at this agency and it is considered as an effective organizational reform. In the implementation of this reform approach, there are six process components that work together to make the reform effective, such as reframing the mission, redefining management roles, accountability, the information system, the managers meeting, and strong top leadership (Sugarman 2010).

Another example of organizational reform is central agency reform in PNG. The reform was embodied by establishing a Central Agencies Coordinating Committee (CACC) and Chief Secretary under Prime Minister in 1999 as response to the declining in the economic and social conditions and also poor performance of the central agencies. This committee was chaired by Chief Secretary and intended to strengthen coordination among central agencies. Three main mandates were given to this committee. First, improve the performance of the central bureaucracy and social and economic problems. Second, drive better quality advice and management from the bureaucracy. Third, improve quality of public service delivery as it was claimed to affect PNG's economy. Although this committee had improved the quality and consistency in which the central government made decision, but it did not improve public service quality in this country (Watts 2006).

O'Flynn (2015, pp. 20-21) argues that lack of evaluation and limited evidence of public sector reform effects make it difficult to know whether the reform is success or failure. However, the assessment is necessary to see whether the reform works or fails. There are two dominant narrative centers that identify critical success factors. First, public sector reform fails to create changes because of design faults on macro-level architects. And second, the reform failure is on implementation side due to the roles, efforts, and deficiencies of managers or leaders.

Furthermore, Kotter (1996) argues there are eight reasons why organizational transformations fail. He suggests eight-stage process as response to each of eight failures in transforming organization. They are establishing sense of urgency, creating developing a vision and strategy, communicating the change vision, empowering employees for broad-based action, generating short term wins, and anchoring new approaches in the culture. For successful organization change, Kotter (1996, p. 23) argues that those eight stages should be operated in sequence, otherwise, skipping some step without a solid base will create problems.

## 5. Policy Problematizations

A policy is basically intended to solve some specific problem which is described in the policy document or proposal. Bacchi's WPR (What is the problem represented to be?) approach suggests policy problematizations to analyze a policy. This approach develops Foucault's thought of genealogy method on a specific policy. For Foucault, the term of problematization could be used in two meanings. First, as method of analysis in which it examines how some issue is questioned, analyzed, classified, and regulated at a certain time and circumstances. Applying problematization in this way is also called as thinking problematically. Second, problematization captures a two-stage process, including how and why certain things become a problem, and how they are shaped as a certain object. These problematized ways are called as problematizations which become a focus of Bacchi's WPR approach to policy analysis (Bacchi 2012, p. 1).

During policy making process, policy makers' perspective in seeing a problem influences the solutions they will offer to tackle the problem. The WPR approach then emphasizes on problematizations of the policy 'problem' and how the 'problem' comes to be (Bacchi 2012), as she argues that:

“Problematization as a method (thinking problematically) involves studying problematized “objects” (“problematizations”) and the (historical) process of their production. It involves “standing back” from “objects” and “subjects”, presumed to be objective and unchanging, in order to consider their “conditions of emergence” and hence their mutability,” (Bacchi 2012, p. 4).

Furthermore, Bacchi (2009) argues that WPR approach involves three key propositions, such as:

“(1) We are governed through problematizations; (2) We need to study problematizations rather than ‘problem’; (3) We need to problematize (interrogate) the problematizations on offer through scrutinising the premises and effects of the problem representation they contain”, (Bacchi 2009, p. 25).

Some authors apply the WPR approach to analyze some policies in various issues. Murray and Powell (2009) analyze the discursive constructions of domestic and family violence in Australian public policy documents. They argue that naming domestic violence is inconsistent as to whether children and other family members are included. Second, Payne (2014) applies only three out of six questions to analyze gender equality schemes in the health sector in England. To analyze the policy, Payne (2014) uses a critical discourse analysis of documentation and applies three questions of the WPR approach, i.e. the representation of the 'problem' (first question), the assumptions underpinning the representation (second question), and the left unproblematic or silent in the representation (fourth question). As Bacchi (2009, p. 19) argues that researchers need to subject their own problem representations to the WPR analysis. Third, Barsoum (2015) uses WPR approach to elucidate implicit assumptions in employment informality of youth worker in Egypt. Through a critical analysis of a policy



discourse on informality and youth unemployment, he argues that informality is marginalized for being a problem affecting the disenfranchised, the rural and the uneducated. The policy discourse of informality fails to address the problem. And fourth, Bacchi (2015) analyzes the problematizations in WHO's alcohol policy. Alcohol problems in this policy are represented as health and social harms or health and social problems. It is argued that the WPR approach being applicable to analyze a specific policy in many issues.

