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Restructuring the Regional Organization in Improving the Quality of Public Services in Government of Surabaya

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Abstract Bureaucratic reform policy is a requirement for achieving good governance in the context of the provision of services which efficient, effective and qualified. To that end, both the process and the implementation of the restructuring of regional organizations in the establishment of regional organizations were based on the Government Regulation Number 41 Year 2007 concerning the regional Organization. It mandates organization style that is efficient, effective, and rational according to the needs and abilities of each region as well as the coordination, integration, synchronization, simplification and institutional communication between the central government and local governments. In fact there is an interesting phenomenon throughout the organizational restructuring undertaken by the government of Surabaya, from the aspect of the top down process and has been running well in spite of the resistance. Scale aspect of regional organizations showed proliferation rightsizing bureaucracy based on the parameters of population, area and number of local government budget. Aspect of authority and affairs assembly show authority conflicts between the regional government and the city government of Surabaya. Aspect of the function and structure of the organization swelling (upsizing) have an impact on the range of control and institutional incoherence problem. Structuring aspects of employment, occurred fluctuation in the number echelon, public and regulatory demands to drive the restructuring process and the implementation of communication and coordination which not going well. While on the human resource aspects, less qualified human resources caused by lack of skills, work's experience and discipline.

Keywords Autonomy, Administration Reform, Restructuring Organization and Quality of Public Services

1. Introduction

The logical consequence of the adoption of the concept of decentralization and regional autonomy in the administration of a country's system of government, mainstreaming impact on strengthening the institutional structure of local government, for the scale of government in Indonesia, normatively been mandated in Law No. 32 Year 2004 on Regional Government [1]. Regional autonomy is an autonomous local authorities to regulate and manage the interests of the community at its own initiative based on the aspirations of the people in accordance with the legislation, and has the potential to generate efficiency and greater effectiveness in local administrative affairs, in particular the provision of public services [2].

Mainstreaming strengthen the institutional structure of local government and public service delivery system and development should be directed towards building a governance rather than government. Governance according Rodhes refers to; 1) a new process of governing; 2) a changed condition of ordered rule; 3) the new method by wich society is governed [3]. Furthermore, "governance is defined as the exercise of political, economic and administrative authority to manage a nations affairs" [4]. Governments are required to interact harmoniously with the strength of civil society, the private sector as a consequence of governance. Best practices of governance called good governance, a harmonious relationship between the state, civil society and the private is the basis of good governance embodiment, these components, should have the same relationship, equal and mutual control [5].

One way of strengthening local government institutions are adopting the concept of good governance in an effort to restructure the organization to improve organizational performance in public service delivery. Restructuring government organization that includes downsizing, rightsizing and upsizing can not be said to be successful if the restructuring is not done according to the principles of good governance [6].

In normative restructuring of regional organi-zations in Indonesia are based on Government Regulation No. 84 of 2000, Government Regulation No. 8 of 2003 [7] and the Government Regulation No. 41 of 2007 concerning the regional organization [8] which was adopted city officials to issue Regional Regulation Surabaya City Number 11 Year

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2008 on Governmental Affairs, [9] which mandates the establishment of the regional organization.

Empirical phenomenon and the process of restructuring of government organizations in the city of Surabaya, contrary to Government Regulation No. 41 of 2007 and did not consider the condition of the reality of Surabaya City Government needs [8].

We formulated several research problems based on the above description logic with approachments on normative logic conceptual, theoretical and reality reasoning. Thus this study has purposes to assess several aspects in restructuring the Regional Officials Organization as follows:

1. The restructuring process of regional organization of Surabaya City Government.
2. Implementation of the restructuring regional organiza-tion of Surabaya City Government.
3. Quality of public services in the post restructuring regional organization of Surabaya City Government.
4. Supporting and influencing factors on the implementa-tion of restructuring regional organization of Surabaya City Government.
5. Model of restructuring regional organization of Sura-baya City Government.

2. Research Methods

2.1. Research Site

This research was conducted in Surabaya City Government with an area of 326.81 km^2 which inhabited by 2,765,908 individu with composition that is relatively equal between men and women, i.e. 1,367,159 (49.43%) and 1,398,749 (50.57%) respectively. The average population density is 8,463.35 persons/km^2. Of the 31 Districts, the highest population density found in Simokerto for 30,571 persons/km^2. Whereas, the lowest is Pakal for 2,088 persons/km^2 [10]. Restructuring the WTO in Surabaya City Government include: (1) the Department of Human Settlements and Spatial Planning; (2) Coordinating Board of the Capital Investment and Services (3) Food Security Office; with the inference that these three SKPD has been restructured and has very large changes in its structure. They also influence public service and have more level of uniqueness than others.

