BUREAUCRACY CULTURE AND LEADERSHIP IN INDONESIAN E-ADMINISTRATION IMPLEMENTATION: BASED ON PERSPECTIVE OF KNOWING AND LEARNING ORGANIZATION

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Abstract

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. The change is inevitable for effective and efficient e-administration implementation, and to gain its benefits.

Patrimonial bureaucracy culture in Indonesia should be reformed into a situation that is more dynamic and transparent, moreover, there should be a sharing of information processes among government agencies. The patrimonial type of Indonesian bureaucracy is an inherent factor in the Indonesian political system in the new regime era. Historically, that situation is caused by the influence of traditional values from Indonesian ancient kingdoms and a colonial style of bureaucracy (Dutch invasion era). Moreover, Indonesian bureaucracy is still focused on social control and serving superior orientations rather than service orientation. Those values are still occurring in Indonesian bureaucracy in some areas, even though Indonesia is in the reform era. In this reform era, the Indonesian government's bureaucracy still has not changed significantly. It is reflected in the government's capacity to serve the public. For example, behavior patterns of bureaucrats in Banten, Yogyakarta, West Sumatra, and South Sulawesi still show a low level of accountability, responsiveness, and efficiency in giving the service to the public. In sum, public service quality is still at a low level.

Public employees are not being motivated to improve and provide policy about ICT when there is a need of e-leadership due to the characteristic of Indonesia's paternalistic culture. This situation causes a lack of policy including operational guides at every level of government to improve ICT. Because of the situation, when there is no role model in electronic leadership, bureaucrats working under leaders are not motivated to improve and provide policies in electronic development. The paternalistic Indonesian culture makes bureaucracy unmotivated and provides electronic policies when there is not e-leadership. Indonesia needs a nationally committed leader to e-administration implementation, in order that there is bureaucratic support for the use of IT and there is ICT policy improvement.

Improvement of ICT literacy and skill is needed in Indonesia's e-administration implementation. Its improvement in committed leadership to the improvement of e-administration and the ability of controlling and managing e-administration implementation in Indonesia's bureaucracy will enhance e-administration effectiveness. This paper will analyze those factors regarding the organization's paradigms: organization as learning and knowing organization.

Keywords: *learning and knowing organizations, e-administration*

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1. Bureaucracy and Indonesian E-administration

Information technologies affect bureaucracy. "Information technologies affect information flows, coordination, and the work of the bureaucracy by altering the relationship between information and the physical factors of distance, time, and memory" (Fountain, 2001, p. 33). For example, data is being digitized and can be accessed by every layer of government institutions easily, it can even be accessed without limitations of hierarchy. "The creation of telecommunications networks can greatly reduce the space (files), staff, and tasks needed to manage data" (Fountain, 2001, p. 35). The layers in bureaucracy are simplified.

According to Kettl (2000, pp. 68-69), "public management is inevitably about politics; and public management reform is about strengthening the ability of elected officials to produce result". In addition, public management reform is as much about politics as management and it is about government, the private and nonprofit sectors (Kettl, 2000, p. 69). Strengthening the ability of the bureaucrat is needed in public management reform and in public service deliveries process. Good ability of bureaucrats in politic and management is needed in public management reform, including in e-administration implementation.

The measurement of government performance in new public management depends on the government

relationship. As Kettl (2000, p. 69) mentioned "the performance of government strongly depends on the relationship of administration with the rest of government and of government with non-governmental partners". As e-administration is linked to those three relationships, the success of e-government will also mean the success of government performance.

Kettl (2000, p. 33) states, one important factor of management reform strategies is that they must fit with and be supported by the governance systems in which they are located. President's directive is one example of supported governance systems. Indonesian President directive No. 3 in the 2003 about policy and national strategy of e-government implementation means that e-government becomes a reform in public management strategies and bureaucracy in Indonesia.