## 6. Method

This article uses a critical document analysis upon the President Regulation (2013) as a main document of organizational reform at NIPA. Drawing on Bacchi (2009)'s WPR approach to analyze policy, this article puts emphasis on searching the problem representation or problematisations of the policy. This approach will identify the problems which are represented in the organizational reform policy and the assumptions that underlie this problematizations. This approach is used in this study because of two reasons. First, NIPA has started to implement a bureaucratic reform program in 2011. In this reform program, organization aspect was one of eight areas that supposed to change. On the other hand, the recent organizational reform policy specifically addresses the organization aspect to tackle. The WPR approach in this research is supposed to dismantle the organization problems that are intended to be solved through this policy. And second, WPR approach adopts genealogy or historical way to discuss a policy problem. In term of NIPA's context, applying this approach is supposed to trace the process of the policy making to find the problems and what makes the recent organizational reform different from the previous bureaucratic reform policy.

## 7. Discussion and Result

### 7.1 Problem Representation and Assumptions

Although NIPA started to implement the bureaucratic reform in 2011, but there was no significant change as a result of the bureaucratic reform implementation. The organizational reform which is based on the Presidential Regulation (2013) then responds the implementation of previous bureaucratic reform specifically in the organizational aspect. The consideration dictum of the regulation clearly states that in order to accelerate the bureaucratic reform at NIPA and to support effectiveness and efficiency at this agency, it needs to restructure the organization and to improve the business process. Since this organizational reform policy is intended to accelerate the bureaucratic reform and to support effectiveness and efficiency at NIPA, it is argued that the implementation of bureaucratic reform and the organization effectiveness and efficiency become 'policy problems' that need to be solved (Question 1 of WPR approach). Suggestion to tackle those problems is proposed as policy intervention (Bacchi 2009, p. 3) in the organizational reform policy at NIPA. In other words, this organizational reform policy implicitly says that the implementation of the previous bureaucratic reform fails to create improvements at NIPA, so that another action needs to be performed.

This discussion compares the organization reform natures between the previous and the new organizational reform programs. Firstly, the previous organizational reform is part of bureaucratic reform program which commenced in 2011. One of the bureaucratic reform proposal documents discusses organizational reform at NIPA entitled: *Program Penataan dan Penguatan Organisasi* or Organization Structuring and Strengthening Program (LAN 2011). The document mentions some organizational problems both from internal and external aspects. In term of internal aspect, there are six problems mentioned, including:

1. Lack of vision internalization toward employees;
2. Coordination problem between organizational units;
3. Imbalance of organization structure and work load;
4. Fostering activities to training agencies is not optimally conducted;
5. Poor quality in training activities;
6. Unclear status of STIA (LAN 2011, p 4).

Then the external problems which NIPA faces are mentioned in the document, including:

1. Overlap between government agencies in general in conducting their jobs;
2. Overlap between organizational structure and the authority in some government agencies;
3. Unclear positioning of NIPA among other agencies in supporting the president's jobs;
4. Public perception toward public administration field is varied and vague, which is due to overlap responsibilities between NIPA and other agencies, such as Ministry of Administrative Reform, The National Civil Service Agency (*Badan Kepegawaian Negara / BKN*), and Ministry of Home Affairs (LAN 2011, pp. 4-5).

In formulating the external problems in this document, there are some confusing expressions. For examples, the points on the number 1, 2, and 4 talk about similar problems, i.e. overlapping of government agencies' tasks and NIPA is one of them. Those points should be merged as one problem. Then the point number 3 is not really external problem, but it is internal problem at NIPA, so that this point should be merged into the internal problems list. It is argued that the way in classifying the problems will influence the next steps to tackle

the problems, and wrong identification will lead decision makers to create wrong solutions.