2.2. Research Approach

This study used a qualitative approach to observe phenomenons related with the restructuring of regional organization for improving the quality of public services in Surabaya City Government. Data were collected from both primary and secondary informants related to the issue of research focus to be compiled, analyzed and concluded.

2.3. Research Focus

This research focuses on following aspects:

2.3.1. Organizational Restructuring Process

Restructuring process was observed to assess:

a) the establishment of SKPDs organization
b) phases of SKPDs organizational restructuring
c) fulfillment of the SKPDs organizations' needs

2.3.2. Restructuring Implementation

The sub-focuses were:

a) aspects of the organization by assessing: scale, authority and assembly, and structure and function
b) officer structuring

2.3.3. Improving Quality of Public Service

Post-restructuring of regional organization in Surabaya City Government was assessed with sub-focus of study as follows:

a) the quality of public services: reliability, respon-siveness, assurance, empathy and tangible
b) satisfaction on outcomes; perceived by the user of products and services, equal or exceed the targeted expectations

2.3.4. Supporting and Inhibiting Factors

a) Supporting factors: public demands, needs, and regulation.
b) Inhibiting factors: communication and coordina-tion, and personnel resources.

2.4. Data Analysis

Data analysis refers to the process of qualitative data analysis with interactive model of Milles and Huberman [11]. Data collected by observation, interview and documentation related to the restructuring of the regional organization of Surabaya City Government. Data were simplify by sorting, grouping, and directed to choose the important baseline data. Presentation of data is a set of data that has been arranged. Conclusions/verification is based on the results of data reduction and presentation of data obtained at each stage.

3. Results and Discussion

3.1. Organizational Restructuring Process

The results of the research findings, revealing the fact that the restructuring process undertaken on city officials are still top-down and in its implementation has resistance from the central government policy. Because it is consi-dered by the City of Surabaya that the central government policy inadequately accommodate the demands of local governments in the regional organization restructuring; with the expectations of the organization preparing the competitive area, right sizing structures [12].

Above description emphasized our opinion that the restructuring process was conducted with a top down system is imprecise. Because it is influenced by internal and

external factors which reflect the need to blend top-down model of the restructuring process (under Regulation No. 8 of 2003 and Regulation No. 41 in 2007 the organizational structure occurs downsizing and upsizing the rightsizing). While the bottom-up (based on Government Regulation No. 84 of 2000 occurred upsizing organizational structure). It comes with the expectation that the policy-making process to restructure an organization into a dynamic local device can produce ideal type of organizational structure in running the government, especially in improving the quality of the delivery of public services [13].

Institutional conflicts arise as a result of the restructur-ing regional organization. It is not entirely based on the analysis of needs and workload resulting in overlapping tasks among SKPDs one with another. As a result, conflicts of interest and lack of coordination between Local Government Offices. This resistance will continue as described by Caiden that the reform in governance tend to give birth to resistance [14].

3.2. Implementation of Restructuring

3.2.1. Organizational Aspects

The findings revealed the following facts:

The scale of regional organization

Implementation of the restructuring carried out from the scale of regional organization showed rightsizing on bureaucracy proliferation. The rightsizing was based on the parameters of population number, land width area and the regional revenue, and refers to the principle of *small is beautiful*. These conditions in line with the opinion of Osborne and Plastrick [15] which suggests the meaning of reinventing as a fundamental transformation of the system and public sector organizations to increase effectiveness, efficiency, adaptability and capacity to innovate.

Based on the scale of organization aspects, Surabaya City Government has been restructured in 3 (three) phases as follows (Table 1).

Authority and affairs assembly

This study found a conflict of authority between the government with the city government on the administrative decentralization authority and political decentralization. The matters were related to the authority and affairs of Manpower and Transmigration, Cooperatives and Trading (Government Regulation No. 84 Year 2000), Social and Political and Civil Defence Family planning (PP No. 8 of 2003) and 33 affairs, both compulsory and optional (PP No. 41 of 2007). The concepts of decentralization were comprehenced to facilitate and advocate the implementation of good governance. Devolution issued authority that enables the creation, creativity and participation of all stakeholders' and government [17].

Structure and Function of Regional Organization

Results showed that changes in the structure and function due to the greater amount of organization. Thus the proliferation of organizations has impact on the magnitude on the span of control and cause problems. Because the institutional incoherence function should be handled in one unit must be derived to some organiza-tional units [18].