In addition, according to OECD (2003, p. 157), "e-government will affect the relationship between the parliament, the executive and citizens, challenging traditional concepts of political legitimacy, representation and ministerial accountability". E-government affects government strata and the citizens due to the use of Internet. The relations creates more accountability, transparency, better interaction and coordination among those strata because the virtual nature of the Internet. Moreover, bureaucracy's layers will be simplified.

Patrimonial bureaucracy culture in Indonesia should be reformed into a situation that is more dynamic and transparent, moreover, there should be a sharing of information processes among government agencies. The patrimonial type of Indonesian bureaucracy is an inherent factor in the Indonesian political system in the new regime era. Historically, that situation is caused by the influence of traditional values from Indonesian ancient kingdoms and a colonial style of bureaucracy (Santoso, 1993, p. 139). Moreover, Indonesian bureaucracy is still focused on social control orientation rather than service orientation (Santoso, 1993, p.140). Those values are still occurring in Indonesian bureaucracy in some areas, even though Indonesia is in the reform era. In this reform era, the Indonesian government's bureaucracy still has not changed significantly. It is reflected in the government's capacity to serve the public. For example, behavior patterns of bureaucrats in Yogyakarta, West Sumatra, and South Sulawesi still show a low level of accountability, responsiveness, and efficiency in giving the service to the public (Dwiyanto et.al, 2002, p. 228). In sum, public service quality is still at a low level.

In addition, there is limited transparency, openness, loyalty, and dialogue process with the public, and this creates situations where there is not a public trust of bureaucrats. Transparency and work culture reform has not changed Indonesian bureaucracy. There are still unofficial fees that burden people, and there remains a lack of public sector capacity to serve the citizens. For example, the unofficial fee needed in getting a land certificate (Dwiyanto et.al, 2002, p. 229). Bureaucratic work culture should be changed to be more dynamic, transparent, and accountable. E-government can help to achieve this.

The process of changing the work culture in Indonesia's public service is important. As Khudori cited in Setiyadi (2003), an obstacle faced by Indonesian government to improve e-government implementation is to change the work culture of public servants, because the effectiveness of public servants' service to citizens will be seen by the citizens. Further opinion explains clearly the relation between the use of IT and the culture of organization. The use of an IT system will be successful only if it improves organizational performances. If the changes happen due to the use of IT, then the culture must change too, because future performance and survival are at risk (Sauer, C, Yetton, P.W., & Associates, 1997, p.134). Therefore, cultural changes in organization become unavoidable when adopting ICT.

Moreover, e-government implementation also needs change in the organizational structure. As Layne and Lee (2001, p. 135) state because e-government becomes more prevalent, and the public sector organizational structure will change accordingly i.e. internally that is system efficiency, and externally that is the citizens. The most important factor is that e-government can give convenience to citizens, hence the changing of public sector's work culture and organizational structure is intrinsic to gain the benefit of e-government implementation.

According to Rahardjo (2001), one obstacle of e-government implementation in Indonesia is there is no sharing culture and willingness to create an efficient process, "why they should make the process easier if they can make it difficult". It can be seen that the work culture among the bureaucrats does not have willingness to change into more efficient and effective work culture. Moreover, according to Accenture (2002), in their research about general public sector partnering issue, only 50 percent of respondents said they have the ability to share data with other government agencies, and only 11 percent have the ability to share it with businesses. This means, even though the public

sector willing to share data with others agencies or private sector, they have lack capabilities to make them happen (Accenture, 2002).

In addition, according to Fountain (2001, p. 51), the Internet has the ability to affect not only production but also coordination. If public servants can understand and use Internet maximally, coordination among agencies can be improved. As long as Internet is used as, "simply a matter of increasing rationalization in the bureaucracy, then the logics would be perfectly aligned" (Fountain, 2001, p. 51). Hence, Internet will not and cannot change the rationale of bureaucrats. Internet will improve rationalization of bureaucracy and its organization. As Fountain states (2001, p. 12 and p.98), IT will reshape organization into a better logic, and reciprocally organization will shape the enactment of IT. It is clear that the use of IT, such as Internet will not harm organization and its bureaucracy, but it gives advantages.