Unfortunately, this proposal document does not recommend a clear solution to tackle the problems. It only discusses problematic and theoretical matters of organization. Although this document proposes a draft of organization structure, but there is no significant change in the organization aspect. The few changes are proposed in this document including:

1. To move the Centre of Administrative Law Studies out from the Deputy of Development Administration and Public Administration Automation Studies, and then put it under the Deputy of Policy and Service Management Studies;
2. To add a new centre under the Deputy of Development Administration and Public Administration Automation Studies, namely the Centre of Society Empowerment Studies;
3. To add a new directorate, namely the Directorate of Quality Assurance, under the Deputy of Training for Government Officials (LAN 2011, p. 26).

In addition, this reform proposal documents were created by NIPA's officials including managers. Moreover, all chairman deputies were members of advisory group of this project. It is argued that conflict of interest might occur during arranging the reform proposal. Since they were involved in this process, they never proposed a leaner organization structure that would cut down some units because they would potentially lose their positions in the organization structure. As a result, all managers and officials tended to save their jobs and positions in the organization.

Secondly, the new organizational reform is based on the President Regulation (2013). This regulation cuts some divisions down and merges them into other divisions. At deputy level (Echelon I), three deputies who have mandates to perform research activities are merged into one deputy, namely the Deputy of Policy Studies. While another deputy, i.e. the Deputy of National Leadership Training School is merged into the Deputy of Training for Government Officials. Those merged deputies had almost similar kind of job, namely to perform training activities in the different field. To create a better coordination and structure efficiency then all training activities are put under one deputy. However, a new deputy is created, namely the Deputy of Public Administration Innovation.

This restructuring policy consequently changes span of control at NIPA especially for the chairman and deputy levels. Span of control is a number of position or people who directly report their jobs to the higher level hierarchy (McShane & Travaglione 2007, p. 449). On the one hand, this restructuring reduces the number of deputies and it creates efficiency because NIPA can save some resources. For NIPA's Chairman, it changes the structure from wider (five deputies) into narrow (three deputies) span of control. On the other hand, the number of Echelon II under each deputy is increased from two or three to four centers. Therefore, this new structure increases span of control from narrow to wider span of control for each deputy. Overall, the total numbers of Echelon II on this new structure are 12 centers in the Headquarter Office and four centers of regional representative offices. It means that overall it is similar number to the previous structure. It is argued that there is no efficiency effect of the new organizational reform policy upon the number of Echelon II at NIPA.

Establishing urgency, according to Kotter (1996), is the first sequence to create organizational transformation. The restructuring policy became an urgent issue after Agus Dwiyanto became a new chairman of NIPA in 2012. Dwiyanto (2015) argues some reasons why NIPA needs to reform itself. First, NIPA needs to strengthen its capacity both in the field of training for government officials and research activities on strategic issues to support the government. Second, this agency needs to put itself as a center for innovation in the public sector. In term of innovation role, NIPA should create innovations in all aspects of policy and governmental issues that are available to be adopted by other agencies. Third, NIPA also needs to be a center of information or hub to gather innovative practices from the central, provincial and local government agencies (Dwiyanto 2015, p. 267). It is argued that those reasons become basis assumptions to perform organization restructuring (Question 2 of WPR approach).

Furthermore, numerous criticisms and shortcomings of government agencies in delivering public service served as basis of NIPA reform because this agency has responsibility to train government officials and managers to serve people. Poor breakthrough or innovation in the public sector leads to poor quality in the public service delivery. New training model, which was introduced by NIPA in 2013, is seen as a response to improve officials' attitude and spirit and to shift their paradigm in conducting public service. Dwiyanto (2015, p. 267) argues that the new model of training strongly endorses participants to create innovations that applicable in their organizations. Lack of innovation or breakthrough issue in the public sector becomes another problem that is attempted to tackle through this policy (Question 1 of WPR approach). Innovation in the field of public administration is defined as new idea, thought, or breakthrough in the governmental practices to create values in various aspects (LAN 2015, p. 39). The post of Deputy of Innovation is then created and it is the first time NIPA ever has this division.

