# DEVELOPING CIVIL SERVANTS THROUGH KNOWLEDGE MANAGEMENT

(Case Study in the Local Board of Personnel, the Government of Malang Regency, East Java)

# MANUSCRIPT

Proffered as Requirement to The Examination of Bachelor's Degree (S-1) The Faculty of Administrative Science Brawijaya University

Submitted by:

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# MOTTO

# وَٱللَّهُ أَخُرَجَكُم مِّنْ بُطُونِ أُمَّهَ يَتِكُمُ لَا تَعْلَمُونَ شَيَّاً وَجَعَلَ لَكُمُ ٱلسَّمَعَ وَٱلْأَبْصَـرَ وَٱلْأَفَئِدَة لَعَلَّكُم تَشْـكُرُونَ ٢

"...dan Allah mengeluarkan kamu dari perut ibumu dalam keadaan tidak mengetahui sesuatupun, dan Dia memberi kamu pendengaran, penglihatan dan hati, agar kamu bersyukur" (Q.S An-Nahl ayat 78)

"ya Allah, janganlah Engkau hukum aku karena apa yang mereka katakan tentang aku. Berikanlah kebaikan padaku dari apa yang mereka sangkakan kepadaku. Ampunilah aku karena apa yang tidak mereka ketahui tentang diriku" (Ali bin Abi Thalib ra)

"Memiliki pikiran yang baik saja belum cukup, yang lebih penting adalah mampu menggunakannya dengan baik" (Rene Descartes)



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Program studi:•SI Adm. Publik•SI Adm. Bisnis•DIII Kesekretariatan•DIII Pariwisata•Magister Ilmu Administrasi Publik & Bisnis dan S3 Ilmu Administrasi

# TANDA PERSETUJUAN SKRIPSI

# Judul : DEVELOPING CIVIL SERVANTS THROUGH KNOWLEDGE MANAGEMENT (Case Study in the Local Board of Personnel, the Government of Malang Regency, East Java)

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Hari	: Kamis

Jam

Tanggal

: 09.00 - 10.00 WIB

: 5 November 2009

Skripsi atas nama

Judul

: SEPTINA DWI RAHMAWATI : Developing Civil Servants through Knowledge Management (Case Study in the Local Board of Personnel, the Government of Malang Regency, East Java)

34

dan dinyatakan

LULUS

# **MAJELIS PENGUJI,**

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# \* \* - D E D I C A T I O N S - \* \*

All of the gestures and praises, I give unto Allah SWT. Almighty lord of the world, Master of the Day of Judgment. My Sholawat and Salam always be with my Prophet Muhammad SAW, the last messenger of Allah SWT, because of Him, I can get the truth by means Islam as my true religion in this world as well as in here after. Amin.

I had nothing to say when I was trying to write this dedications page. I couldn't find any words inside of me, except one word *"THANK YOU"* 



ť0:

*Ibuku Siti Aminah, SPd*, The most beautiful woman. My inspirator, my motivator. You are always in my mind and my heart. I know she's all. She always says to me that I'm beautiful. Thanks for everything. I remember what you say *"nduk, sholate sing ajeg, sabar lan ikhlas, Allah SWT mesti maringi sing paling apik"*.

Ibu, because of you, I can do what I want to do and you make me understand the important of life is. Semoga seluruh rahmad Allah SWT dan semua kebaikan tercurah padamu, ibu. Mom, you know I love you. You are the Queen of my heart. I love you, Ibu.

Ayahka Sakaat, SP. He always reminds me to keep silaturahmi. I always remember your advise *"Keep on fighting 'till the end, coz what you do today is what you get in the fature!". "Jast believe and do what you want to do, don't ever wait antil tomorrow, and tell everything frankly".* Ayah yang selalu berusaha memberikan yang terbaik demi kebahagiaan anak-anaknya. Semoga aku dapat terus membuat Ayah bangga. I love you, Ayah.

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# Mohammad Tri Setyo Wahyu Utomo.

Adikku sing ganteng dewe,, Jagoan 'tu gak cengeng.. Giat belajar ya dan jangan jajan sembarangan,. - adik yang selalu bisa bikin mbak ngrasa kangeeen dan sepii, klo jauh darinya-LupH u



Torig Adi Karniawan. Sahabat terbaik yang melengkapi bidupku menjadi lebih sempurna. Membantuku lebih dewasa dan menjadi lebih baik. Terimakasih ya Allah, karena Engkau telah memberikan aku kesempatan untuk mengenalnya, juga Engkau tunjukkan kemuliaan-Mu lewat dia. (p.s: Sukses terus ya...)

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Buat mbak ucuk (masakannya enak pWol,,,mau donk belajar masak), mbak Anik (tetep kompak ya, sama tetangga apalagi sama sodara), "Kakak" Ratna, tetep dech tampil cantik,,

Neh...ponakan-ponakan, sepupa-sepupa ka: naral (hati-hati ama pergaulannya ya,...), rendi, firman, lisa, wulan (maen bareng2 khan lebih rame...), Fara & Zahra (wes cantik, nggemesno pisan,...), Dinta, Rifqi, Nindi (mbak kangeen banget, sayange Tl.Agung lumayan jauh ya,...).

Seluruh keluarga besar di Tulungagung dan Sidoarjo, matur sembah nuwun.

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All of lecturers, university level instructors, official employees and staffs on Faculty of Administrative Science, Brawijaya University that I can not mention one by one. Thank you and I hope that FIA UB always better than before  $^{-2}$ 



# They are sharing in the same struggle...

"a friend is someone who knows the song in your heart, and Can sing it back to you when you have forgotten the words"







Oscar (thanks for being my saHabaT), m. ChusnuL Kh {makasih ud selalu ad buat aku}, Wiwit (karakteristik tRue friend ada padamu,, so tularkan padaku, ato aku wes mulai kecipratan ki,,,wkakakak), Meita (tetep bisa pengaruhi aku buat stay with my prinsip), Elita (entrepreneur handal!!), Fida (thanks for being my teacher), Johan (ehm..ehm.. just stay tune on your strategies ^\_ it's cooL), Badrudin (nobita yg bisa tanpa doraemon), Saras, Tuti, Rja, & Sonya thank's for everything you give me...(Just keep it), Panji (gue suka gaya loe...), Anggun (sHe's as HeR name ^\_), Tyas & Nurma (sWabar & tetep kompak), Mio (smg bs netepin satu pilihan...hehe)





# Kosan EuY.... KerToRejo 15A...



Luna (alias LUlu NAilufarah, si jago masak), PetRix aLiaZ ALfitRiA (oThak2 BandenGnya makNyuZzz, apaLagi pluS perut aYam.. hehe), ifho (made in Bali,,,mw dunK maen ke Bali), petruk aLiaz Nur Fitria (hati2 sm odipus komplex syndrome ya,,..), tante cantik or i'in (keeping beautiful is numero uno, right?!), ma'duL atawa maria ulfa (bu guru yang

unik), a'am ato ami ato ambrull -terserah wess- (sabar men to buu bu,,,), n Nida (pendieeem bgt, tp penyayang IHo..). Alhamdulillah qt smw lulus Jg... hehe. Yayik n icha (selamat jd senior di kos,,, hehe,,, jaga adik2nya yoO..).



# My LupHLy RSC (Research Study Club)

Alhamdulillah,,, Disinilah aku BELAJAR banyak hal yang LUAR BJASA.

Buat Mas-Mas : Mas Anom (matur suwun sanget atas semuanya, makasih ud buat aku selalu tersenyum, ngakak, 'n aktivitas seru yang heboh pol-polan. I'm proud of you). Mas Said, Mas Hendrad, Mas Basith, Mas Reza, Mas Roby (mas-mas yang pinter-pinter, terbukti!!!).

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{Periode 2007-2008]

Mbak PipiTo (ma'afin aku kalo bikin mbak sedih, advise teraKhir bikin aku sadar..makasih ya), Mbak Shinta (mbak penelitian yang super kaleeeem), Mbak Yulma (smG emPek2 palembang sLL mengaLir d RSC..wakakakkk), Mbak Qiqi (mbak, ngomongnya kerasin dikit Dunk,,,??), Mbak Ria (selalu wakakakkkkkk,.....seru!!!), Mbak Uswa aLiaz mbak kesuk ^\_^ peace!!,

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Alfian Nurdiansyah [kaya'e mbak musti banyak belajar nih...soale, ni gak cuma faktor kebetulan atw LucKy, kan??. Pasti, behind the scene, ada do'a dan usaha ^\_^), Akhmad Amirudin (kaya'e ni calon penerus mas2e...maksude???..gak ada maksud apa2 kok, Mir...], Hermawan (Keep CooL), Yustianing Hikma R (dewasa tenan,..], Vitratul Faida (bendahara yg super unik!!! Thanx ud nemenin mbak saat smua sibuk dan absen...], Vivi Meita S (she's an english teacher,.yo to?), Zatya Salila Pracalita (cubby...pdho karo aku...^\_^..hehe), Yuliana (Ratu Julieana...yang selalu ngingetin rakyatnya buat tiduuuuurr....tp dg siji syarat: smua harus bersih!!!. Matur thenkyu ud mau dengerin smua mua ceritaku...aku akan merindukanmu,

Julek, lek kamu balik ke kampung....wakakkkkk), Nurul Hidayah & Trias Pratiwi (teGess karo karone!!) Fenti R (adik yg selalu enak buat curhat...), Edlyn KA (ku pikir, dulu 'KA' tu kereta api,,, PeaCe..), Urifah, Sugeng Hariyanto, Rochmalia Fajar S, Anang Safi'i, Nila Ellyana (giLa Bola!!!),



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Halimah, Inggrid, Yohan K.S, Webia Yung, Ragil R, Riska Maharani, Khatra Budikusuma, Dewi Purboningsih, Priti Swastika, Risa, Ira, Eka Dian K, Putri Endah Palupi, Meta Nuansa, Indah Wulandari, Yiyik, Nova Nurviana {semua SEMANGAAATTT!!!!}. Agam Reza Maulana, Age Renuswati, Agung Purwandani, Ainur Riskia, Ainuris Faridah, Allen nimas yudita, Almer Mohnezir, Anesia Ribka, Anggita Maharani, Arie Kumala Nisa', Arista Isabella Rachel, Arum Nawang Sasmitaning tyas, Aulia'ur Rozaq, Ayu

febri puspitasari, Chinansya, Detry Didik Fatkhur Elyta Krisnantina, Enggar Fachrur Yulinda, Fita Suci A,Hafryllian Rendy Schsan, Falahuddin, Indah



Chusnul Hidayah, Deni Dwi Astuti, Dessy Solis Ellyana Safitry, Devi Andalia, Devita Ristantia, Rohman, Dina Putri Ismawati, Diyana, Dyah Ellyda Fakhriyah, Endrico Marco Junior, Wahyuningtyas, Ertha Rohman, Erma Wulandari, Friska Ayu Oktaviani, Grivani vivi Heydi Arrayaningtyas, Lestya Mardhany, Ibrahim Imron, Ifada Amalia, In'am Maslahatud Diniyah, Indra Porwantoro, Ita

Fauzia Lestari, Jaka Nugraha, Johanita Susanti, Kafi Kurniawan, Karina Dewi ratnasari, Lailatul Arokah, Lina Ayu pujayanti, Lina Nurjannah, 📩 🖄 Listyawati, M.

Burhanuddin, Mariana Lailatul Khusna, Mentary, Muhammad Humaidi Shaleh, Nila Setyarini, Norma Yulina H, Nova Yulanda Sipahutar, Novita Himadiyanti, Nugrobo ario S, Azizah, Nur Kholifah, Nurrovita Permanasari, Listyawati, M. Masyitha Dwi Rahma Putri Nur Baiti Oktavia sukmawati,

Panji prasetyo aji, Puspita dewi, Putri Wulandhari, Radhita Aufariza, Ratna indryardhini, Ratna magfiroh, Reditya Rizal, Revi Fariani, Reza Ismail, Reza Septianto, Ria triwastuti, Ririn Oktavia sari, Savitri Kurniasari, Serlinda sari, Shobibatul Islamiyah, Siti Cendra kasih, Sony burhannudin, Surya adi widayanti, Surya Krisnawati Ningsih, Tantri Rahayu, Tody

Satria CY, Tomi Irawan, Tri adi suhartanto, Vika Oktaria kristinawati, Wenty yolanda eliyawati, Yesica Sondang Purnamasari S, Yoan Colina, Yona dayaningsih, Yosefa Dian Aristya A, Yulianto, Yuniar Dian Mustika ningrum, Zuzum Anifa, dLLLL....semua....SEMANGAT!!!



Kelas F 2005,,, gak ade matinyee!!!



# <u>Humanīstīk....{BīRu muDa aRek Publīk, BĪRu muDa HŪMANĪSTĪKIII}</u>



# I remember that time, and I miss that moment, when I met you... Sukses yo....

Dite Sebastian, Zamanan Azkiy, Yoga Ferdana, Ginanjar Sauki, Andhika Muttaqin, Andy Kurniawan, Windra H., Mega Jatrie Cendana, Dewi Puspitorini, Danar I.W., Edwin Dwi Hardika, Febry Ardiyanto K., Alimul Imam, Fardan Ghazali, Gatu Adie P., Putri Wulansari, Eka Martasari, Revina, Fernando Surya, Bima Aziz, Retno Titut I.K.W., Purwandini Mey, Puspa, M., Deny Oktavia, Dyah Prawesti, Estin Widayanti, Irwan S., Fathur Rahman, Husein Makdun, Nasvin Yudha, Barqah P., Adisa Maulita, Imanda Budiarti, Eta Riska Amalia, Merdiani Rofaida, Maya Permata Sari, Ayu Metalia. Muh. Ilham Kholid S., Devinsa Rifkiana, A. Irma Wahyudiati, Rendra Bagus Sasmito, Widho Mahayu K., Sri Widagdo, Widi Citra P.T., Yogas Bagus K., Rino A., Tri Adi S., Eka Kawulaksana, Jayeng Haryantika, Iqbal Ruliansyah, Findhi Aziz, Lina Fitri A., Yusti Hardika, Fitria Wulandani, Hilda Florencia, Irham Mahbruri, Astride Dwi Gayatri, Elina Fitriani, Enggar F.R., Didik F.R., M.Okto Adhitama, Delina Ayu M., Arista Ayu R., Faisal Riza, Nievea Afina W., Irdian Adinta Yudha, Nur Alfina Ulfah, Agit Kristiana, Novi, Reza Y., Aditya Yudo Utomo, Tety Jelang Harindha, Aprianto Agung Saputro, Ulfah Fatmala Rizki, Miftakhul Faizin, Erliza Oktari, Dyah Wulansari, Mulyani Juwita, Agung Setyo Raharjo, Edlistyo Yonata, Asrawani Tambunan, Apdita Suci Nurani, Novalia Ivon Fajar Yusreni, Selvia Rosy Erdha Okta Reza, Laily Akbariah, Syarifah Nisrina, Alfian Achmad Rifa'i, Septian Dharma, El Fatmala Yuma, Shintia Marthapuri, Rosita Vinda S., Akhmad Rizky, Alham Laksamana, Andri Dwi Prasetyo, Brian Angga Putra Pratama, Irfan Tri Wahyu Aji, Citrawati Fitri Kartika, Yoga Murlianto, Dwi Apriliani Al-Bataria, Andika Silviana Maharani, Fitri Cahyaning, Anita Eka Nourmala, Suhartono Winoto, Linda Novi Trianita, Viana Dhama Yantie, Tities Eka Agustine, dLLLLLLLL.....(Ma'apH, I can't mention one by one...). Dan buat semua mua temen2 FIA UB, dan UB, semuamua... Makasih dan tetep SEMANGAT!!!