Table 1. Restructuring in Surabaya City Government

No	Legal References	Restructured Organization
1	Government Regulation No. 84 of 2000	- 23 Departments - 8 Regional Technical Institutions - 2 Assistant of Regional Secretariat - 31 Districts - 163 Villages
2	Government Regulation No. 8 of 2003	- 15 Departments - 11 Regional Technical Institutions - 3 Assistant of Regional Secretariat - 31 Districts - 163 Villages
3	Regional Regulation No. 8 of 2008 of 2007	- 18 Departments - 9 Regional Technical Institutions - 4 Assistant of Regional Secretariat - 31 Districts - 160 Villages Note: neglected the pattern of maximum organization scale as stated in the Government Regulation No. 41 of 2007

Source: Fernandez and Rainey [16]

3.2.2. Employment Structuring

The apparatus resources indicate the fact that more than sufficient quantity, but the less adequate quality. It is seen from the persistence of civil servants with only high school education level and less skilled on work experience for performing the task. There are significant differences in the number due to the addition of 242 echelon after the implementation of the organization restructuring based on Government Regulation No. 41 of 2007. It is not including the formation of structural positions whichare still vacant for echelon II.b, III.a, III.b, IV.a. IV.b and V.a. The positions were vacant because there are limited competent human resources in the Surabaya City Government to occupy the formation.

The policy of employee career development tends to be political interests, both political and executive elites. Thus in practice the term of management *the right man on the right job* is far from reality and inoptimal SKPD function in the career development [19].

3.3. Post-restructuring Quality Improvement

3.3.1. Quality of One-Stop Public Services in Surabaya

Efforts made by One-Stop Public Services (UPTSA), Department of Human Settlements and Spatial Planning,

Coordinating Board of Capital Investment and Services, and Food Security Office of Surabaya in improving the quality of service. It has been pretty good, but inoptimal because licensing process is still carried out by related local government offices. Thus it takes a longer time and is not in accordance with the standards of a predetermined time [20].

3.3.2. Applicant Satisfaction on Licensing Services

The quality of public services on post-restructuring of regional organization was improved unoptimally. It is because there are applicants who are not satisfied with the implementation of service quality provided by One-Stop Public Services, Department of Human Settlements and Spatial Planning, Coordinating Board of Capital Investment and Services, and Food Security Office of Surabaya City Government. Customer satisfaction is the result (outcome) perceived control over the use of products and services; equal or exceeds the expectations as communicated by Yamit [21].

Most respondents seem to react positively to the perception on the consequences of the services quality provided by UPTSA city officials. However, there are complaints on certain service schedules. Institutional arrangement should be established for further improve-ment on public service. Changing the mechanism of the one-roof into one-stop service would raise the status of a technical institution. It should also implement in accordance with the instructions (guidance) which has been determined.

3.4. Supporting and Inhibiting Factors

3.4.1. Supporting Factors

The findings showed the fact that the public's demands and needs on these SKPDs are the driving factor in the implementation of the restructuring on Surabaya City Government. The government continuously strives to improve public service to meet the demands of the community to get a good quality service. The demands getting increased in line with the growing awareness of citizens on their right to be served and the obligation for local governments to provide the services [22]. While government regulation showed that the regulation in the form of legislation or local regulation became the push factors for Surabaya to carry out the restructuring on the regional organization.

The research essentially still found sectoral ego on environmental sectors in the city officials. Thus it can hamper the implementation of coordination and communication. However, it can be minimized by holding regular meetings with SKPDs. Thus the reality of conditions in accordance with Myers and Myers [23] opinions which suggests that the central point of communication as a unifying force, causing the coordination between people, therefore they will move in an organized action.

3.4.2. Inhibiting Factors

The study found that the size of the authority possessed by an area, other than implied on the workload, it must be carried by the local government institutions. It also has an impact on the size and needs of human resources management. Therefore, to restructure the organization of the available human resources and management systems must be concerned related to the region's readiness to implement its authority [24].

4. Conclusions

Restructuring of regional organizations refer to the Government Regulation No. 41 of 2007 has not carried out in accordance with the needs of local governments but more purely emphasized on the institutional issue.

Formed rigorous standardization was not considering other dimensions such as personnel, management system, and fundamental values of the organization. It is implied from the essence of the policy which is more emphasizing on the uniformity of regional institutions nomenclature; refers to the variable number of population, area, and the amount of the budget.