Innovative attitude and spirit actually can be embedded in all other divisions and in all aspects of organization. For example, research activities that are performed by NIPA should create innovative solutions to

tackle bureaucratic problems. Then in the field of training, innovative spirit also can be embedded into training activities, such as creating innovative trainings in order to create innovative participants who are responsive in delivering public service. Since the innovation is stipulated as a specific division, therefore innovation is considered an urgent and important tool in this new structure. Recently, to endorse the government agencies in creating innovations, NIPA introduced innovation award, namely *Inovasi Administrasi Negara* (Inagara) or Innovation Award in the Field of Public Administration. This award will go to government agencies which create breakthrough in the field of public administration, such as governance, public service delivery, government organization, and human resources management. They are promoted to be breakthrough role models and therefore other government agencies are endorse to adopt, adapt or even create new breakthrough that suitable to their organization nature ('LAN Anugerahkan' 2015b).

Finally, it is important to interrogate some key issues through binaries, key concepts, and categories methods that operate in the policy (Bacchi 2009, p. 7). The attempt to support the effectiveness and efficiency at NIPA directly responds to the implementation of previous reform that is assumed ineffective and inefficient. The binary or dichotomy operates in this policy that an ineffective organization should be tackled by the policy to create an effective organization. Then an inefficient organization should be tackled to create an efficient organization. On the other hand, some concepts in the policy document, such as innovation, capacity strengthening, and accelerating the bureaucratic reform become key concepts in the problem representations. Those binaries and key concepts that operate in the organization reform policy have two orientations. First, the effort to create innovations is addressed to all government agencies, including their managers and officials in general, both for NIPA and other government agencies. Second, the effort to strengthen organizational capacity, to accelerate the bureaucratic reform, and to support organization effectiveness and efficiency are addressed internally to NIPA.

## 7.2 Problem Representations Process

Process of problem representations (Question 3 of WPR approach) describes an application of genealogical theory about how the problem representation has come about (Bacchi 2009, p. 10). Recalling the implementation of bureaucratic reform program in Indonesia, it emphasizes more on procedural and formalistic manners rather than substantial changes to make transformation. The Ministry of Administrative Reform is a leading ministry which is responsible for coordinating the implementation of national reform program. This ministry issued a guideline regulation for government agencies to assist the implementation of bureaucratic reform. This guideline is stipulated on the Regulation of Ministry of Administrative Reform # PER/04/M/PAN/4/2009 concerning Guidance of Bureaucratic Reform Proposal for Ministries, Agencies, Provincial and Local Governments. For any government agency which is authorized to implement the reform will gain additional income for the employees, namely performance reward (*tunjangan kinerja*). Dwiyanto (*Antaraneews*, 7 May 2015) criticizes that so far the implementation of bureaucratic reform has failed to make officials to be good public servants who have a high morale to serve the people. Moreover, street level bureaucrats do not have sufficient discretion to solve public service problems although they directly deal with citizens. Consequently, the decision making on the street level bureaucracy takes long time because they have to consult and get approval from their managers ('LAN Nilai' 2015c).

The World Economic Forum (WEF) also confirms the poor performance of Indonesian bureaucracy in term of competitiveness. The WEF's reports of global competitiveness index show that Indonesian competitiveness is not so good for many years (see Table 1). Even the competitiveness rank tends to decrease from 2010 to 2013. Among ASEAN countries, Indonesia is in the fifth rank after Singapore, Malaysia, Brunei, and Thailand. There are three main factors which affect the poor competitiveness in Indonesia, including inefficiency in the government bureaucracy, corruption, and poor infrastructure (WEF 2012, p. 200). Inefficiency bureaucracy and corruption are the challenges that NIPA needs to respond through its mandates.

**Table 1. Competitiveness Rank of ASEAN Countries**

Countries	General Rank				
	2010-2011	2011-2012	2012-2013	2014-2015	2015-2016
Singapore	3	2	2	2	2
Malaysia	26	21	25	20	18
Brunei Darussalam	28	28	28		
Thailand	38	39	38	31	32
Indonesia	44	46	50	34	37
Vietnam	59	65	75	68	56
Philippine	85	75	65	52	47
Cambodia	109	97	85	95	90

Source: WEF (2011, 2012, 2015)

NIPA, which has mandates in the field of public administration, should contribute to achieve the bureaucratic reform goals. The three goals of the bureaucratic reform, according to The President Regulation (2010), are including to create a clean government, to improve public service quality, and to improve bureaucratic capacity and accountability. NIPA's core business of training and research activities should contribute to increase the quality of public managers and officials and bureaucratic performance in general. However, this agency just worked as usual without any innovation or breakthrough to tackle bureaucratic problems. Even the implementation of bureaucratic reform did not create any significant change at this agency.