## PERNYATAAN ORISINALITAS SKRIPSI

Saya menyatakan dengan sebenar-benarnya bahwa sepanjang pengetahuan saya, di dalam naskah skripsi ini tidak terdapat karya ilmiah yang pernah diajukan oleh fihak lain untuk mendapatkan karya atau pendapat yang pernah ditulis atau diterbitkan oleh orang lain, kecuali yang secara tertulis dikutip dalam naskah ini dan disebut dalam sumber kutipan dan daftar pustaka.

Apabila ternyata di dalam naskah skripsi ini dapat dibuktikan terdapat unsur-unsur jiplakan, saya bersedia skripsi ini digugurkan dan gelar akademik yang telah saya peroleh (S-1) dibatalkan, serta diproses sesuai dengan peraturan perundang-undangan yang berlaku (UU No. 20 Tahun 2003, Pasal 25 ayat 2 dan Pasal 70).

	Malang, 13 Oktober 2009
Mahasiswa	
Materai	
Rp. 6000,-	

Nama : SEPTINA DWI RAHMAWATI NIM : 0510313131

### RINGKASAN

Septina Dwi Rahmawati, 2009, **Pengembangan Pegawai Negeri Sipil melalui Knowledge Management (Studi pada Badan Kepegawaian Daerah, Pemerintah Kabupaten Malang, Jawa Timur),** Dr. Mardiyono, MPA dan Dr. Bambang Supriyono, M.S, 190 hal + xxi

Penelitian ini berawal dari fenomena mengenai kualitas sumber daya manusia pada organisasi publik di Indonesia, khususnya Pegawai Negeri Sipil pada Badan Kepegawaian Daerah, Pemerintah Kabupaten Malang, karena seperti diketahui bahwa Pegawai Negeri Sipil merupakan ujung tombak roda pemerintahan. Saat ini, Indonesia sedang dalam masa transformasi dimana terjadi pembagian kekuasaan dari Pemerintah Pusat kepada daerah sejak diberlakukannya UU No. 22 tahun 1999 tentang Pemerintahan Daerah. Hal tersebut menjelaskan bahwa setiap Pemerintah Daerah memiliki kewenangan untuk mengatur dan mengurus rumah tangggnya sendiri, termasuk sumber daya yang ada didalamnya, seperti sumber daya manusia. Akan tetapi, meskipun ada kewenangan yang lebih besar, masih terdapat pegawai Negeri Sipil yang lamban, tidak transparan, kurang bertanggungjawab, kurang berinisiatif, dan lain sebagainya. Hal ini merupakan tuntutan bagi organisasi publik untuk beradaptasi melalui berbagai cara, dan penelitian ini bertujuan menjelaskan dan mengidentifikasi program-program apa saja yang dilakukan untuk mengembangkan Pegawai Negeri Sipil terkait tuntutan yang semakin kompleks untuk memberikan pelayanan prima.

Landasan teori yang digunakan dalam penelitian ini mengenai aktivitas memahami organisasi (knowing organization activities) yang terdiri dari beberapa fase, yaitu sense making, knowledge creating, dan decision making. Teori ini terkait juga dengan teori knowledge management oleh Nonaka, Ikujiro, dan Hirotaka Takeuchi yang memberikan empat model penciptaan pengetahuan (knowledge creation) yang terdiri dari socialization, externalization, combination, dan internalization. Selain itu, pada penelitian ini juga menggunakan Teori Disiplin Kelima (The Fifth Discipline Theory) dimana teori ini mendukung aktivitas knowing organization dan knowledge creation dalam menerapkan knowledge management, karena di dalam teori ini terdapat beberapa hal yang dapat melihat lebih detail mengenai individu dan aktifitas organisasi, antara lain personal mastery, mental models, shared vision, dan team learning. Selain itu juga terdapat penelitian-penelitian terdahulu mengenai knowledge management. Metode yang digunakan dalam penelitian ini adalah kualitatif dimana metode ini mencoba menjelaskan permasalahan secara lebih mendalam.

Pengembangan Pegawai Negeri Sipil melalui *knowledge management* pada Badan Kepegawaian Daerah, Pemerintah Kabupaten Malang bertujuan agar mampu beradaptasi dengan perkembangan dan tuntutan yang semakin dinamis dan kompleks, khususnya tuntutan pelayanan pada masyarakat, selaijn itu juga upaya tersebut dilakukan untuk mencoba mengatasi isu-isu melemahnya produktivitas kerja Pegawai Negeri Sipil di Indonesia. Berbagai program pengembangan Pegawai Negeri Sipil yang dilakukan oleh Badan Kepegawaian Daerah, Pemerintah Kabupaten Malang terdiri dari program pengembangan atau analisis kerja sesuai kebutuhan organisasi dan seleksi, program pengembangan dan evaluasi, serta program perlindungan dan pemberian kompensasi. Sedangkan aktivitas penerapan knowledge management dalam pengembangan pegawai terdiri dari *knowledge creation, knowledge addition, transfer of knowledge, decision making* yang jika kesemuanya dapat dilakukan secara terintegrasi dan berkesinambungan, maka diharapkan dapat mencetak pegawai yang berpengetahuan (*knowledge worker*).

Beberapa saran yang dapat peneliti ajukan terkait penerapan knowledge management dalam pengembangan Pegawai Negeri Sipil yaitu adanya tindak lanjut untuk setiap program pengembangan yang telah dilaksanakan, sehingga dapat mengetahui perkembangan pegawai dan mendukung sepenuhnya program pengembangan pegawai melalui aktivitas pengembangan yang terintegrasi dan berkelanjutan, karena knowledge management bukanlah proses yang singkat untuk menciptakan knowledge worker, melainkan butuh waktu yang panjang, sehingga bener-benar mengetahui perkembangan sumber daya manusia. Selain itu, organisasi hendaknya mampu menciptakan situasi yang kondusif dalam upaya meningkatkan pengetahuan, kemampuan, dan kualitas Pegawai Negeri Sipil, serta menyediakan infrastruktur pendukung penerapan berupaya knowledge management.



#### SUMMARY

Septina Dwi Rahmawati, 2009, **Developing Civil Servants through Knowledge Management (Case Study in the Local Board of Personnel, the Government of Malang Regency, East Java),** Dr. Mardiyono, MPA and Dr. Bambang Supriyono, M.S, 190 pages + xxi

This research is started from the phenomenon about quality of human resources in public organization in Indonesia, especially civil servants in Local Board of Personnel, the Government of Malang Regency, East Java, because civil servants are expected can become the end of lance in running government wheel and success development in accordance with vision of regency. Indonesia is in the middle of transformation of power from Central Government to Local Government since Act No. 22 of 1999. It explains that every local government has more authority to manage and develop their regent/municipal, include their human resources. However, civil servants are considered slow, not transparent, not accountable, lack of initiative, and others. It forces the public organization can adapt this condition trough many ways. This research has the purpose to describe, to interpret, and to identify programs in developing civil servants pursuing that condition, in order can give the prime services to the citizen.

The grand theory that concerned to this research is starts from the knowing organization that consists of many phases; they are sense making, knowledge creating, and decision making. It is related to four models of knowledge creation by Nonaka, Ikujiro, and Hirotaka Takeuchi, they are socialization, externalization, combination, and internalization. Beside that, the fifth discipline theory supports knowing organization activities and knowledge creation theories above in implementing knowledge management, because it consists of personal mastery, mental models, shared vision, and team learning that is more details in understanding person and the activities in organization. This research also gives many prior researches about knowledge management. The research method that used in this research is qualitative which tries to explain problems deeply in order to derive fruitful explanation.

Developing civil servants through knowledge management in Local board of Personnel, the Government of Malang Regency has the purpose to adapt the situation that more dynamic and more complex, especially in giving services to the citizen and also try to solve issue about lowering of civil servant productivity in Indonesia. The programs to develop civil servants in Local Board of Personnel, the Government of Malang Regency consist of preparation and selection, development and evaluation, and compensation and protection. The activities in implementing of knowledge management are knowledge creation, knowledge addition, transfer of knowledge, decision making then become knowledge worker.

Recommendations to support implementation of knowledge management in developing civil servants are followed up of programs and support them by many sustainable and integrated activities of knowledge management, because knowledge management is not a short term process, but it needs long term process, making conducive situation in increasing capability and quality of civil servants, and also keeping condition and infrastructure to implement knowledge management.

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This manuscript describes about developing civil servants in Local Board of Personnel, the Government of Malang Regency, East Java in increasing quality of services to the citizen through knowledge management. Because of that, the title of this manuscript is **Developing Civil Servants through Knowledge Management.** I realize that I have had the opportunity to interact with a large number of people in writing this manuscript, so there is nothing to say, except thank you to:

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# CHAPTER I INTRODUCTION

#### A. Background

Indonesia is in the middle of transformation of power from Central Government to Local Government since Act No. 22 of 1999. According to the Act No. 22 of 1999, the hierarchical relationship among provinces and districts was abolished. All districts become fully autonomous and responsible for the planning, managing, financing and delivering of most public services, including education, health, and infrastructure. Based on this law, the central government will only be responsible for the judicial system, religious affairs, national defense and security, fiscal and monetary affairs, international diplomatic relationships as well as the macroeconomic planning and standardization. All other responsibilities will be handled by local governments. Local autonomy, therefore, is no longer defined as the responsibility to support national development, but rather the rights of the locals to make decisions over responsibilities within their jurisdiction. It indicates that the reform is not merely transferring administrative authority, but also transferring political power to the local governments. This becomes more visible when Act No. 22 of 1999 was revised as the Act No. 32 of 2004 that allows direct election of sub-national leaders. It also explains that regions manage their civil services and such responsibility is now assigned to the Governor as representative of the central government.

Act No. 32 of 2004 describes decentralization. The decentralization is defined as the dispersion of functions from central to local, which means the different functional division between centre and field office within the government (Yuwono, 2008:13). This delegation of power from centre to local is also used in the context that central government delegates its power to the local agency. It concludes that with this decentralization system, every local government has more authority to manage and develop their regent/municipal.

Mawhood (1987:14) gave the characteristics of decentralization. A decentralized local body should have: 1) its own budget; 2) a separate legal existence; 3) authority to allocate substantial resources; 4) a range of different

function; and 5) the decisions being made by representatives of the local people. The local autonomy or decentralization concept is about freedom of decision making, not only politics but also personnel administration based on their authority and their own way to interest the citizen with keeping on the law, rules and norm.

Rondinelli (1983:93) explained that decentralization is the transfer or delegation of legal and political authority to plan, make decisions and manage public function from the central government and its agencies to field organizations of those agencies, subordinate units of government, autonomous public corporations, area wide or regional development authorities: functional authorities, autonomous local governments, or non-governmental organizations. Decentralization helps to increase national development, because the local government can optimize their regent/municipal of their potency and resources.

According to those definitions, decentralization gives more change to near public service by citizen, because people want public services to be easy to find out, simple to use and responsive to their needs. People want public servants to deal with their requirements, preferably in one go. If public servants cannot do this, the citizens want to know by when they will be dealt with. The citizens do not want to be passed between different officers or handled by staffs who know little or nothing about them. They do not want to be greeted by impersonal answer phone messages or expected to complete long forms. Providing high quality and cost effective public services is not easy. It involves creating organizations with the right approaches and ethos, establishing clear ways of delivering services and putting the right people in place to respond to the citizen's necessity. This condition can be reach by human resource that has quality to serve the citizen.

Therefore, human resources are very important in organization. High quality of human resources will certainly have a share to decided organization development especially as the coordinating institution increasing of work productivity conditions and improving the organization purpose. Human resources support achieving the goals of organization with hard working, creativity, talent, and motivation. Without increasing work productivity, the organization's purpose will be difficult to be reached.

Civil servant as eminent unsure in government agencies has a role that establish for success government administration and development. As important agency of the government, civil servant can be illustrated as a moving wheel that is able to empower all resources possessed by a government to achieve the certain goals, targets or missions which are intended to be accomplished by a nation, which is to prosper its people. The involvement of civil servant in supporting the success of government is heavily depends on the characteristic of its civil servants. Then, civil service in Indonesia is considered slow, not transparent, not accountable, lack of initiative, and sometimes involved in illegal activities such as accepting a bribery and tendency for corruption practices. While a good governance become the main pillar to overcome competition in the more global world, a reform in civil service in Indonesia, especially from the institutional aspect as well as moral issue, is really needed at present.

One of the agents that handle public servant in Indonesia is National Board of Personnel. It has major effect to bureaucracy in Indonesia. Act No. 8 of 1974 of the Civil Service, as amended by Act No. 43 of 1999, is relatively brief, requiring many matters of principle and procedure to be defined in government regulations. Act No. 43 of 1999 considers civil servants as belonging to one national civil service, each registered with a national civil service number and assigned either as a national civil servant, or as a regional civil servant in a particular region. Act No. 43 of 1999 section 34 point 2 explains that the National Board of Personnel has duties to organize and to implement civil servant management include planning, developing quality of civil servants and personnel administration, monitoring and controlling, implementation and maintenance of civil servants information, supporting public policy especially civil servants welfare, and giving consultation to all of civil servants.

According to the job descriptions of National Board of Personnel above, civil service activities ought to focus to increase quality of public service. However, in fact is still found activities of civil service that is inappropriate with the purpose and their duty as explained in job description before. The case was happened in Municipality of Simalungun. According to Act No. 43 of 1999 section 17 that appointment in occupation based on the following criteria; competence, work performance, and level in rank. But, the problem was they did not have indicator and standard of value to measure those criteria. As a consequence, civil servant

was getting promotion more than twice a year. It is just because the civil servant that was promoted has relationship with decision maker, Governor or Regent. It indirectly explains that motivation of civil servant was not to increase service's quality to citizen, but it changed to get promotion even not all the civil servant did it. But it will influence other (Thoha, 2007:87). It motivated them to fulfill their necessity and turned quality side of public service, whereas the civil servant is a server for the citizen.

There are many people as civil servants in Indonesia do not have quality in work productivity. It can be seen when they serves are not optimal, waste the time, and seldom attend to work on time. Here is the example, civil servants who like shopping in mall at the working hours. If they are shopping to buy their agency's necessity, it is no problem, but usually they are shopping to get their personal necessity at the working hours. Actually, when the officer found them shopping in the working hours, the punishments have been prepared, including verbal warning, written warning to a variety of other administrative punishment. But, it is still happened. Meanwhile, civil servants truants after holiday. Usually they are late one to two days. One of the reasons is their house are so far. Punishments that have been prepared refer to Government Regulation No. 30 of 1980 about public servants discipline. Even thought the civil servants are still found seldom attend to work on time or truants (www.malangpost.com).

Issue about lowering of civil servant productivity represents unfinished problems in Indonesia. This phenomenon is often griped by society but seldom happen repair effort. This condition causes at lowering of attainment of government organizational performance. Government organization always directly faced by citizen and also with their pursuit to get quality of public services. Increasing work productivity is important to reach goals of government organization; they are quality of public services. To increase quality of work productivity is not only about the power, but also to understand that civil servant is a human being with their aspirations. So, this orientation is not just about target oriented, but also people oriented and how to increase their productivity.

Even issue about lowering of public servant productivity in Indonesia is old problem but it is still up to date to debate. Other example is almost all of the

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public servant though that their salary is not enough or they get low salary. It makes the leaders of the local agencies create the activities or projects outside their job as public servants. This project is used to increase their official salary but this incentives give based on subjective consideration of the leader, and off course it can make corruption goes well (Thoha, 2007:92).

Civil servant is expected can become the end of lance in running government wheel and success development in accordance with vision of municipality/ regency. All of these will be realized if supported by civil servants that with quality, professional, and have perception equality to reach goals of area development. Beside that it needs organizational culture and system that support them. For that, presumably must supplied with various of knowledge to form figure public servants that have interest, personality, spirit of dedication to the state, country and society and understanding their jobs.