Indonesia's political, economic, and financial situations are still in crisis. Malpractice in the public sector still occurs. Bribing to get faster service is still consider common. There are different needs between private and public sectors in understanding reform in public administration. Bureaucrats that get advantages with the old system do not want to change, while the citizens need easier, cheaper, faster, on time, and transparent services. The work culture, vision, and mission should be changed into more efficient, effective, transparent, and accountable process of services for the citizens. Because, some public servants still misuse their information for their own benefit (Rahardjo, 2001).

The use of the Internet will reduce layers in bureaucracy, due to on line activity. It will improve the cognitive aspect in an organization, including their bureaucracy, due to the adoption of technology and its rationalization. As Fountain (2001, p. 98) states, IT affects institutions in the form of "cognitive, cultural, socio cultural and formal embedded ness". It also affects the changes in cultural issues in its working procedure. If it is used wisely then IT will improve coordination, effectiveness, and efficiency due to reducing time, distance, and memory.

Bureaucracy will be simplified due to the adoption of IT. The citizens can simplify its layers to gain services. As Hughes (2003, p. 193) states, bureaucracy will not disappear, only the layers reduce. In sum, Fountain (2001, p. 62) states, the Internet in bureaucracy is to lead to greater rationalization and standardization. The nature of IT is that rationality will effect and improve the rationalization of bureaucrats. The importance of bureaucracy never disappears, but it is restructured due to the use of Internet in the public sector.

Improving the attractiveness of using IT in e-government by bureaucracy can be conducted by the incentive method. As Margetts and Dunleavy (2002, p.12) state, citizen benefits of e-government can be maximized by using incentive to encourage citizens to access electronic services. For example, if citizens pay tax online, then the government will give a considerable reduction. However, this incentive system should be applied carefully. As Margetts and Dunleavy (2002, p.12) state, incentives have to be realistically designed so that they really are incentives. The citizens should obtain factual benefits, and they not be deceived by the government, because of the online incentive system.

2. Leadership and Bureaucratic Culture in Indonesian E-administration: Learning and Knowing Organization Point of View

Leadership and commitment are factors of successful e-administration because e-administration implementation needs change in bureaucracy culture and administration. A committed leadership to e-government implementation can manage the change effectively. As OECD (2003, p. 153) states "leadership and commitment, at both political and administration levels, are crucial to managing change", because committed leaders are to "deal with disruptive change, to persevere when benefits take time to emerge, to respond when things go wrong, and to establish visions and plans for the future". Leadership is necessary at all levels, from the political to the administrative. Political leadership makes e-administration a priority and guides transformation by putting it in a broader context, and in administrations, leading implementers help translate political vision into an action plan (OECD, 2003, p.153). Leaders can make strategies in e-government implementation that becomes the guidance of its implementation or action.

Creating local leaders (team leaders, project leaders, etc) is a key answer to the principle of decentralized management and decision power over IT in organizations (OECD, 2003, p. 97). Hence, leadership is needed for managing and making decisions regarding e-administration implementation.

According to OECD (2003, p. 98), principles for successful e-administration leadership are "coordinating resources and responsibilities within the organization; developing common vision and set objectives (e-agenda); developing the ability to persuade people to that vision in order to convince the enthusiasts and engage the skeptics; developing a customer-led and customer-focused approach;

ensuring that leadership can be recognized and encouraged wherever it is found in the organization; raising the awareness and developing the skills of employees, encouraging innovative solutions to organizational problems; assessing and building the capacity to deliver on line services, leading people through the difficult process of change, securing the commitment from staff along the way and managing their programme of work; ensuring technological development within the organization and make sure that personnel can fully benefits from that; recognizing the full use of technologies but not chasing technological solutions in itself". These principles need to be implemented in all government institutions in Indonesia to improve its e-leadership.