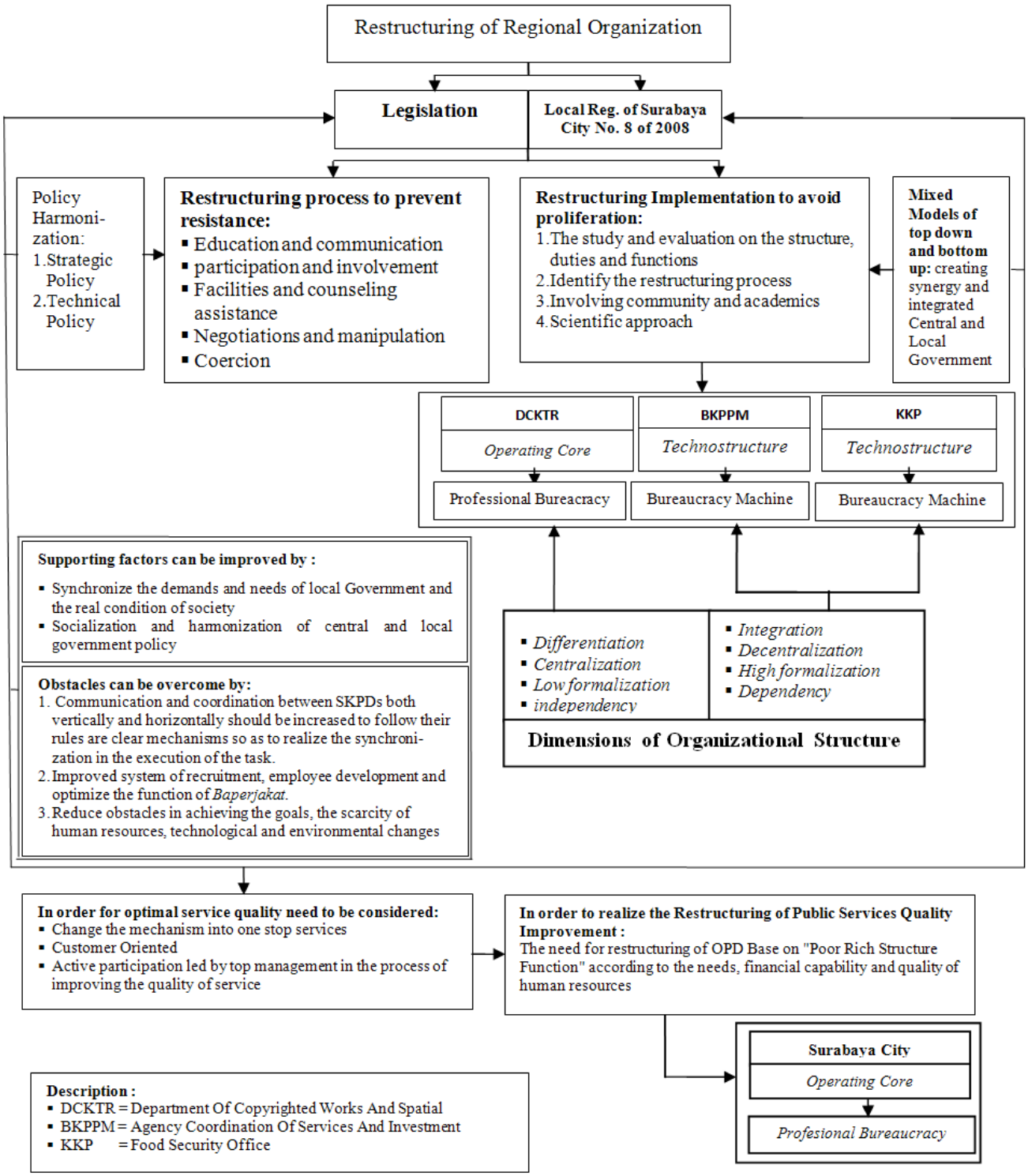
5. Recommendations

The process of restructuring of regional organizations should be carried out with the participation of various stakeholders; consider related resistance to avoid the organizational restructuring of the decision-making area.

Implementation of the restructuring regional organiza-tions is advised not to engage proliferation of the structure and functions within the organization. It needs to create intagrated synergy between central and local government policies. Communication and coordination between local work units – either vertically or horizontally – should be formalized to set the synchronization mechanisms in the execution of the task. Human resources which are not qualified should be excluded from education and training, as well as the application of disciplinary performance work for strengthening regional organizations.

Based on the weaknesses that have been described in restructuring the organization on the Surabaya govern-ment, we responded with a policy solution in the form of *recommended model concept* (Appendix 1). It is realized by establishing new organizational structure that merged, dissoluted and based on the principle of *less structure diverse function* within the organization.

Appendix 1. Recommended Model of Regional Organization Restructuring



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