In order to adapt the situation, the Local Board of Personnel has to straighten up the bureaucracy structure both in term of improving human resource condition of government employees as well as structuring the modern and efficient bureaucracy. The human resources development among the government offices is expected to improve the quality of services to the community. This task becomes more significant in Indonesia at present which is confronted with the new developments such as: democratization, decentralization or regional autonomy, transparency, openness of information and other social-political changes.

In this era, there are many ways and methods to manage public servants. Knowledge management is one of them. Knowledge management is a management theory which emerged in the 1990s. It seeks to understand the way in which knowledge is created, used and shared within organizations. Knowledge management is the concept to prepare the worker in order to have intellectual capital or become a knowledge worker, so it can develop their organization and to reach their goals. Therefore, knowledge management policy and program in organization intended to reach high quality of work, to have knowledge worker who has innovation to increase their competence and competitive, capable to transfer of knowledge, to increase cooperation, and to reach best practice of the organization. It is strengthened by Peter Drucker statement that the knowledge worker is the single greatest asset, so the asset is just not material and money. Knowledge management has strategic points to make organization become learning organization where all of human resources efforts to construct culture and system of knowledge and manage it (Irfan in Muluk, 2008:vi).

Mostly, implementation of knowledge management is only related to data and information to make decision in the organization and it is not related to knowledge that consists of experience, idea or concept, brainstorm, and value. In addition, the organization culture also becomes the biggest obstacle to apply knowledge management. The employee disposed to waste more energy to increase their knowledge to make them more familiar in organization than others. Absolutely, it makes perspective that knowledge is domination. It means that the organization motivate their employees to carry out what they know. The leader in these organization who motivates their employees to explore their knowledge need to know that there are group that afraid of making innovation and though that using technology give bad risk for them (Honeycutt, 2000:57).

Success of knowledge management implementation depend on interaction of user or people in organization and processing the own data and information in organization. It can emerge initiative to use tools and infrastructure in their organization without using new way of working. It is only make the resources optimal in organization, include human resources, infrastructure and technology that they have.

Local Board of Personnel takes care of personnel administration and their activities as good as possible to reach the goals. Those activities are also done by Local Board of Personnel the Government of Malang Regency, East Java; especially to increase productivity of public servants in order can increase quality of public service. One of the activities is developing prosperity of public servants, the example; they develop by up grading or giving motivation training. Training can improve knowledge system of government management and give motivation works that orientation at public service and society utilization. This condition is in order to create clean public servants, authoritative and professional, and also showing the important of discipline, by discipline that grow inch by inch and continual will support them to have high skill, hold responsible, efficient work and have commitment.

Beside that, Local Board of Personnel, the Government of Malang Regency, East Java have been giving compensation, doing selection and recruitment in order to get civil servants who has capacity and professional to do their job. But, the fact is there are many civil servants do not work professional. It is supported by infrastructure that is not complete. Even that, actually it is need a management to manage their resources. Local Board of Personnel, the Government of Malang Regency, East Java have strategies to develop their civil servants including training about technology, but not all of the civil servants there can apply technology that have been trained (www.malangpost.com). It depend on their selves, include education level that they get that influence them, but it can be changed by culture that help them share the information and tacit knowledge that their have. The most of government are difficult to apply knowledge management, it is because of the competition are little. It makes them though that innovation is not really important, whereas by knowledge management they will have knowledge worker. Of course, it needs human resources, leadership, technology, and organization culture.

In relative to human resources needs, especially civil servants needs in Local Board of Personnel, the Government of Malang Regency, East Java, there are technology that applied, for example website that can be accessed not only for the official in Local Board of Personnel, the Government of Malang Regency but also for all of the other boards in Government of Malang Regency and all of the civil servants or others. They can know the information about the activities and the programs of Local Board of Personnel, the Government of Malang Regency, and East Java and also civil servants can upload their curriculum vitae to register in order to join the program or activity. This technology is much help to serve the citizen. Even thought, there are still found many officers can not operate this technology as well as the officer that concern to this technology. But actually the case is in this era needed mastery of technology.

In outline, the quality of civil servants in Local Board of Personnel, the Government of Malang Regency, East Java can be seen by the their knowledge

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and their ability in doing their job and responsibility that is good enough. However, there are knowledge and ability that still need to be increased. In this technology era the mastery in technology, for example application computer is absolutely important. All this time, the development of civil servants have done educationally and training by Public Administration Agency and ministry of domestic affairs, for example structural, functional, or technique training. But then generally these activities do not show management aspect yet, and until now the Government did not have consistency model of these activities, these contents are monotonous and they did not give more change in increasing civil servants quality, especially mastery in special competency (www.malangpost.com).

The interesting thing is perspective of civil servants about knowledge. Many people think that knowledge is only based on the data, information, or what in their mind are. This condition needs more approaches in order to show that knowledge is not only stop in how to get data and information than processes them or leaving off with what we are thinking about knowledge, because knowledge is a fluid mix of framed experience, values, contextual information, expert insight and grounded intuition that provides an environment and framework for evaluating and incorporating new experience and information. It originates and is applied in the mind of knower. In organizations, it often becomes embedded not only in document or repositories but also in organizational routines, processes, practices, and norms. Data is a set of particular and objectives facts about an event or simply the structured record of a transaction. Information is data endowed with relevance and purpose.

Based on the phenomenon, knowledge management is not just about knowledge in their mind, what the strategies to develop civil servant in order can increase quality of public service are, and what the potential resources to apply knowledge management in order can prepare the knowledge worker, so the researcher for this manuscript have been interest to choose a research topic: **Developing Civil Servants through Knowledge Management (Case Study in the Local Board of Personnel, the Government of Malang Regency, East Java).** 

#### **B.** Problem Statements

Based on the explanations above, the problem statements that were concerned can be divided into some research questions below, such as:

- 1. How is perspective of civil servants in understanding knowledge management in Local Board of Personnel, the Government of Malang Regency, East Java?
- 2. What are the programs of developing civil servants through knowledge management in Local Board of Personnel, the Government of Malang Regency, East Java?
- 3. What are supporting and constraining factors toward the implementation of Knowledge Management in Local Board of Personnel, the Government of Malang Regency, East Java?

#### C. Research Objectives

Based on the problems of the study aforementioned, the research objectives is to describe, to interpret, and to identify the things below:

- 1. The perspective of civil servants in understanding knowledge management in Local Board of Personnel, the Government of Malang Regency, East Java.
- 2. The programs to develop civil servants through knowledge management in Local Board of Personnel, the Government of Malang Regency, East Java.
- The supporting and constraining factors toward the implementation of knowledge management in Local Board of Personnel, the Government of Malang Regency, East Java.

#### **D.** Research Benefits

Researcher hopes that this manuscript can give value, especially in developing civil servants. The research benefits that want to be reached are:

1. Academic benefit:

To enrich knowledge in Public Administration, particularly the study of developing organization strategies and influence factors in developing organization, and also about implementation of knowledge management in public administration.

2. Practical benefit:

To give suggestion and practical contribution to the Government of Malang and to know deeper about strategies in developing organization.

### E. Systematic Writing

This systematic writing is based on the rule that set in the guide book of writing manuscript in Faculty of Administrative Science, Brawijaya University, they are:

#### **Chapter I Introduction**

This chapter explains background of this manuscript and reasons in choosing research location, that is in Local Board of Personnel, the Government of Malang Regency, East Java. Beside that, in this chapter there are problem statements, research objectives, research benefits, and systematic writing.

#### **Chapter II Review of Literature**

This chapter describes theories that are used in this manuscript and also presents prior researches that concerned to this manuscript. The theories such as: public administration theory, new public management theory, organizational theory, knowledge management theory, the fifth discipline, decentralization theory, and description of civil servants and its phenomenon.

#### **Chapter III Research Methods**

This chapter discusses methods that used in this research. The contents of this chapter are type of research, research focus, research location and setting, kind and source of data, techniques of data collection, research instruments, and data analysis.

### Chapter IV Research Findings and Analysis

This chapter presents all of data that have got from research, include data about condition of research location and also data that concerned to research focus of this manuscript; they are working conditions analysis, the programs to develop civil servants in research location, and supporting and constraining factors that concerned to research focuses, then these data are analyzed.

#### **Chapter V Conclusion and Recommendation**

This chapter describes conclusions from all of the data that wrote other chapter before and recommendations that concerned to this research.

# CHAPTER II REVIEW OF LITERATURE

#### **A. Prior Researches**

#### 1. H.R. Riyadi Soeprapto, Heru Ribawanto, and Iman Hanafi

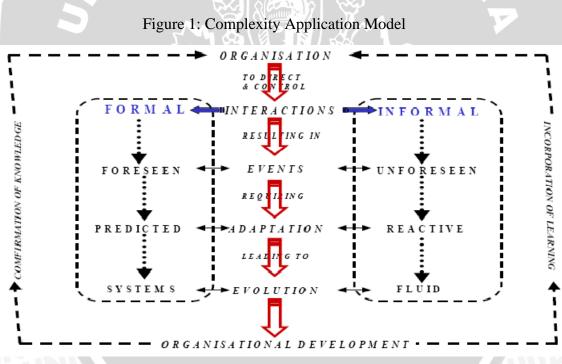
H.R. Riyadi Soeprapto, Heru Ribawanto, and Iman Hanafi in their research with the title is Public Servants Development in Reformation Era explains that in Municipality of Trenggalek, there were aspects that influence public servants development, they were leadership, motivation, and commitment. The obstructions in developing public servant in Municipality of Trenggalek are communication was not effective, infrastructure were not complete, and low performance. The way to solve that problem are doing analysis of job description and job specification, increasing quality of work life, giving training and motivation, and adapting with need by citizen in Municipality of Trenggalek. The important in planning, implementing, evaluating of those strategies reorientation is done together not become alternative. So, those strategies must be done together or steps by steps in order to get the purpose (Jurnal Administrasi Negara, Vol. I, No.1, September 2000: 46-57)

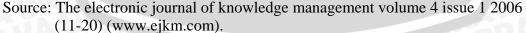
#### 2. Zoe Dann and Ian Barclay

Complexity theory and knowledge management application is the title of Zoe Dann and Ian Barclay research that was published in electronic journal of knowledge management volume 4 issue 1 2006 (11-20) (www.ejkm.com). This research traces the development of complexity theories and proposes a Complexity Representation Model (CRM) for management processes. The purpose here was to translate key elements of complexities theories (for example self organization, adaptation, evolution, chaos) into a recognizable form and relate these to management practice (particularly knowledge management and learning).

A further Complexity Application Model (CAM) is offered that shows the relationship between the formal and informal aspects of the management environment and the CRM. It models an active environment that should learn and adapt to minor perturbations and major schisms. It is a conceptual guide as to the ideal management system, one that self organizes, learns, adapts and evolves with its environment. The application of the CAM is discussed in terms of practical methods and processes that can be used to manage and encourage managers to feel they are in control of a complex adaptive management system. "Complexity is a multi-dimensional, multidisciplinary concept. (There is) No one right way to define and measure it" (Smarr in Corning, 1995).

The researchers have taken the complexity representation model and combined it with the work on knowledge, learning and formal/informal processes to produce a Complexity Application Model (CAM) as shown in this Figure.





The CAM uses as its basis the complexity theory flow from Organization to Evolution.

- a) Complexity theory basis: This is the central flow from Organization to Evolution. This interacts with the organization's formal and informal systems and processes.
- b) Formal aspects: The left-hand side box represents the organization's formal knowledge, processes, systems and procedures that deal with foreseen/predicted potential events through contingency planning and systems. Here potential mismatches are predicted and the capability to deal with them should, they arise, is built into the systems. These formal processes remain valid until a serious mismatch occurs that demands significant changes. These may be dealt with as a development proceeds but especially during post development review.
- c) Informal aspects: The right-hand side box represents the organization's informal knowledge and learning processes etc. that deal with unforeseen events through the capability of the organization's people and culture. Here mismatches are unpredicted and are dealt with through complexity theory based learning, adaptation and evolution. Minor mismatches can be dealt with by the informal systems without recourse to changes in the formal system. Where the mismatch is serious, the results of the informal system's action can be incorporated into the formal processes.
- d) Confirmation of knowledge: This has two dimensions. If the events match requirements and/or predictions, then the existing knowledge is valid and is confirmed. If events create a mismatch then the new, appropriate knowledge has to be incorporated, validated and confirmed. In either case, new learning may be absorbed.
- e) Incorporation of learning: Again, this has two dimensions. Whether events match or mismatch new and appropriate learning may be incorporate-rated into the organization as required for improvement.
- f) Organizational development: Here there are two extremes. If the formal processes work well, then the organization's knowledge base is confirmed as being correct (i.e. matches). Minor perturbations are addressed by the informal systems that are capable of dealing with

them. If the formal processes do not work well enough (mismatches), then the learning from the informal processes may be built into the formal processes.

It is the informal aspects of the model that exhibit the basics of complexity theory. This model is, in effect, a system that adapts through a process of self organization and selection into coherent new behaviors, structures and patterns (www.ejkm.com).

#### 3. Karl M. Wiig

Application of Knowledge Management in Public Administration is research title of Karl M. Wiig. This research explains that Knowledge Management (KM) plays important roles in Public Administration (PA). Each role serves specific constituencies and purposes and is implemented differently. Jointly, they build society's intellectual capital (IC) to improve the effectiveness of public and private decision making and situation handling. Four Public Administration KM areas are considered: Enhance decision making within public services; Aid the public to participate effectively in public decision making; Build competitive societal IC capabilities; and Develop knowledge competitive work force. Numerous KM approaches are adopted to serve these purposes. Most efforts address specific needs. Only few pursue broad, deliberate, and systematic KM. Examples of these approaches and perspectives are discussed. The premise for KM is that among many factors, effective and intelligent behavior depends on having appropriate understanding in addition to being informed.

KM goals are to improve the effectiveness and sustained viability of any enterprise be it a commercial corporation, a part of society, a country, or a single individual. KM must be fully aligned to the enterprise's central objectives. The KM objectives for PA in a democracy may be expressed as the intent to provide:

 a) Effective PA services and functions to implement the public agenda. Public services must address issues and requirements relevantly, competently, and timely and consume minimal resources. They should also deal appropriately and expeditiously with unexpected challenges and disasters.

- b) A stable, just, orderly, and secure society. This includes preparing citizens, organizations, and public agencies to be effective policy partners, to create sound public opinions, to engage in public debates and policy formation, to participate in processes to conceptualize, plan, decide, and implement public actions, to observe society policies, and to provide support for the administration.
- c) Acceptable level of quality of life, particularly through building, maintaining, and leveraging commercial and public intellectual capital.
- d) A prosperous society by developing its citizens to become competent knowledge workers and its institutions to be competitive (www.kmwiig@krii.ntm).

## **B.** Public Administration and New Public Management

#### 1. Public Administration

According to Felix A. Nigro and Lioyd G. Nigro in their book with the title Modern Public Administration (1977:18), definitions of public administration are:

- a) is cooperate group effort in a public setting;
- b) covers all three branches, they are executive, legislative, and judicial and their relationship;
- c) has an important role in the formulation of public policy and is thus a part of the political process;
- d) is different in significant ways from private administration; and
- e) is closely associated with numerous private groups and individuals in providing services to the community.

Here is the history of public administration study.

a) The Early Period

The study of administration is as old as history, but its modern phase begins in the late nineteenth and the early twentieth centuries. The change from predominantly rural to a complicated urban civilization, the rapid development in physical technology, and the consequent need for more orderly processes in both the private and the public sectors were all factors in the emergence of administration "as a self conscious study" (Dwight Waldo in Nigro, 1977:18). The mental climate in America emphasized efficiency and the scientific approach, symbolized in the scientific management movement. This movement was pioneered by Frederick W. Taylor, who believed that in any undertaking, scientific analysis would lead to discover of the "one best way" of carrying out each operation. Originally applied to shop in private establishment at the turn of the century, the Taylor techniques were later, from about 1910 on, introduce in government. New philosophical approach gave impetus and amore realistic character to political and administrative reform; pragmatism and emphasized the study of government as it actually worked and let to thorough analyses of the fact of political life and public administration. Summarizing these developments, Dwight Waldo in Nigro (1977:19) writes, "The rise of public administration...is an attempt to make government work under the new more demanding condition, by increasing amount of systematic study of the problem of government and the competence and training of those entering government service". In the universities, political science developed "as a separate and substantial area of academic research and teaching" and it was in the political science department that the first courses in public administration were taught.