Leadership in e-administration implementation is essential, especially in deciding vision, mission, strategic planning, managing, and coordinating implementation nationally in Indonesia. The importance of leadership in an organization is stated by Evans and Wurster (2000, p. 228), a leader is creating a culture and strategy. The cultural values in an organization reflects the vision of the leader, and the organization's programs or activities improvement will depend on the leader's skill; moreover, the right culture in organization only depend on the leader skill (Evans and Wurster, 2000, p. 228). Hence, leadership is an essential factor to implement and improve a new system, such as e-administration. Apparently, there is no one national e-leadership in Indonesia that can be used as a role model. As Setiyadi (2003) states, Indonesia does not have e-leadership that can become a role model for the public in deciding electronic strategies. In Malaysia, Dr. Mahatir Muhammad (their former Prime Minister) gave vision for electronic development through InfoComm's infrastructure. In addition, based on experience in Indonesia, when high level of local officials such as mayors or governors do not have ICT awareness, then projects will not be successful (Minges, 2002). This situation describes the importance of leadership in e-administration implementation and improvement in Indonesia.

Public employees are not being motivated to improve and provide policy about ICT when there is a need of e-leadership due to the characteristic of Indonesia's paternalistic culture. This situation causes a lack of policy including operational guides at every level of government to improve ICT. Because of the situation, when there is no role model in electronic leadership, bureaucrats working under leaders are not motivated to improve and provide policies in electronic development. As Setiyadi (2003) states, the paternalistic Indonesian culture makes bureaucracy unmotivated in electronic development and provides electronic policies when there is not e-leadership. Indonesia needs a nationally committed leader to e-administration implementation, in order that there is bureaucratic support for the use of IT and there is ICT policy improvement.

An example where leadership has an important role in the success of e-administration implementation is in Takalar regency, Indonesia. The head of Takalar regency is motivated and committed to implementing e-government in his area. Moreover, he can organize the business sector in his area that supports e-administration implementation. Hence, its government can give better service to their citizens. For example, making an ID card only takes five to ten minutes, licenses (such as a business license) that usually take two weeks, now only take one to three days, and there is 70% better efficiency in paper usage (Susatijo, 2003).

Moreover, in East Kutai regency (Kalimantan Island), its regent, Awang Faroek Ishak is committed to implementing e-administration. It is proved by his preparation in all supported infrastructure and simptap (management information system within one roof) project that have succeeded (Gatra.com, 2003).

There are still obstacles when head of agencies are not willing to implement e-government. They do not like a changing process and there is a fear of disappearance of revenue from other sources for their public servants. There is still resistance to change from local bureaucrats because multilevel corruption becomes less (Gatra.com, 2003). Unwillingness to change by the leaders and fear of losing additional revenue are still obstacle of e-administration implementation.

Clear vision, mission, strategy, and committed national leaders to e-administration improvement are important, because leaders have a crucial role in deciding e-government implementation. Garnham (2000) cited in Setiyadi (2003) states, non-technical factors, such as vision, mission, goals and strategies conducted with full support of national leaders is more dominant than technical factors (such as computer and telephone) in improving the success of e-administration. In Indonesia's case, leadership commitment to e-government should be followed by other factors, namely supported ICT infrastructure, cyberspace law enforcement, capable human resources in ICT, and a supportive bureaucratic work culture. Those factors should be in an integrated way improved to gain maximum benefits of e-administration implementation.

As in learning and knowing organization, leadership has significant role to improve e-administration. The power of leadership in superior affects systemic mindset of public servants in understanding and serving public. As a systemic point of view, internal and external factors should be considered in improving e-administration

implementation. All aspects interconnect to each other.