Chronologically, the attempt to redefine NIPA's vision and mission is the first step to transform the organization. A new challenging organizational vision is introduced: "*To be the nation reference in the public administration renewal.*" This vision shift is done because of the reason that NIPA's limited resources would be more effective to be focused on research on the strategic issues. Then the products of research activities should be made use to develop innovations in the field of public administration to support bureaucracy (LAN 2013, p. 81). The redefinition of NIPA's vision is then followed by an attempt of merging some deputies to create a 'right sizing' organization. Under chairman supervision, a small team which consists of some young employees is built to draft the organizational reform proposal. The chairman, along with the small team, then directs the change proposal as guiding coalition which included position power, expertise, credibility, and leadership (Kotter 1996, p. 57). Furthermore, the new model of training is an attempt to improve training quality in the government agencies. It is supposed to improve the quality of government managers and officials both at NIPA and other government agencies. It is argued that those policies put organization restructuring and new training model as urgent agendas to transform organization of NIPA. As Kotter (1996, p. 35) argues that establishing a sense of urgency is the first step to create transformation. The efforts of embedding sense of urgency at NIPA are done through formal and informal meetings at managerial and staff levels.

The formal and informal meeting are also used to socialize and communicate visions of change between chairman, middle managers and employees, for example, internal meetings among managers, knowledge sharing forum, and even coffee morning meeting. Coffee morning meeting is a weekly informal meeting that conducted after exercise on Friday (Humas & Publikasi LAN 2014). Those kinds of communication method are expected to absorb aspirations and share vision among managers and employees in order to make the transformation works (Kotter 1996).

### 7.3 Values and Learning

What values are created in the organizational reform policy at NIPA? Stewart (2009) defines policy value as the informing principle of collective action, including both motivator and object. It is manifested in particular areas of government action. At least there are two reasons of importance to concern on policy value. First, policy problems are value based. And second, all policy questions are value based (Stewart 2009, p. 14). Recalling the organizational reform at NIPA, the policy is intended to address bureaucratic problems which are inefficient and lack of breakthrough to deal with their dynamic environment. It is argued that efficiency and innovation are values that created in this policy to tackle those problems.

Although NIPA met internal resistance during the process of policy formulation and its implementation, a policy draft was achieved and finally stipulated by the President. In formulating the policy draft, some young employees were involved as team members. It is argued that strong leadership has important role to make this transformation process runs well. As Kotter (1996, p. 26) argues that successful transformation is influenced by 70-90 percent leadership more than 10-30 percent management roles. For that reason, leadership has significant role in creating organizational changes at NIPA. In addition, the Annual Accountability Report 2014 claimed that NIPA produced three models of innovation in public administration. They were architecture of ministry cabinet 2014-2019, portal of innovation and public administration directory (e-directory), and handbook of public administration (LAN 2015, p. 40).

A lesson that can be learnt from the organizational reform at NIPA is that making changes in an organization is often difficult. It is because some employees might feel that they will lose their positions or comfort zone. Conflict of interest among managers or employees also often becomes barriers to create changes. Therefore, it is argued that an effort to hire an external manager who has strong leadership and vision with no personal interest in the organization is an alternative way to make changes. Then involving progressive employees in the organization to run the transformation process and potentially influence the success of the transformation process.

In conclusion, the organizational reform policy at NIPA is a response to the implementation of bureaucratic reform in this agency and the performance of bureaucracy in general. This organizational reform policy puts innovation or breakthrough in the public sector as key issue or 'problem' that is presented to improve bureaucracy performance. Poor breakthrough among government agencies allows NIPA to motivate them to create breakthroughs. This effort is performed through training activities, giving awards, and supporting to government agencies. Moreover, the organizational reform policy is also an effort to create organization



efficiency through reducing its structure. Therefore, the large organization structure is another problem that this policy attempts to tackle. Innovation and efficiency become values that are created in this policy. And finally, strong leadership and employees' support become important factors to make the policy formulation and implementation work at NIPA.

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