Leonard D. White in Nigro explained the structure of administrative organization in government and placed a great deal of emphasis on management service such as personnel and financial administration. Some attentions were given to intergovernmental relations, regulatory functions, and the role of the chief executive, relationships of administrative agencies with legislators and the general public, and the nature of the programs carried out by the executive branch. The stress of the administrative housekeeping function not only was a response to the need at that time to strengthen them in government, but also served to pave the way for careers in public service for college students with general backgrounds. Administrative policy making was given little attention; indeed in generally was left out because it was considered part of the separate field of politics. Problems of organization were treated within the scientific management mold, and attempts were made for formulate principles for the best way of structuring and managing administrative agencies (Nigro, 1977:19).

The contribution of this early period was focusing of attention on administrative function as such and on improving organization, procedures, and the quality of public service personnel. The successes were many, because public administration did achieve recognition as a new field and the public service was improved. Graduates of public administration programs were among the large numbers of college trained people entering the federal service and state and local governments during the New Deal period. In 1939 the American Society for Public Administration was established; its purpose is to "advance the science, processes, and art of public administration", and its membership includes public employees from all levels of government, teachers, researchers, consultants, civic leaders, and other united in this objectives (Leonard D. White in Nigro, 1977:20).

#### b) The Period Since World War II

After World War II the whole concept of public administration expanded. The administration policy split was rejected, thus opening a large new area for study: administrative policy making. The value judgments of administrators, goal conflict, power struggles, and relationships with pressure groups and legislators become essential items for administrative study. New dimensions were added to administration as a process, in particular the analysis of decision making and communications. The preoccupation with organization charts and formal lines of authority was replace by a much broader focus, namely the considerations as social systems in which the workers interact in many different ways, frequently at variance with the directives and conceptions of those in official charge (Herbert A. Simon in Nigro, 1977:20).

So many questions were raised about the principles approach to administration that the word itself came into disrepute. Although the best of management experts had been careful to condition the application of principles to the special facts of each case, others had confidently defined certain universals of administration. Generally, such universals were presented as having been discovered through personal experiences or as desirable models to follow in any case. Not derived from empirical research, they rested on premises of organizational logic rather than on documented facts of human behaviors in organizations. The repudiation of the principles approach did not, however, significantly the abandonment of search for a true administrative science. This quest was resumed on a new basis: behavioral research testing various hypotheses in different kinds of organizations. As yet, there is no agreement upon such an administrative science, but the new approach is generally regarded as much sounder that the previous one (Robert Presthus in Nigro, 1977:20).

As the examination of the human factor become a principal concern, public administration dropped its original stance of separateness and now applies the knowledge and insights of the social science, particularly sociology, social psychology, psychology, and anthropology. Reference to finding in these fields are now commonplace, both in theoretical works and in discussions of practical problems in administration. Scholars and practitioners are primarily concerned with the substantive programs of government, not the tool subjects like personnel and finance. It is not that the latter are no longer considered important; indeed they are viewed more broadly, reflect the human relations emphasis, and take into account important new developments. In more recent years, public administration has been giving more attention to improvement of all aspects of the public policymaking system to enable the making of better policies.

## c) The "New Public Administration"

During the past few years, a number of scholars, particularly younger ones, have advocated a New Public Administration to make the study and practice of government relevant to the needs of the emerging post industrial society. There is no doctrine to which they all subscribe in every particular, but many of them indict public administration as an instrument for the status quo, denying social justice to less privileged groups. New Left strand in movement argues that public administration is an impersonal bureaucratic conglomerate that ministers to special rather than general interest. While most leaders of the New Public Administration movement are not known as New Lefters, they do emphasize the principle of social equity; the realization of which they key feel should be the purpose of public administration (Nigro, 1977:21).

Social equity is a normative consideration and emphasis upon the normative, more than anything else, characterize this new ferment. It is charged that, in the past, public administration has neglected the question of value in the vital area of the social purpose of government. In implementing programs authorized efficiency and economy of execution often the expanse of social equity. Administrators are viewed also as sometimes insincere and slippery because, while professing neutrality, they have in fact often catered to special interest.

Administrators, it is charged, have not been sufficiently interested in the human needs of recipients of government services; thus client–focus administration is one major goal of New Public Administration, along with democratic decision making and decentralization of administrative processes in the interests of more effective and humane delivery of public services.

#### 2. New Public Management

New Public Management is a management philosophy used by governments since the 1980s to modernize the public sector. New Public management is a broad and very complex term used to describe the wave of public sector reforms throughout the world since the 1980s. The main hypothesis in the New Public Management reform wave is that more market orientation in the public sector will lead to greater cost efficiency for governments, without having negative side effects on other objectives and considerations.

Jonathan Boston (1996), one of the early writers of New Public Management, identified several ways in which public organizations differ from the private sector:

- a. degree of market exposure reliance on appropriations;
- b. legal, formal constraints courts, legislature, hierarchy;
- c. subject to political influences;
- d. coerciveness many state activities unavoidable, monopolistic;

- e. breadth of impact;
- f. subject to public scrutiny;
- g. complexity of objectives, evaluation and decision criteria;
- h. authority relations and the role of managers;
- i. organizational performance;
- j. incentives and incentive structures; and
- k. personal characteristics of employees (www.wikipedia.com)

Some modern authors define New Public Management as a combination of splitting large bureaucracies into smaller, more fragmented ones, competition between different public agencies, and between public agencies and private firms and incentives more economic lines (Dunleavy, 2006). Defined in this way New Public Management was an intellectual force in public management outside the USA from the early 1980s to the early 2000s. New Public Management, compared to other public management theories, is more oriented towards outcomes and efficiency through better management of public budget. It is considered to be achieved by applying competition, as it is known in the private sector, to organizations in the public sector, emphasizing economic and leadership principles. New public management addresses beneficiaries of public services much like customers, and conversely citizens as shareholders (www.wikipedia.com).

New Public Management, management techniques and practices drawn mainly from the private sector, is increasingly seen as a global phenomenon. New Public Management reforms shift the emphasis from traditional public administration to public management. Key elements include various forms of decentralizing management within public services, increasing use of markets and competition in the provision of public services, and increasing emphasis on performance, outputs and customer orientation.

New Public Management reforms have been driven by a combination of economic, social, political and technological factors. A common feature of countries going down the New Public Management route has been the experience of economic and fiscal crises, which triggered the quest for efficiency and for ways to cut the cost of delivering public services. The crisis of the welfare state led to questions about the role and institutional character of the state. In the case of most developing countries, reforms in public administration and management have been driven more by external pressures and have taken place in the context of structural adjustment programs. Other drivers of New Public Management type reforms include the ascendancy of neo liberal ideas from the late 1970s, the development of information technology, and the growth and use of international management consultants as advisors on reforms. Additional factors, in the case of developing countries, include lending conditionality and the increasing emphasis on good governance.

The New Public Management attempts to transform the public sector through organizational reforms that focus on results in terms of efficiency, effectiveness, and quality of service appears to fit nicely into the larger, political theory of governance (Stoker, 1998). New Public Management describes two models of public service that reflect a "reinvented" form of government which is better managed, and which takes its objectives not from democratic theory but from market economics (Stoker, 1998).

The first principle of NPM is defined by Pollitt (1993) as:

- a. Continuous increases in efficiency;
- b. The use of "ever-more sophisticated" technologies;
- c. A labor force disciplined to productivity;
- d. Clear implementation of the professional management role; and
- e. Managers being given the right to manage.

The second principle of the NPM is based upon indirect control rather than upon direct authority. The strategic centre attains its objectives through creating processes of management that involve appropriate incentives and value commitments. The emphasis is not so much upon managers' right to manage, as upon the need for managers to be appropriately motivated and believe the right things. The characteristics of the second principle of the NPM are according to Walsh (1995):

- a. Continual improvements in quality;
- b. Emphasis upon devolution and delegation;
- c. Appropriate information systems;
- d. Emphasis upon contract and markets;
- e. Measurement of performance; and
- f. Increased emphasis on audits and inspection.

The two principles of NPM are quite distinct. The first, principle is based on the adoption of industrial production engineering techniques within the public sector. It is not a rejection of bureaucracy but its fulfillment. The second is based on the primacy of market, based coordination. The argument for the introduction of market processes is that it increases both efficiency and accountability. Efficiency is argued to follow from the clearer statement of what is to be provided, and the pressure that results from consumer choice. The argument for the greater efficiency of the market compared to traditional bureaucracy is often simply asserted, with little attempt at justification. In practice, the evidence of greater efficiency of the new pattern of public service management is limited. The evidence on effectiveness and the quality of service is even more debatable.

A variety of market mechanisms have been proposed and adopted for the reform of bureaucracy, apart from outright privatization. The basis of organization is changing from hierarchical authority to contracts and markets. To some extent this change parallels developments in the private sector, where there is a growing use of contracts, internal pricing, and outsourcing of services.

## C. Organizational Theory and Knowledge Management

## 1. Organizational Theory

Organization theory as it developed toward a science in the 1930's has been the subject of much criticism and revision during the last twenty years. Indeed, contemporary organization theory, generally called behavioral, represents an interdisciplinary approach and views organizations as social institutions in which the individual is concerned with such factors as his role and status, relationship to the work group, his perception of authority and leadership, and the role of the organization in society. Organization theory serves two important objectives. First, in its theory building and testing phase, it improves understanding of how public agencies function and relate to other levels and segments of society. Second, it provides knowledge and insight valuable for designing and administering organizations (Robert T. Golembiewski in Nigro, 1977:125).

### a) The Function of Theories

Organization theory is very useful in (1) helping administrators identify important aspects of problems and situations, (2) tracing out and predicting relationship between events, (3) providing guidelines for the detection and evaluation of alternative course of action, and (4) setting forth criteria for isolating important information in decision making situations. Thus theories can be highly practical instruments for organizational design and administration (Bertram M. Gross in Nigro, 1977:126). Organization theory is perhaps most accurately described as a set of generalizations, conceptual schemes, and approaches to organizations. It incorporates conceptual approaches of widely varying generality and precision. There is no single, all encompassing theory of organization applicable to all types of organizations in all situations.

## b) Specific Theory

Concept of organization can be traced back to ancient history, a process which reveals many significant ideas. But it is only with the emergence of the factory system, large scale economic enterprise, and the nation state that can be seen the beginnings of modern organization theory and management science. Felix showed there are many theories that develop in organizational theory, such as the bureaucratic model, scientific management, the principles of administration, and the human resources approach.

## c) Integrating The Individual and The Organization

Influential branch of organization theory concentrates on problems associated with improving the social psychological interface between the worker and the organizations. Scott and Mitchell in Felix explain industrial humanism which the humanists argue that all dimensions of the organization are potentially important variables in relation to performance and should be carefully examined in this light. Thus a truly integrationist approach requires a willingness to evaluate and, as necessary, modify supervisory styles, decision making processes, job content, and

# BRAWIJAYA

relationship between work units (Likert in Nigro, 1977:148). They further believe that:

- 1. The average employee wants and will respond positively to work that is interesting and allows some discretion and opportunity to shape his or her work environment;
- 2. In many cases, jobs can be so redesigned as to satisfy basic psychological needs;
- 3. Close supervision and control oriented structures do not automatically produce efficiency;
- 4. Tightly centralized decision making in a rigidly hierarchical format causes subordinates to feel powerless and subject to constants manipulation; and
- 5. Authoritarian management prevents the healthy psychological development of the employee; over the long run, it fails to produce the desire contributions to organizational efforts (Likert in Nigro, 1977:149).

## d) Organization Development

Of the many applications of organization theory and research to practical management problems, perhaps the best known is organization development. Organization development is a social science based approach to the analysis of organizational problems and the effectuation of guide change, utilizing trained consultants or in house specialist. It is employed when gaps in organizational performance indicate that structural or behavioral changes are needed. Depending on the specific problem, the focus of an organizational development program include: (1) relationship between organization and its environment; (2) inter group relations within the organization; (3) the interface between the employee and the formal system; and (4) interpersonal relations (Paul R. Lawrence and Jay W. Lorsch in Nigro, 1977:150).

According to Paul R. Lawrence and Jay W. Lorsch in Negro (1997: 151), there are four basic phases to organization development. The first is a diagnostic one during which the organization development specialist works with management to define clearly the reasons for the performance gap and to decide which organizational characteristics would effectively meet individual worker as well as task requirements. Second is an action planning phase during which a change strategy is formulated, key persons

in organization are brought into the process, and the most important points of impact or leverage are isolated. The third is one of the implementation. Here, the organization development specialist applies one or more change techniques intended to solve the problem (e.g. management exercises designed to change leadership style or attitudes). Likely targets for change interventions are motivational patterns, power relations among individuals and groups, communication processes, ways of perceiving situations, organizational values and norms, problem solving procedures, goal setting methods, interpersonal relations, and the handling of conflict. The fourth phase is evaluation to access the accomplishments of the organizational development effort in the light of its goals.

Organization development emphasizes the involvement and support of top management; those who control the organization must be committed to the goals and values underlying organization development. It has an action orientation because change is not viewed as a passive, classroom kind of activity but rather as experience based learning, requiring the participation of all affected organization members. In contrast to many training programs, organization development is usually a long term process, the period between the diagnostic and the evaluation phase lasting from two to three years. Conducted professionally, it is in depth, broad gauged attack on the behavioral problems of organizational change and improvement.

Organization development illustrates how concept and information can be translated into practical terms and made relevant to administrators, supervisors, and workers. In its many applications, organization theory obviously can contribute greatly to the ability of government to serve the interests of the public.

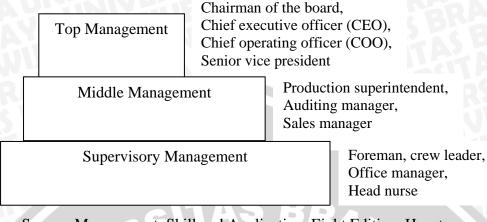
## 2. Knowledge Management

## a) Management

## 1) The Management Hierarchy

According to Leslie W. Rue, Ph.D and Lioyd L. Byars, Ph.D in their book "Management: Skills and Application" (1997: 5) explained that all but the smallest organizations need several managers to coordinate the organization's resources. The management staffs generally consist of three different levels or types of managers. Top or senior management usually includes the chairperson of the board, the chief executive officer (CEO), the chief operating officer (COO), and the senior vice president. This level of management establishes the objectives of the organization, formulates the actions necessary to achieve them, and allocates the resources to achieve the objectives. Middle Management normally consists of people with job titles such as production superintendent, auditing manager, and sales manager. Middle Management is responsible for implementing and achieving organizational objectives. Middle Management also develops departmental objectives and action for achieving organizational objectives. The final level of management is Supervisory Management. Job titles of Supervisory Managers include foreman, crew leader, office manager, and head nurse. The Supervisor manages the operative employees who physically produce the organization's good and services.

These three levels of management form of a pyramid or management hierarchy as shown in Figure 2. Within the management hierarchy are a number of supervisors, a smaller number of middle managers, and only a few at the very top. In addition, job titles for managers within the hierarchy vary from organization to organization and from industry to industry.



# Figure 2: The Management Pyramid or Hierarchy

Source: Management, Skill and Application. Eight Edition. Houston Baptist Universit by Leslie W. Rue, and Lioyd L. Byars. 1997, page 5.