To reduce digital divide, public organization need more aggressive in training their bureaucrat, as in learning organization. There are aspects need to be fulfill to improve bureaucratic culture and leadership based on knowing and learning organisations, namely:

1. Visioner leader
2. Implementing formal and informal reward
3. Publishing the success staffs
4. Starting with adapting style and culture of organization

As Indonesia e-administration is in dynamic situation with free trade agreement situation, political and economy fluctuation and local values that embedded in every people' development actions, hence in knowing and learning organization point of view, there is a need of information seeking behavioral pattern that needs to be involve in Indonesian e-administration. Ellis (1989) in Chun Wei Choo (2006:60) states that there are eight behaviors characteristic that need to be fulfill in the information seeking phase, namely:

1. Starting: bureaucrats and society search for information (that their need).
2. Chaining: they have culture to citation or reference among materials they use
3. Browsing: they have culture in searching in an area of potential interest
4. Differentiating: they have culture in using materials when they use information differences for positive reason
5. Monitoring: there is an action of monitoring information for development issue
6. Extracting: they have culture in working systematically to identify any materials that they need.
7. Verifying: they have culture in eager to check the accuracy of information
8. Ending: they are still have feeling to seek information even at the end of their action, for checking purposes.

As above eight generic characteristics of information seeking behavior is not generally already in Indonesian public organization and society have, however in this digital and e-administration era, those characteristic need to be placed. So as to, Indonesian can improve their welfare, because other countries (developed and developing countries already adopt ICT) already in this or close to this information seeking pattern.

Therefore, Indonesian national leaders and bureaucratic culture need to improve those eight generic characteristics in order Indonesian e-administration in this information era improve. Those items indicate the three major information

activities in knowing and learning organization (in order the optimum e-government imperatives can be felt by Indonesian people), namely: sense making, knowledge creation and decision making.

Strategy to improve leadership and bureaucratic culture in the learning and knowing organization is by using The Knowing Cube (Chun Wei Choo, 2006:314). The knowing cube is the model that provides a structure and language that can be used to analyze information use in organization (Chun Wei Choo, 2006:314). According to Chun Wei Choo this model does not suggest universal solutions, but it offers a framework that can help an organization to think through its own strategy to gain better actions to achieve organization's goals. Overall the knowing cube is not a panacea of all obstacles in ICT adoption (e-administration) in organization.

Factors influence information in organization – sense making, knowledge creation and decision making- are: cognitive, affective and situational (Chun Wei Choo,2006:314). Those factors play out at the individual, group and organizational level (Chun Wei Choo, 2006:314).By using cognitive, affective and situational factors in the sense making, knowledge creation and decision making in e-administration implementation, a leader can has a framework to help organization analyze its management and use of information, including in creating bureaucratic culture in adopting ICT in government's every day duties.. As cultural knowledge consists of the shared assumptions and beliefs about organization goals, identities, capabilities, customers and competitors (Chun Wei Choo, 2006:196), then cognitive, affective and situational factors are needed to improve bureaucratic culture including in e-administration implementation.

3. Conclusions

There is still no culture of sharing of information in Indonesian bureaucracy. This remains an obstacle of e-government implementation. Furthermore, Indonesia's bureaucracy is another drawback of the use of ICT to improve their capacity to serve their citizens. Not all bureaucrats are willing to change their work culture.

Leadership has an important role in creating good vision, mission, and strategy of e-administration implementation in Indonesia. A committed leader to the improvement of e-administration implementation will affect the effectiveness of e-administration implementation. Indonesia still needs a national leader to improve its e-administration implementation.

To enhance the role of leadership and bureaucratic culture in e-administration from the learning and knowing organization, there is a need to

fulfill: visioner leader, implementing formal and informal reward, publishing the success staffs and starting with adapting style and culture of organization.

The Knowing Cube is a model of creating a framework of leaders and bureaucratic culture to improve and analyze the use of ICT in government's duties or e-administration.

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