# 2) Approaches to Analyzing Management

Several approaches have been used to analyze the job of management. One common approach examines management by categorizing by the function (work) managers performs. A second approach looks at the roles managers perform. A third approach analyzes the skills required of managers.

# a) Management Functions

Managers engage in certain basic activities. These activities are often grouped into conceptual categories called *the function of management*. These functions are as follows:

- Planning: deciding what objectives to pursue during a future period and what to do to achieve those objectives;
- Organizing: grouping activities, assigning activities, and providing the authority necessary to carry out the activities;
- Staffing: determining human resources needs and recruiting, selecting, training, and developing human resources;
- Leading: directing and channeling human behavior toward the accomplishment of objectives; and

5) Controlling: measuring performance against objectives, determining the causes of deviations, and taking corrective action where necessary.

The functions of management are merely categories for classifying knowledge about management. Because management function overlap, it is difficult to classify them purely as planning, organizing, staffing, leading, and controlling. Table 1 classifies several managerial activities based on the different functions of management. This does not imply that managers perform each activity sequentially for each function. In fact, the functions of management are interdependent and inseparable. For example, organizing is difficult without plan.



Planning	Organizing	Staffing	Leading	Controlling
Perform self-audit – determine the present status of the organization	Identify and define work to be performed	Determine human resources needs	Communicate and explain objectives to subordinates	Establish standards
Survey the environment	Break work into duties	Recruit potential employees	Assign performance standard	Monitor results and compare to standards
Set objectives	Group duties into positions	Select from recruits	Coach and guide subordinates to meet performance standards	Correct deviations
Forecast the future situation	Define position requirements	Train and develop human resources	Reward subordinates based on performance	Revised and adjust control method in light of control results and changing conditions
State action and resource needs	Group position into manageable and properly related units	Revised & adjust the quantity and quality of the human resources in light of control results and changing conditions	Praise and censure fairly	Communicate throughout the control process
Evaluate proposed action	Assign work to be performed, accountability, and extent of authority	Communicate throughout the staffing process	Provide a motivating environment by communicating the changing situation and its requirements	
Revised and adjust the plan in light of control results and changing conditions	Revised and adjust the organizational structure in light of control results and changing conditions	5.2.	Revised and adjust the method of leadership in light of control results and changing conditions	
Communicate throughout the planning process	Communicate throughout the organizing process		Communicate throughout the leadership process	BRAR

Table 1: The Functions of Management
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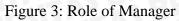
Source: Management, Skill and Application. Eight Edition. Houston Baptist University by Leslie W. Rue, and Lioyd L. Byars. 1997, page 7.

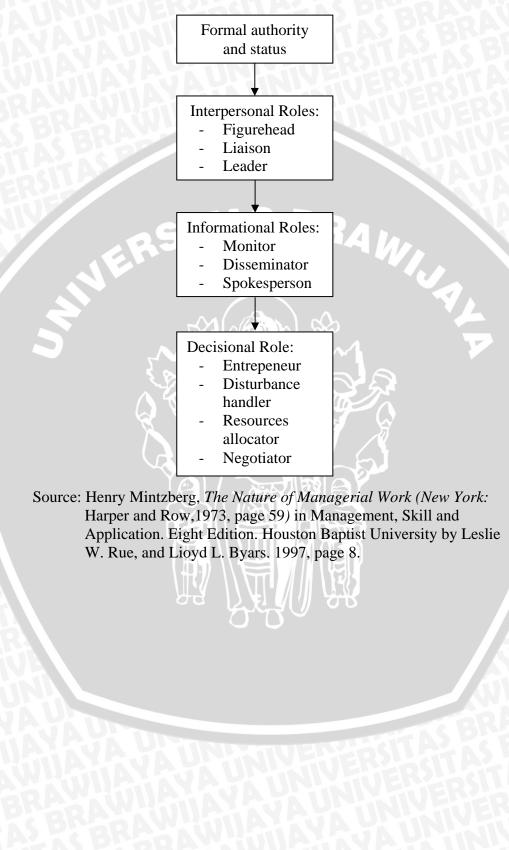
## b) Management Role

Henry Mintzberg in Leslie W. Rue has proposed another method of examining what managers do by introducing the concept of managerial roles. T.R. Sarlin and V.L. Allen in Leslie W. Rue explain that a role is an organized set of behaviors that belong to an identifiable job. But remember that the delineation of managerial working roles is essentially a categorizing process, just as it is with the managerial functions.

Mintzberg identifies 10 managerial roles, which he divides into three major groups: interpersonal roles, informational roles, and decisional roles. Figure 3 illustrate and define these managerial roles. The manager's position is the starting point for defining a manager's role. Formal authority gives the position status. Authority and status together generate certain interpersonal roles for a manager. The interpersonal roles, in turn, determine the informational roles of the manager. Finally, access to information, authority, and status place the manager at a central point in the organizational decision making process (Leslie, 1997:6).

Mintzberg further suggest that the management level and the types of work the manager directs significantly influence the variety of roles the manager must assume. For example, managers at lower levels of organization spend more time in the disturbance handler and negotiator roles and less time in the figurehead role. On the other hand, the chief executive of an organization concentrates more on the roles of figurehead, liaison, spokesperson, and negotiator (Mintzberg in John P. Kotter in Leslie, 1997:7).





Interpersonal	Informational	Decisional
Figurehead: Managers represents the organizational unit in all matters of formality	Monitor: manager serves as a receiver and collector of information	Entrepreneur: manger initiates change
Liaison: Manager interacts with peers and other people outside the organizational unit to gain information and favors	Disseminator: Manager transmits special information within organization	Disturbance handler: Manager must assume this role when the organization is threatened, such as when conflict arise between subordinates, a subordinates departs suddenly, or an important customer is lost
Leader: Manager provide guidance and motivation to the work group and defines the atmosphere of the workplace	Spokesperson: Manager disseminates the organization's information into its environment	Resources allocate: manger decides where the organization will expend its resources
Ś		Negotiator: Manager assumes this role when the organization is in major, no routine negotiations with other organizations or individuals.

Table 2: The Definition of Managerial Roles

Source: Adapted from Henry Mintzberg, *The Nature of Managerial Work* (*New York:* Harper and Row,1973, page 54-99) in Management, Skill and Application. Eight Edition. Houston Baptist University by Leslie W. Rue, and Lioyd L. Byars. 1997, page 9.

# c) Management Skills

A third approach to examining the management process categorizes the skills required to perform the work. Three basic skills have been identified:

 Conceptual skills involve understanding the relationship of the parts of the business to one another and to the business as a whole. Decision making, planning, and organizing are specific managerial activities that require conceptual skills.

- Human Relations skills involve understanding people and being able to work well with them.
- Technical skills involve being able to perform the mechanics of a particular job.

The first purposeful efforts at rational thinking about management began with Taylor, Fayol, and Weber. Ever since then, scholars, experts, and practitioners in various fields from different perspectives have studied the two domains and introduced concepts from science, technology, psychology, social psychology, sociology, biology, cybernetics, or complexity theory to address the issue.

Classical management identified the duties of managers as to what they should do and how they should do it (Drucker, 1999), as well as taking the organization as a whole to qualitatively and quantitatively study its effectiveness and efficiency. These studies and discussions not only make management legitimate as a discipline based on different schools with different concepts, principles, techniques, and practice to embrace a wider human perspectives in academic sense but also create a new professionthat of the professional manager with professional knowledge about organizational management, who is in charge of operational effectiveness and efficiency in an organization, with a focus on realizing organizational mission and goals.

Whilst there were studies focused on how to make human labor more effective at work, others were interested in the duty of managers. Now leadership is viewed as an important task for managers and entrepreneurship as a unique characteristic of practitioners. Managers in the 21<sup>st</sup> century require not only entrepreneurship, leadership, and their personal abilities in decision making and judgment, but also knowledge about management, what they should do and how to do it effectively and efficiently. The concept of management has evolved from a scientific method for organization and operation to more diverse approaches that embrace a wider human perspective. The objectives of management were expanded from things and procedures to persons and processes or human activity systems. This does not mean that things and procedures are not important; rather that people and processes are more important. The latter is an extension, not exclusion in scope. Therefore, both should be considered and cannot be separated. They must be addressed as a whole.

## b) Definitions of Knowledge

Knowledge is defined (Oxford English Dictionary) variously as (i) expertise, and skills acquired by a person through experience or education; the theoretical or practical understanding of a subject, (ii) what is known in a particular field or in total; facts and information or (iii) awareness or familiarity gained by experience of a fact or situation. Philosophical debates in general start with Plato's formulation of knowledge as "justified true belief" (Nonaka, 1995:21). There is however no single agreed definition of knowledge presently, or any prospect of one, and there remain numerous competing theories. Knowledge acquisition involves complex cognitive processes: perception, learning, communication, association and reasoning. The term knowledge is also used to mean the confident understanding of a subject with the ability to use it for a specific purpose if appropriate.

Knowledge is the perception of the agreement or disagreement of two ideas (John, 1689). John Locke gave us the first hint of what knowledge is all about. Locke views us as having sense organs that when stimulated, produce "ideas of sensation". These ideas of sensation, in turn, are operated on by our minds to produce "ideas of reflection". Thus, ideas come to us via our senses, which in turn can be turned into new ideas via reflection. These two routes that ideas take are derived from *experiences*. Thus, we can have no knowledge beyond our ideas. There are two kinds of *material* ideas: simple and complex. Simple ideas have one attribute, such as the sky is blue or lemons are sour. While complex ideas are compounds of simple ideas.

Thus there is a building block to ideas, they come to us via our senses, and in turn we can reflect upon them to form complex ideas. Locke further divides knowledge into three types:

- Intuitive knowledge involves direct and immediate recognition of the agreement or disagreement of two ideas. It yields perfect certainty, but is only rarely available to us. For example, I know intuitively that a dog is not the same as an elephant.
  - Demonstrative knowledge is when we perceive the agreement or disagreement indirectly through a series of intermediate ideas. For example, I know that A is greater than B and B is greater than C, thus I know demonstratively that A is greater than C.
  - Sensitive knowledge is when our sensory ideas are caused by existing things even when we do not know what causes the idea within us. For example, I have known that there is something producing the odor I can smell (John, 1689).

The meaning of the word knowledge is subject to a number of different interpretations. In the past it has been linked with terms such as data, information, intelligence, skill, experience, expertise, ideas, intuition, or insight, which all depend on the context in which the words are used. Plato views knowledge as justified true belief, which was later modified by Nonaka and Takeuchi (1995:25) to a dynamic human process of justifying personal belief toward the truth at the organizational level.

In Drucker's opinion, knowledge is information the "changes something or somebody either by becoming grounds for action, or by making an individual or an institution capable of different and more effective action", or more simply termed, "specialized knowledge". When Drucker talks about knowledge work or knowledge workers, he emphasizes that only in or through systematic learning, that is, in and through formal schooling can the knowledge required for knowledge work be acquired; the knowledge for knowledge work not only be acquired through apprenticeship (Drucker, 1999).

Knowledge can be further defined as subjective or objective; or explicit or tacit/implicit. Polanyi (1966) first divided human knowledge into two dimensions: explicit knowledge (formalized and written knowledge, expressed in the form of data, scientific formulae, specifications, manuals, or textbooks) and tacit knowledge (action-based and unformulated, highly personal and hard to transfer). He insists that knowledge is not gained by an objective flow of events and the necessary outcome of a determined scientific endeavor, but is grounded in such human conditions as the sense of beauty and passion (Polanyi, 1966).

This insight helps uncover the mystery of discovery, invention, and creation by knowledge agents and emphasizes the agents' thinking, experiencing and acting capabilities. Recognizing the importance of new ways and processes of thinking and doing is the key to acquiring existing knowledge and generating new knowledge. Implicit knowledge, another form of tacit knowledge, is the kind of knowledge that is shared or understood by people or groups who are either unwilling, or unable to express it explicitly without a proper atmosphere. Tacit knowledge and implicit knowledge are not, however, mutually exclusive; efforts to bring them out in an organization will require the allocation of organizational resources and can produce unexpected outcomes.

Knowledge is information that changes something or somebody-either by becoming grounds for actions, or by making an individual (or an institution) capable of different or more effective action. There are types of Knowledge.

## 1) Explicit knowledge

It can be articulated into formal language, including grammatical statements (words and numbers), mathematical expressions, specifications, manuals, etc. Explicit knowledge can be readily transmitted others. Also, it can easily be processed by a computer, transmitted electronically, or stored in databases.

## 2) Tacit knowledge

Personal knowledge embedded in individual experience and involves intangible factors, such as personal beliefs, perspective, and the value system. Tacit knowledge is hard to articulate with formal language (hard, but not impossible). It contains subjective insights, intuitions, and hunches. Before tacit knowledge can be communicated, it must be converted into words, models, or numbers that can be understand. In addition, there are two dimensions to tacit knowledge:

- **Technical Dimension (procedural)**: This encompasses the kind of informal and skills often captured in the term *know*-*how*. For example, a craftsperson develops a wealth of expertise after years of experience. But a craftsperson often has difficulty articulating the technical or scientific principles of his or her craft. Highly subjective and personal insights, intuitions, hunches and inspirations derived from bodily experience fall into this dimension.
  - **Cognitive Dimension**: This consists of beliefs, perceptions, ideals, values, emotions and mental models so ingrained in us that we take them for granted. Though they cannot be articulated very easily, this dimension of tacit knowledge shapes the way we perceive the world around us.

Nonaka & Takeuchi further discuss the four modes of knowledge *creation* or *conversion* that are derived from the two kinds of knowledge.

Figure 4: Four modes of knowledge *creation* or *conversion* that are derived from the two kinds of knowledge

Į	To tacit knowledge	To explicit knowledge
From tacit knowledge	Socialization	Externalization
From explicit knowledge	Internalization	Combination

Source: Nonaka, Ikujiro, & Hirotaka Takeuchi, 1995. *The Knowledge Creating Company: How Japanese Companies Create the Dynamics of Innovation.* New York: Oxford University Press, page 62.

- Socialization: from tacit to tacit. Sharing experiences to create tacit knowledge, such as shared mental models and technical skills. This also includes observation, imitation, and practice.

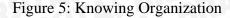
However, "experience" is the key, which his why the mere "transfer of information" often makes little sense to the receiver.

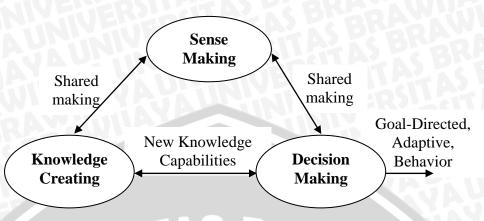
- **Internalization**: from explicit to tacit. Embodying explicit knowledge into tacit knowledge. Closely related to "learning by doing". Normally, knowledge is verbalized or diagrammed into documents or oral stories.
- **Externalization**: from tacit to explicit. The quintessential process of articulating tacit knowledge into explicit concepts through metaphors, analogies, concepts, hypothesis, or models. Note that when we conceptualize an image, we express its essence mostly in language.

**Combination**: from explicit to explicit. A process of systemizing concepts into a knowledge system. Individuals exchange and combine knowledge through media, such as documents, meetings, and conversations. Information is reconfigured by such means as sorting, combining, and categorizing. Formal education and many training programs work this way.

#### c) Knowledge Management

Now, organization theory develops toward to knowledge management. Knowledge management becomes larger when the environments more dynamic, increasing technology and information, and complexity of citizen necessity. In knowledge management was happened changed orientation strategy, from marked based-review to resource-based review (Muluk, 2008:13). Choo in Muluk in his book with the title Knowledge Management Kunci Sukses Inovasi Pemerintahan Daerah explains that in knowledge management framework suggest to the organization to manage their knowledge in three arenas. They are sense making, knowledge creating, and decision making.





Source: Choo in Muluk, 2008 page 14.

Sense making is related to how organization interpreted information to construct meaning about what is happening in organization. Knowledge creation is related to how organization creates their knowledge with knowledge conversion, knowledge building, and knowledge linking. Decision making is about the organization activities in processing and analyzing information to take precise action (Choo in Muluk, 2008:14).

In managing information in this era is depending on success to know and to use information technology. For the first time, the progress of information technology concern on data, which are aggregation, storage, shipping, and presentation. It just concern in technology development, but today it is more concern also in information aspect that is on it. When it is concern to technology, development of administrative science is also turning on management information system. After focusing on information, then information becomes important asset that must be managed in knowledge management framework which can support organization (Muluk, 2008:15).

Development of information and communication technology in this era brings the serious and important consequences that motivate the important of knowledge management. Organization that wants to defend competitiveness, they should manage the information. Management of information can start from information needs, information seeking, and information use. This management of information becomes the basis to carry out sense making, then knowledge creating, and then decision making (Muluk, 2008:16).

Knowledge management is a management theory which emerged in the 1990s. It seeks to understand the way in which knowledge is created, used and shared within organizations. An objective of mainstream knowledge management is to ensure that the *right* information is delivered to the *right* person just in time, in order to take the most appropriate decision. In that sense, knowledge management is not interested in managing knowledge *per se*, but to relate knowledge and its usage. This leads to Organizational Memory Systems. More recent developments have focused on managing networks (the flow of knowledge rather than knowledge itself) and narrative forms of knowledge exchange. Knowledge management contains a much more complex meaning than the terms management and knowledge alone.

It is divided into two groups-the hard track and the soft track. Hard track theories, methodologies, approaches, and tools are those related to either hard technology or soft technology (related to software, database, information, patents, or copyrights, which have clear objective criteria in their corresponding professional communities). Hard technology or IT infrastructure and supporting software, is aimed at the management of existing explicit knowledge. The fundamental assumption in this perspective is based on the belief that knowledge comes from information, information comes from data, and data come from events. The basic assumption is that information technologies can accelerate the flow of knowledge and offer modern systems to stockpile formal knowledge and support personal knowledge sharing.

Therefore, to manage substance knowledge actually means to manage the activity of knowledge workers who are engaged in knowledge related work, that is, a human activity system. As dynamic process knowledge is viewed as a human activity system, therefore, knowledge management in essence means to manage organizational human activity systems; in other words, to manage organizational knowledge is to manage the process or the activities of knowledge workers. Once this is recognized as the main concern, the attention should be focused on identifying and analyzing the nature, characteristics, and meaning of knowledge work. Based on the nature and characteristics of knowledge work, managers decide how to design the organizational structure and how to manage knowledge related activities. Management, as discussed earlier, means interactive planning or corporate/organizational strategy, facilitating participators, building or nurturing good configuration of various Bas, and empowering, supporting and motivating professionals. Consequently, various approaches, techniques, and tools developed in different strands of management for managing process, activities, and human resources are the potential available tools for organizational knowledge management.

Jackson's modified Ideal Problem-Context offers an alternative perspective for the analysis of knowledge management approaches. Issues and associated problem-solving tools can be grouped into six sets: simpleunitary, simple-pluralist, simple-coercive, complex-unitary, complexpluralist and complex coercive context. Because of specific issues and contexts, the required methods in each set will be different. An approach quite suitable for a simple-pluralist situation could be unproductive in a complex-coercive context. This necessitates a careful examination of the approaches to and participants in knowledge management in each set. For example, in a simple-pluralist case, such as a quality control cycle, knowledge activities cannot be as complex as simple sharing of information and experiences of frequent troubleshooting. However, in a complex pluralist case, like a cross-functional project team for a new product development venture, a refined knowledge base and interacting process are necessary for bringing forth creativity and learning among team members. The nature of differentiating approaches is a trade-off of input of efforts and output in terms of performance. The balancing criteria should be the efficiency, effectiveness and efficacy of applying methodologies in real-world contexts (www.km-forum.org).

According to the values of the different participants (unitary, pluralist, or coercive), differentiated approaches can be more effective pertinent to simple or complex systems. Accordingly, managers can select those methods to address the issues within a certain context. They can escape from the intricacies of perspectives, methods and tools and make more efforts to discover the nature of phenomena and nurture a suitable environment. Other approaches like Herzberg's motivating employee, Argyris's double-loop learning, and Argyris, Schon and Senge's learning organization, are existing approaches for managing knowledge workers (www.km-forum.org).

Karl M. Wiig explains activities with indications of how organizations can apply knowledge management into four main functional areas:

- Governance functions to direct and support KM-related efforts throughout the enterprise from enterprise perspective and goals.
- Staff or infrastructure functions that support KM objectives and individual activities of many kinds including supporting capabilities like special expertise teams, institutions, and technological facilities.
- Operational functions to obtain and create knowledge and to capture, organize, distribute, and manipulate it.
- Functions to realize the value of knowledge-related investments through understanding of how to leverage knowledge in use, in products and services, in patents and technology, or in other kinds of structural knowledge such as systems and procedures.

Comprehensive KM recognizes that enterprise strategy is decided in the boardroom or by legislatures by deliberates "decisions-in-the-large". However, strategy implementation frequently is achieved through the minute "decisions-in-the-small" that public servants and other people make as part of their daily work. Strategy and business direction is most often implemented in the field and on the factory floor and depends on comprehensive KM to build shared understanding of enterprise direction and intents. When pursuing comprehensive KM, a constant requirement is to identify the expected benefits and work to achieve them. This is particularly important since "managing knowledge" it in reality is impossible-only knowledge-related actions and processes can be managed.

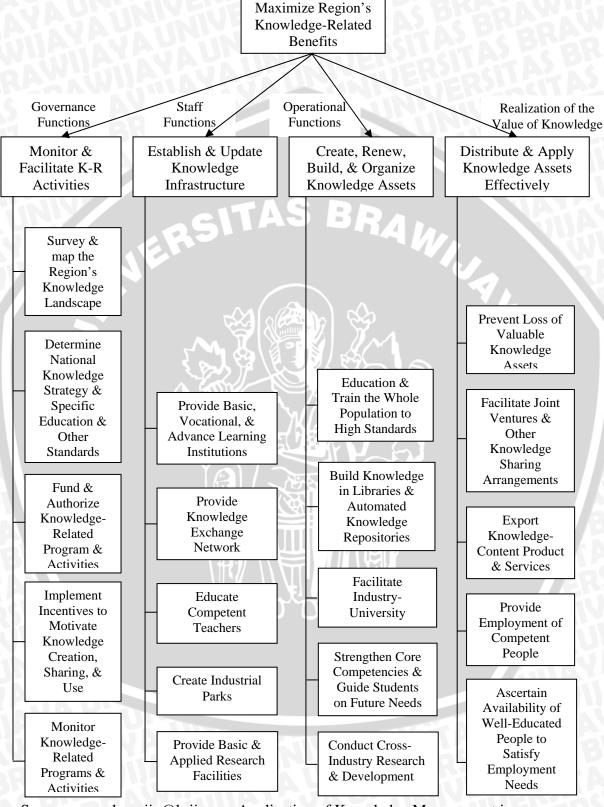


Figure 6: Examples of Knowledge Management Activities in 4 Functional Areas

Source: www.kmwiig@krii.com. Application of Knowledge Management in Public Administration by Karl M. Wiig. Knowledge Research Institute, Inc. Arlington, Texas, USA. May, 2000. Access at 29<sup>th</sup> of October 2008. Starting any new practice and a comprehensive KM practice is not different requires a well thought-out, deliberate, and small and targeted beginning with clear understandings of expected benefits. However, it is also important to have a flexible blueprint of the broad vision to guide the efforts. Initial and later KM activities should serve as building blocks and contribute to creating the larger KM practice. It therefore is important to identify the desired path of activities and resulting benefits that are planned to build a broad and comprehensive KM practice that reaches all intended areas and parties and produces the capabilities and results that are envisioned. Some KM potential governing steps to start abroad KM practice include:

- Identify people who are conceptual drivers for comprehensive KM and rely on them for guidance.
- Develop vision for the public KM practice within the region.
- Create the KM office function.
  - Create knowledge landscape map for the region covering the overall responsibility area of PA with special emphases on delivery of public services, preparation of the public as effective policy partners, building and leveraging public and private IC, and development of citizens as capable knowledge workers-all considering capabilities, opportunities, needs, and constraints.
- Develop IC-related policies and obtain legislative commitments and funding for the overall program.
- Govern the overall IC related practice.

As the KM vision is built, it is important to keep a clear overview of which activities need to be undertaken for which purpose and which ones may serve many purposes as indicated in this figure. Beyond the general KM activities, IT-related support activities and infrastructures are important. They serve vital functions, are complex, costly, and often take time to design and implement. Therefore, they require separate considerations and some may be illustrated as in that picture where the joint infrastructure activities are separated from activities that serve particular purposes. Building the infrastructure for a KM practice within PA requires extensive effort. In addition, technology advances rapidly in many areas and new approaches and capabilities appear regularly. In this environment, it is important to create a flexible IT architecture and maintain an adaptable plan to provide desired versatility. This often requires creating infrastructure elements that will serve most desired purposes but may require replacement within the overall planning horizon (www.kmwiig@krii.com)

## **D.** The Fifth Discipline

The Fifth Discipline is a theory that wrote by Peter M. Senge. This theory emerged because previous theories had a hunch that they were so difficult to be applied, or they did not have long term impact, and just enough to finish the specific problems. In Peter M. Senge's book with the title learning Organization, there are five interesting parts.

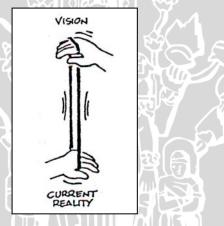
## **1.** Personal Mastery

The way to begin developing a sense of personal mastery is to approach it as *discipline*, as a series of practice and principles that must be applied to be useful. Just as one becomes a master artist by continual practice, so the following principles and practices lay the groundwork for continually expanding personal mastery. When personal mastery becomes a discipline (an activity that integrates into live) it embodies two underlying movements. The first is continually clarifying what is important to us. And the second is continually learning how to see current reality more clearly. Learning in this context does mean acquiring more information, but expanding the ability to produce the results we truly want in life. It is lifelong generative learning, and learning organization is not possible unless they have people at every level who practice it (Senge, 1996:141).

Personal vision comes from within. Real vision cannot be understood in isolation from the idea of purpose. Vision is different from purpose. Purpose is similar to a direction, a general hiding and it is abstract. Vision is a specific destination, a picture of a desire future and it is concrete. People often have great difficulty talking about their vision. It is because we are acutely aware of the gap between the vision and reality. For example, I would like to start my company but I don't have the capital. Or I would like to pursue the profession that really loves but I have got to make living. These gaps can make vision seem unrealistic or fanciful. They can discourage us or make us feel hopeless. But the gap between vision and current reality is also a source of energy. If there was no gap, there would be no need for any action to move toward the vision. Indeed, the gap in the source of creative energy, it is called creative tension (Senge, 1996:150).

Imagine the rubber band, stretched between your vision and current reality. When stretched, the rubber band creates tension, representing the tension between vision and current reality. What does the tension seek? Resolution or release. They are only two possible ways for the tension to resolve itself: pull reality toward the vision or pull the vision toward reality. Which occurs will depend on whether we hold steady to the vision.

Figure 7: The parable vision between current realities



Source: Senge, 1996, page 151.

The principle of creative tension is the central principle of personal mastery, integrating all elements of the discipline. Yet, it is widely misunderstood. Creative tension often leads feelings or emotions associated with anxiety, such as sadness, discouragement, hopelessness, or worry. This happens so often that people easily confuse these emotions with creative tension. People come to think that the creative process is all about being in a state of anxiety. But it is important to realize that these negative emotions that may arise when there is creative tension are not creative tension itself. These emotions are what we call emotional tension. If we fail distinguish emotional tension from creative tension, we predispose ourselves to lowering our vision.

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If we feel deeply discourage about a vision that is not happening, we may have a strong urge to lighten the load of that discouragement. Mastery of creative tension brings out a capacity for perseverance and patience and it leads to a fundamental shift in our whole posture toward reality (Senge, 1996:155).

Many people, even highly successful people, harbor deep beliefs contrary to their personal mastery and most of us hold one or two contradictory beliefs that limit our ability to create what we really want. The more common is belief in our powerlessness (our ability to bring into being the entire thing we really care about). The other believes centers on unworthiness (that we do not deserve to have what we truly desire). Given beliefs in our powerlessness or unworthiness, structural conflict implies that systemic forces come into play to keep us from succeeding whenever we seek a vision (Senge, 1996:157).

Commitment to the truth often seems to people an inadequate strategy. People often want a formula, a technique, something tangible that they can apply to solve the problem of structural conflict. But, in fact being committed to the truth is far more powerful than any technique. Commitment to the truth does not mean seeking to the truth, the absolute final word or ultimate cause. Rather, it means a relentless willingness to root out the ways we limit or deceive ourselves from seeing what is, and to continually challenge our theories of why thing are the way they are. It means continually broadening our awareness, just as the great athlete with extraordinary peripheral vision keep trying to see more of the playing field. It also means continually deepening our understanding of the structure underlying current events. Specifically, people with high levels of personal mastery see more the structural conflicts underlying their own behavior (Senge, 1996:159).

One of the most fascinating aspects of people with high levels of personal mastery is their ability to accomplish extraordinarily complex tasks with grace and ease. As individuals practices the discipline of personal mastery, several changes gradually take place within them. Many of these are quite subtle and often go unnoticed. In addition to clarifying the structures that characterize personal mastery as a discipline (such as creative tension, emotional tension,

and structural conflict), the system perspectives also illuminates subtler aspects of personal mastery, especially integrating reason and intuition, continually seeing more of our connectedness of the world, compassion, and commitment to the whole.

Intuition in management has recently receives increasing attention and acceptance, after many decades of being officially ignored. Now, numerous studies shoe that experienced managers and leaders rely heavily on intuition that they do not figure out complex problems entirely rationally. They rely on hunches, recognize patterns, and draw intuitive analogies and parallels to other seemingly disparate situations, so it needs integrating reason and intuition. It also needs to see connected to the world and used to thinking of compassion as an emotional state, based on the concern for one another; it is naturally develop more compassion and empathy (Senge, 1996:170).

The sense of connectedness and compassion characteristic of individuals with high levels of personal mastery naturally leads to a broader vision. Without it, all the subconscious visualizing in the world is deeply selfcentered. Individuals committed to a vision beyond their self-interest find they have energy not available when pursuing narrower goals, as will organizations that tap this level of commitment (Senge, 1996:172).

It must always be remembered that embarking on any path of personal growth is a matter of choice. No one can be force to develop his or her personal mastery. It is guaranteed to backfire. Organizations can get into considerable difficulty if they become too aggressive in promoting personal mastery for their members.

Still have many attempted to do just that by creating compulsory internal personal growth training programs. However, when intentioned, such programs are probably the most sure-fire way to impede the genuine spread of commitment to personal mastery in an organization. Compulsory training or elective programs that people feel expected to attend if they want to advance their careers, conflict directly with freedom of choice.

For example, there have been numerous instances in recent years of overzealous managers requiring employees to participate in personal development training, which the employees regarded as contradictory to their own religious beliefs. Several of these have resulted in legal action against the organization (Senge, 1996:172).

Leaders can intent on fostering personal mastery by working relentlessly to foster a climate in which the principles of personal mastery are practice in daily life. That means building an organization where it is save for people to create vision, where inquiry and commitment to the truth are the norm, and where challenging the status quo is expected, especially when the status quo includes obscuring aspects of current reality that people seek to avoid (Senge, 1996:172).

Such an organizational climate will strengthen personal mastery in two ways. First, it will continually reinforce the idea that personal growth is truly valued in the organization. Second, to the extent that individuals respond to what is offered, it will provide an "on the job training" that is vital to developing personal mastery. As with any discipline, developing personal mastery must become a continual, ongoing process. There is nothing more important to an individual committed to his or her own growth that a supportive environment. An organization committed to personal mastery can provide that environment by continually encouraging personal vision, commitment to the truth, and willingness to face honesty the gaps between the two (Senge, 1996:173).

Many of practice most conducive to developing one's own personal mastery, developing more systemic worldwide, learning how to reflect on tacit assumption, expressing one's vision and listening to other's visions, and joint inquiry into different people's views of current reality, are embedded in the discipline for building learning organization. So, in many ways, the most positive actions that an organization can take to foster personal mastery involve working to develop all five leaning discipline in concert. The core leadership strategy is simple: be a model. Commit yourself to your own personal mastery. Talking about personal mastery may open people minds somewhat, but actions always speak louder than words. There's nothing more

## 2. Mental Models

The best ideas fail because of many things. One thing all managers know is that many of the best ideas never get put into practice. Brilliant strategies fail to get translated into action, systemic insight never find their way into operating policies. Mental models can be simple generalization such as people are untrustworthy, but the most important that mental models are active, they shape how we act. If we believe people are untrustworthy, we act different from the way we would if we believed they were trustworthy (Senge, 1996:174).

Why are mental models so powerful in affecting what we do? In part, because they affect what we see. Two people with different mental models can observe the same event and describe it differently, because they've looked at different details. The problems with mental models lie not in whether they area right or wrong, by definition, all models are simplifications. The problems with mental models are tacit, when they exist below the level of awareness (Senge, 1996:175).

To apply mental models, organization should change the dogma in traditional authoritarian organization, the dogma was managing, organizing, and controlling become the dogma in learning organization, and the new dogma will be vision, values, and mental models. However, two of these values in particular, openness and merit (Senge, 1996:181).

Developing an organization's capacity to work with mental models involves both learning new skills and implementing institutional innovations that help bring these skills into regular practice. Besides that, institutionalizing reflection and surfacing mental models require mechanisms that make these practices unavoidable. Two approaches that have emerged to date involve recasting traditional planning as learning and establishing internal boards of directors to bring senior management and local management together regularly to challenge and expand the thinking behind decision making (Senge, 1996:186). Entrenched mental models will thwart change that could come from system thinking. Managers must learn to reflect on their current mental models until prevailing assumptions are brought into the open, there is no reason to expect mental models to change, and there is little purpose in system thinking. If managers believe their world views are facts rather that sets of assumptions, they will not be open to challenging those world views. If they lack skills in inquiring into their and other's way of thinking, they will be limited in experimenting collaboratively with new ways of thinking. Moreover, if there is no established philosophy and understanding of mental models in the organization, people will misperceive the purpose of system thinking as drawing diagram building elaborate models of the world, not improving our mental models

Failure to appreciate mental models has undermined many efforts to foster system thinking. The two discipline go naturally together because one focuses on exposing hidden assumption and the other focuses on how to restructures assumptions to reveal causes of significant problems. System thinking is equally important to working with mental models effectively (Senge, 1996:203).

#### 3. Shared Vision

A shared vision is not an idea. It is not even an important idea such as freedom. It is, rather, a force in people's hearts, a force of impressive power. It may be inspired by an idea, but once it goes further (if it is compelling enough to acquire the support of more than one person) then it is no longer an abstraction. It is palpable. People begin to see it as if it exists. Few, if any, forces in human affairs area as powerful as shared vision (Senge, 1996:206).

A vision is truly shared when you and I have a similar picture and are committed to one another having it, not just to each of us, individually, having it. When people truly share a vision they area connected bound together by a common aspiration. Personal visions derive their power from an individual's deep caring for the vision. Shared visions derive their power from a common caring. In fact, we have to come to believe that one of the reasons people seek

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to build shared visions is their desire to be connected in an important undertaking.

A share vision is vital for the learning organization because it provides the focus and energy for learning. While adaptive learning is possible without vision, generative learning occurs only when people are striving to accomplish something that matters deeply to them. In fact, the whole idea of generative learning is expanding your ability to create, will seem abstract and meaningless until people become excited about some vision they truly want to accomplish (Senge, 1996:206).

Shared visions emerged from personal visions. This is how they derive their energy and how they foster commitment. Organizations intents on building shared vision continually encourage members to develop their personal visions. If people do not have their own vision, all they can do is sign up for someone else's. The result is compliance, never commitment. On the other hand, people with a strong sense of personal direction can join together to create a powerful synergy toward what the truly want (Senge, 1996:211).

Personal mastery is the bedrock for developing shared visions. This means not only personal vision, but commitment to the truth and creative tension. Shared vision can generate levels of creative tension that go far beyond individuals comfort levels. Those who will contribute the most toward realizing a lofty vision will be those who can hold this creative tension: remain clear on the vision and continue to inquire into current reality. They will be the ones who believe deeply in their ability to create their future, because that is what they experience personality.

The discipline of building shared vision lacks of critical underpinning if practiced without system thinking. Vision paints the picture of what we want to create. System thinking reveals how we have created what we currently have. The problem lies not in shared visions themselves; so long they are developed carefully. The problem lies in our reactive orientation toward current reality. Vision becomes a living force only when people truly believe they can shape their future. The simple fact is that most managers do not experience that they are contributing to creating their current reality. So they do not see how they can contribute toward changing that reality. The problems are created by somebody out there or by the system (Senge, 1996:231).

# 4. Team Learning

Team learning is the process of aligning and developing the capacity of a team to create the results its members truly desire. It builds on the discipline of developing shared vision. It also builds on personal mastery, for talented teams are made up of talented individuals. But shared vision and talent are not enough. The world is full of teams of talented individuals who share a vision for a while, yet fail to learn (Senge, 1996:236).

Within organizations, team learning has three critical dimensions. First, there is the need to think insightfully about complex issues. Here, teams must learn how to tap the potential for many minds to be more intelligent than one mind. While easy to say, there are powerful forces at work in organizations that tend to make the intelligence of the team less than, the intelligence of individuals team members.

Second, there is the need for innovative, coordinate action. Outstanding teams in organizations develop the same short relationship, where each team member remains conscious of other team members and can e counted on to act in ways that complement each other's actions. Third, there is the role of team members on other teams. For example, most of the actions of senior teams are actually carried out through other teams. Thus, a learning team continually fosters other learning teams through inculcating the practices and skills of team learning more broadly (Senge, 1996:236).

The discipline of team learning involves mastering the practice of dialogue and discussion, the two distinct ways that teams converse. Team learning also involves learning how to deal creatively with the powerful forces opposing productive dialogue and discussion in working teams. System thinking is especially prone to evoking defensiveness because of its central message, that our actions create our reality. Thus, a team may resist seeing important problems more systemically. To do so would imply that the problems arise from our own policies and strategies rather than from forces outside our control. The discipline of team learning, like any discipline, requires practice (Senge, 1996:266).

### 5. Systems Thinking

System thinking offers us a better way of expressing ourselves, understanding the world, and living our personal and professional lives than do the old analytic and mechanistic thinking modes. The system perspective gives us a better view on our "radar scope" and thus a more effective method of though, communication, problem solving, and action. Without it, today's thinking and problem solving become source of tomorrow's problems.

System thinking comes from a rigorous scientific discipline called General Systems Theory, which developed from the study of biology in the 1920s. The theory centered on the natural world, the living systems therein, and the common laws governing those systems. Its major premise was that such laws, once known, could serve as a conceptual framework for understanding the relationships within any system, and for handling any problems or changes encompassed by that system. Consequently, the theory emphasized the value of viewing a system as a whole, of gaining a perspective on the entire "entity" before examining its parts. It is this emphasis that informs and shapes the practice of systems thinking – the *authentic kind*.

Authenticity is an important point because the term *systems thinking* has risen into popular use – a result of the practice's major role in Peter M. Senge's bestseller *The Fifth Discipline* – and, as an organizational-change buzzword, it is often applied indiscriminately. People use *systems thinking* (and *systems learning* as well) to cover a broad range of meanings, from anything that links up with something else to a list of topics that all relate to training, education, and achieving change. This overgeneralization not only undermines the distinct power of systems thinking but also brings into question whether most people know what the word *system* even mean.

The clarify matters from the start, here are the definitions essential to the use of authentic systems thinking. *System* is a set of components that work together for the overall objective of the whole. *System Thinking* is a new way to view and mentally frame what we see in the world, a worldview and way of

thinking whereby we see the entity or unit first as a whole with its fit and relationship to its environment as primary concerns the parts secondary.

System thinking is so effective as an orientation to life because it is based on the simple but profound truth *living systems are the natural order of life*. Most of us, however, overlook this truth, we need to take natural and universal laws for granted, rather than explore their secrets to see what they can teach us about life and our perceptions of the world.

To begin with, we must understanding that any mindset consists of mental models, or concepts, that influence our interpretation of situations and predispose us to certain responses. These models, which are replete with beliefs and assumptions, thus strongly determine the way we understand the world and act in it. The irony is they become so ingrained in us, as tendencies and predispositions, that we seldom pay attention to them. Even when something in our experience calls them into question – an unsolvable problem, perhaps or an unmanageable interpersonal conflict – we miss the call. Those problems and conflicts, patched up for the time being, never really get resolved, and we wonder why success eludes us. Often, not until a crisis hits, driving us deep into ourselves, do we realize we've been acting on unfounded beliefs or outmoded assumptions, and finally shift our mindset. But we do not always catch the obvious lesson: that we need to put ourselves in touch with our mental models, hold them up to the light and look for biases and unsupported "facts", those things which cause us to misunderstand the world; in short, that we must take an active role in shaping our mindsets, opting for mental models which better "capture" the world we need to understand. It is at this point where the systems thinking mindset comes in.

The beauty of this mindset is that its mental models are based on natural laws, principles of interrelationship, and interdependence found in all living systems. They give us a new view of ourselves and our many systems, and as our organizations are included in that great range, they help us define organizational problems as systems problems, so we can respond in more productive ways. To develop this mindset, we must first look to three fundamentals principles of living system: that of openness, interrelationship, and interdependence. By viewing the living system around us as the open ones, we become more aware of their interactions with their environment. This awareness is crucial, for if we are to manage change, make decisions, and solve problems within our living systems, our considerations must include that environment as well as the systems components that support the objective of the whole. This is the nature of systems, and we have to work with it. When one component of a system changes, it affects many other systems components and many even alter the entire system. Likewise, when a system itself changes, it has a necessary effect on the other systems in its environment. Once we get a mental handle on the principles of openness, interrelationship, and interdependence, it is only natural for us to wonder how we can get a practical handle on putting them to work in our organizations and other living system (Haines, 1998:5).

Organizations need systems thinking and its integrative approach to problem solving. Thinking across boundaries, or integrative systems thinking, is ultimate act. Call it holistic thinking. To see problems and opportunities integrative is to see them as wholes related to larger wholes, rather than as discrete bits assigned to distinct, separate categories that never influence or touch one another. Research has associated this way of thinking with higher levels of organizational innovation, personal creativity, and even longer life. Clearly, we as individuals need systems thinking too. When we look at resolving today's problems in order to grow and thrive in a brand-new age, we must always remind ourselves that how we approach issues and how we think about them are just as crucial as what actions we take. One thing is certain: if we continue to engage an analytic, linear, reductionistic, and machine-age approach, the resulting entropy and degradation will eventually grind our systems to a halt – and not just organizational systems but also the many systems in the organizational environment. We should always remember that every system is an indivisible whole, we will be well on our way to discovering the secrets of the lost art of systems thinking and learning.

### **E.** Decentralization

The decentralization includes several meanings as follows;

Niikawa explains that the first is the dispersion of functions from centre to local, which means the functional division between centre and field office within the central government. Secondly, in contrast, the devolution of power means the shift of authority from central government to local government, which goes with the reallocation of tax resources between central and local government usually. In this paper, the decentralization means this second definition (www.tniikawa@mail.doshisha.ac.jp)

In this meaning, the decentralization reform requires the reform of centrallocal government relationship and the autonomy of local government. As the local government and local community achieve their autonomy and self-help, they can activate local resources successfully in order to pursuit the economic development of region or locality. As each country has its own local government system, the decentralization reform in practice is various. In any case, the municipal or community level decentralization is likely to empower the municipal level government. In general, the municipal government is the most near to local people. This means that the municipal government has a key role as a base of local governance and its empowerment is critical to the local people who participate in the local governance. In the case of regional level decentralization, the reconstruction and liberalization are implemented, because the regional level government has been an agency of central government or under the strict control of central government. The decentralization and empowerment of regional government are usually to achieve the regional economic development and the capacity building to support and assist the municipality. There are many meanings of decentralization.

Deconsentration is a transfer of authority to lower levels within the central government agencies. This system is nothing more than a shifting of management responsibilities from the central government to the regional government or an expansion of central authority to the region. Beside that, delegation is a more extensive approach in which the central authority lends or transfers the authority to lower levels of government or even to autonomous organizations such as public corporations or regional development agencies. In the education sector, the most commonly delegated areas are vocational and higher education.

Finally, the most effective form of decentralization in transferring power to local authority is devolution. This form implies the creation of autonomous and independent sub-national units of government, which have authority to raise revenues and spend resources. The local authorities, therefore, would be more powerful than those in the two previous forms of decentralization. A process of shifting authority from deconcentration to devolution, for example, occurred in Indonesia during the year 2000. Starting with the Indonesian economic crisis and followed by the fall of Suharto's regime, there were strong pressures and demands from local authorities to have broader regional autonomies and fiscal authorities. This condition pushed the Indonesian government to shift its governmental system gradually from a centralized to a fully decentralized system. This process could bring the government closer to their constituents so that government services can be delivered more effectively and efficiently (Yuwono, 2008:86).

The concept of three levels of local government (province, district, and municipality) was already introduced under the Local Government Act No. 18 of 1965. It was mentioned that the local government would have full autonomy. Due to a change in the national government at that time, a process of local autonomy had not yet been implemented until the year 1974 when the Local Government Act no. 5 of 1974 was issued. Under this law, a local autonomy was established to increase efficiency and productivity, especially in executing the process of development, providing public services and maintaining political stability as well as national integrity. Many government functions, however, were still carried out by the central government agencies in provinces and districts. Most local decisions, therefore, were made by central government and did not necessarily reflect local preferences. It indicated that the national government was still very much in control, and choices at the local level were substantially constrained.

# F. Civil Servants

All reform programs affect public administration structures and operations. The greatest change, of course, has come with decentralization. More than 460 regional governments have now been formed, and some 2.5 million civil servants have been transferred together with more than 20,000 assets from the national Government to regional governments. National Government offices at provincial and district levels were transferred to their respective provincial or district administrations, and provincial government offices at the district level were transferred to the district administration.

# BRAWIJAYA

Up to 2002 the number of civil servants in Indonesia remained relatively steady since the early 1990s, at about 4 million registered civil servants, excluding the military and the police. In March 2004, as a result of the current hiring policy, the so-called zero-growth policy, the total number has decreased and is now approaching 3.5 million. Before 2001 only 500,000 civil servants (about 12.5%) were previously registered as regional civil servants. More than half of all civil servants were either national civil servants seconded to regional governments (for example, primary school teachers) or national civil servants assigned to branch offices of their department located in regions. In October 1999, some ministries were closed or restructured, and in 2000 almost 150,000 national civil servants previously assigned to these ministries were transferred to regional governments. After 1 January 2001 nearly 2.3 million more national civil servants have been transferred without necessarily making the move physically. These were either civil servant who became regional civil servants in the locations that they had been seconded to or national and provincial civil servants who were reassigned to provincial and district administrations along with their branch offices. The transferred civil servants included 1.6 million teachers and 250,000 health workers. Today about 75% of all civil servants are posted to regional governments (Prijono, 2005).

In addition to registered civil servants there exist an unrecorded number of personnel contracted under the general labor law, commonly referred to as "honorarium staff." They occupy a range of positions that civil service regulations cannot accommodate. The WB estimates that as many as one million may be contracted under this scheme (World Bank, 2000).

The decentralization is defined as the dispersion of functions from center to local, which means the functional division between center and field office within the central government (Yuwono, 2008:13). This delegation of power from center to local is also used in the context that central government delegates its power to the local agency. It concludes that with this decentralization system, every local government has more authority to manage and develop their regent/municipal.

While Indonesia's progress with the decentralization thus far is impressive and surveys have found that the delivery of public services has not been disrupted significantly following decentralization, there are major challenges that remain in a number of areas. There are two broad sets of problems: first, the lack of clarity in the legal framework and weaknesses in national-level coordination and implementation of decentralization; and second, the disparate treatment of the administrative and fiscal aspects of decentralization, leading to divergence between the standards that are set for public services and the resources that are allocated. In addition, the national Government is yet to establish monitoring and evaluation systems.

With the newly implemented decentralization system of administration, where the local government has autonomy to self-administer in their province, the success of provision and development of communication and technology skilled human resource will be determined by the role of the local government. As such, the central government through the Office for the Research and Application of Technologies and the concerned Ministry had done and are doing a series of activities to induce the local government in socializing, utilizing and providing communication and technology trained human resources. While decentralization itself has not led to service disruption, especially in the important health and education sectors, there is however considerable variation across provinces and districts with regard to their levels of adjustment to dealing with decentralized responsibilities. Among other broader governance-related problems at the local levels, there are concerns that the increased expenditure responsibilities need to be matched with greater public accountability.

National Civil Service Agency is the custodian of the civil service. It implements Act No. 8 of 1974 on the civil service, as amended by Act No. 43 of 1999, and a body of regulations, mainly decrees from the National Civil Service Agency head, which are considered part of the national system of administration. Government regulations under Act No. 43 of 1999 are synchronized with Act No. 32 of 2004 on regional government. National government agencies must have their establishments approved by National Civil Service Agency, while Regional Act No. 32 of 2004 governments formally have the right to define their own establishments and manage their own staffing affairs, provided they follow national government policies and guidelines. These guidelines maintain closed hiring and appointment systems that do not encourage appointments and promotions based on competence and performance. National Civil Service Agency retains regulatory control over the implementation of the zero-growth policy, and manages staff transfers between agencies. The main ones already promulgated are Government Regulations No. 96-101 of 2000 covering recruitment, selection, appointment, promotion, the establishment of structural

and functional positions, and on training institutions. Parts of these regulations have been amended through Government Regulations No. 11-13 of 2002 and No. 9 of 2003 (Thoha, 2007:14)

Act No. 43 of 1999 considers civil servants as belonging to one national civil service, each registered with a national civil service number and assigned either as a national civil servant, or as a regional civil servant in a particular region. Except for some professionals in the health sector who are appointed for limited terms, civil servants are guaranteed tenure, salary, allowances, right of promotion, leave, health insurance during their career, and a pension from the age of 55 or 60.

Indonesia has what, in a comparable context, would be called a career civil service system. In a career system, civil servants are recruited to the service when they are young, on the basis of entry examination results and level of education. A career is advanced through ranks where promotion is based on experience (seniority) and formal promotional training. Such training is general instead of technical or managerial. Civil servants, who thus are generalists rather than specialists, are allocated to positions through management decisions. Up to 1968, the Indonesian civil service contained some 2,000 professionally classified positions. However, that year the civil service system was reformed into a military-style organization and the professional classification system was replaced by the current system based on 17 salary ranks (Tjiptoherijanto, 1993:23).

The opposite of a career system is a position-based system, where recruitment is made for specified positions in open competition and where selection is based on specific professional requirements. Careers (and pay) in position-based systems are based on experience (seniority) to some extent, but more so on professional qualifications and on performance. Training is mainly technical, vocational, or managerial. Civil service systems based on professional classification are regarded as more suitable for various skills needed in a modern government administration than a career system based on general ranks. The position-based system is today considered to better promote professionalism, efficiency, transparency, and accountability than a career system.

According to the law, Indonesian civil servants must be professional, honest and fair. They must also be neutral, and cannot hold function in political parties. They must perform their official functions with dedication, consciousness, and responsibility, and act so as to improve the image and integrity of the civil service. They are expected to base their actions on regulations. They are prohibited from misusing government property, engaging in profit-oriented activities outside of government, or holding shares in an enterprise with business related to their job. The rights and obligations of civil servants expounded in the law and government regulations on the civil service generally measure up to internationally recognized practices for the civil service, as illustrated in box operational regulations and civil servant behavior, however, do not always apply these practices.

There are annual assessments of performance of civil servants, prepared by their superior officers. These are descriptive, and do not assess performance against targets and objectives. They are considered part of a process for determining rewards, and cannot be considered as an instrument of accountability. The complexity and lack of transparency are likely to contribute to corruption, as are the many allowances. Allowances are the basic fodder of the patronage system. To gain access to additional allowances, staff may be required to pay allegiance to the patron by condoning or supporting illegitimate activities (World Bank, 2000).

The excerpt above explains that many allowances and the system in organization contribute to corruption by civil servants if they can not be managed well. Sometimes the leader become dominant in giving assignment to the civil servants that is not balance with the condition. It is also can influence performance of civil servants.

# **G. Concluding Remark**

From all of the theories above, the researcher gives the concluding remark to know the grand theory that concerned to research focus of this manuscript. The theory starts from the knowing organization that consists of many phases; they are sense making, knowledge creating, and decision making. It is related to four models of knowledge creation or conversion by Nonaka, Ikujiro, & Hirotaka Takeuchi, they are socialization, externalization, combination, and internalization. The implementation of this theory is based on the condition of research location. The fifth discipline theory supports knowing organization activities and knowledge creation theories above in implementing knowledge management, because it consists of personal mastery, mental models, shared vision, and team learning that see more details about person and the activities in organization, and these theories are right for develop human resources.

# CHAPTER III RESEARCH METHODS

# A. Type of Research

This research is to describe, explore, and understand strategies to develop civil servants in Local Board of Personnel through Knowledge Management, the Government of Malang Regency, and East Java. This research use qualitative research by using descriptive approach. According to Miles and Huberman (1992:15), qualitative data are a source of well grounded, rich descriptions and explanations of processes in identifiable local contexts. With qualitative data one can preserve chronological flow, see precisely which events led to which consequences, and derive fruitful explanation. According to Moleong (2005:10), qualitative approach directed to the situation and individual as a whole. They can not be isolated to the variable or hypothesis. As the field advancement, qualitative approach with is flexible where this research is determined by the result from data gathering.

### **B.** Research Focus

- The perspective of civil servants in understanding knowledge management in Local Board of Personnel, the Government of Malang Regency, East Java. The perspectives are based on education level of civil servants, based on Grade in Local Board of Personnel, the Government of Malang Regency, and based on gender of civil servants.
- 2. The programs to develop civil servants through knowledge management in Local Board of Personnel, the Government of Malang Regency, East Java.
  - a) Preparation and Selection
  - b) Development and Evaluation
  - c) Compensation and Protection
  - d) The Activities to Develop Civil Servants through Knowledge Management
- The supporting and constraining factors toward the implementation of knowledge management in Local Board of Personnel, the Government of Malang Regency, East Java.
  - a) Supporting factors (Internal factors and external factors)

b) Constraining factors (Internal factors and external factors)

### C. Research Location and Setting

Research location and setting is a place where research action is going to do there. The location that has been chosen by researcher for this research is in Local Board of Personnel, in Development and Prosperity Human Resources division, the Government of Malang Regency, East Java. There are some reasons why the researcher chooses the Local Board of Personnel, in Development and Prosperity Human Resources division as research location and setting:

- 1. One of the sides that influence to increase quality of public service is civil servant. In Indonesia developing of civil servant is done by civil service agency and it is done in each local government.
- The specific division that develop civil servant is Development and Prosperity Human Resources Division. From this division will be known everything and effort to increase and develop the civil servants.

### D. Kind and Source of Data

There are 2 kinds and sources of data that used by researcher to provide a good outcomes from the research:

- Primary Data is data collected directly with doing observation and interview in research location. The sources of data for the primary data in this research are head of the Local Board of Personnel in the Government of Malang Regency with the bureaucrats around the Local Board of Personnel.
- 2. Secondary Data is sources of data collected by indirect ways from media. This secondary data common formed as evidence, a note or a histories report that was arranged in documents, even though it publicized or not. Secondary data for this research are documents about the development of civil servants and knowledge management.

### E. Techniques of Data Collection

The meaning of techniques in data collection is the way used by researcher to get data and information from research location and setting about the phenomena that want to be researched. In this research, the researcher perceived there are needs to use some techniques below:

### 1. Observation

Observation is a process of data collection by making observed in research location and setting objects, that is Local Board of Personnel, the Government of Malang Regency, East Java.

2. Interview

Interview is a process of data collection by making dialogue directly with sources of data and information. The observation in this research is making dialogue with the bureaucrats in the Local Board of Personnel, the Government of Malang Regency, East Java.

3. Documentations

Process of data collections which are researcher looking for data and get all data about development of civil servants in the Local Board of Personnel, the Government of Malang Regency, East Java and everything that relate to human resources development and knowledge management.

# F. Research Instruments

According to Moleong (2005:5), researcher is research instrument and also data collector. Research instruments are tools that used by researcher to collect data and information about the issue that became the research object. The uses of research instruments in this research are to help researcher to solve the problem issues and make the research purposes became reached. The research instruments for this research are:

1. The researcher

The researcher is the key instrument in a research. Researcher is an actor that doing research and making observation to get data and information directly in the object of research. The important points are a researcher is an important actor in making dialogue with the sources of data in interview processes, analyzing data and information, writing report, and doing presentation for the report.

2. Support Tools

Support tools are tools that helping researcher when doing the observation, interview, or research action. The support tools for this research are notebook, recorder, and stationeries.

### 3. Interview Guide

The guidance of interview has a benefit as guidelines to researcher to get data and information which are needed for the research and to filter data outcomes and information, separate data and information that need and do not need by the researcher.

4. Field Note

Field Note is gotten when researcher in observation and interview processes. It consist of information that needed by researcher.

### G. Data Analysis

According to Miles and Hubberman (1992:21) data analysis consists of three activities: (1) data reduction, (2) data display, and (3) drawing conclusions from the data. First, data reduction is almost always a crucial stage in interpretation process. It involves selecting the most salient themes and constructs that emerge from data. Not every bit of data can be its own category; if this were true, the research report would never be written. The second part of the analysis phase is data display. It use descriptive and summary statistics and charts, graphs, and table to present information. Drawing conclusions forces the research to interpret the result of the research or study. It is not enough simply to present the data as they appear, even if they have been effectively organized, categorized, and structured. The research must explain what the data mean in relation to the study design and objectives and in terms of their contribution to theory.

### 1. Data Reduction

Data reduction refers to the process of selecting, focusing, simplifying, abstracting, and transforming the "raw" data that appear in written-up field notes. Data reduction occurs continuously throughout the life of any qualitatively oriented project. In fact, even before the data are actually collected, anticipatory data reduction is occurring as the researcher decided (often without full awareness) which conceptual framework, which sites, which research questions, which data collection approaches to choose. As data collection proceeds, there are further episodes of data reduction (doing summaries, coding, teasing out themes, making clusters, making partitions,

writing memos). And the data reduction/transforming process continues after fieldwork, until a final report is complete.

Data reduction is not something separate from analysis. It is part of analysis. The researcher's choices of which data chunks to code, which to pull out, which patterns summarize a number of chunks, what the evolving story is are all analytic choices. Data reduction is a form of analysis that sharpens sorts, focuses, discards, and organizes data in such a way that "final" conclusions can be drawn and verified.

Miles and Hubberman said that: By "data reduction" we do not necessarily mean quantification. Qualitative data can be reduced and transformed in many ways: through sheer selection, through summary or paraphrase, through being subsumed in a larger pattern, and so on. Sometimes it may be well to convert the data into numbers or ranks (for example, the analyst decides that the site being looked at has a "high" or "moderate" degree of administrative centralization), but this is not always wise. Even when it does look like a good analytical strategy, our counsel is this: Keep the numbers, and the words you used to derive the numbers, together in your ensuing analysis. That way one never strips the data at hand from the contexts in which they occur.

# 2. Data Display

The second major flow of analysis is data display. Miles and Hubberman define a "display" as an organized assembly of information that permits conclusion drawing and action taking. Displays in daily life vary from gasoline gauges to newspapers to computer screens. Looking at displays helps us to understand what is happening and to do something – further analysis or action – based on that understanding.

The most frequent from display for qualitative data in the past has been narrative text. As we shall note later, text (in the form, say, of 3600 pages of field notes) is terribly cumbersome. It is dispersed, sequential rather that simultaneous, poorly structured, and extremely bulky, under those circumstances, it s easy for a qualitative researcher to jump to hasty, partial, unfounded conclusions. The display includes many types of matrices, graphs, networks, and charts. All are designed to assemble organized information in an immediately accessible, compact form, so that the analyst can see what is happening and either draw justified conclusions or move on to the next step analysis the display suggest may be useful.

Once again, take careful note: as with data reduction, the creation and the use of displays is not something separate from analysis, it is a part of analysis. Designing the rows and columns of a matrix for qualitative data and deciding which data, in which form, should be entered in the cells are analytic activities.

# 3. Conclusion Drawing/Verification

The third stream of analysis activity is conclusion drawing and verification. From the beginning of data collection, the qualitative analyst is beginning to decide what things mean, is nothing regularities, patterns, explanations, possible configurations, casual flows, and propositions. The competent researcher holds these conclusions lightly, maintaining openness and scepticism, but the conclusions are still there, inchoate and vague at first, then increasingly explicit and grounded, to use the classic term of Glaser and Strauss. (Miles, 1992:22). "Final" conclusions may not appear until data collection is over, depending on the size of the corpus of field notes, the coding, storage, and retrieval method used, the sophistication of the researcher, and the demands of the funding agency – but they have often been prefigured from the beginning, even when a researcher claims to have been proceeding "inductively".

Conclusion drawing is verified as the analyst proceeds. That verification may be as brief as a fleeting "second thought" crossing the analyst's mind during writing, with a short excursion back to the field notes, or it may be thoroughgoing and elaborate with lengthy argumentation and review among colleagues to develop "inter subjective consensus", or with extensive effort to replicate a finding in another data set. In short, the meaning emerging from the data have to be tested for their plausibility, their sturdiness, and their validity. Otherwise we are left with interesting stories about what happened, of unknown truth and utility.

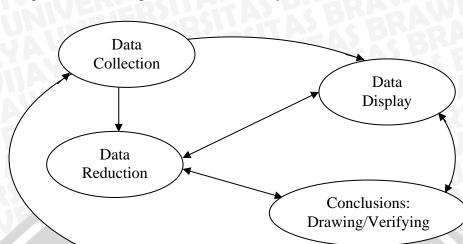


Figure 8: The Components of Data Analysis: Interactive Model

Source: Miles and Huberman, 1992, Qualitative Data Analysis, page 23.

Miles and Huberman have presented these three streams; they are data reduction, data display, and conclusion drawing/verification, as interwoven before, to make up general domain called "analysis". The three streams can also be representative as shown in Figure 7. the researcher steadily moves among these four "nodes" during data collection, then shuttles among reduction, display, and conclusion drawing/verification for the remainder of the study. The coding of data, for example (data reduction), leads to new ideas on what should go into a matrix (data display). Entering the data requires further data reduction. As the matrix fills up, preliminary *conclusions* are drawn, but they lead to the decision (for example) to add another column to the matrix to test the conclusion.

Qualitative data analysis is a continuous, iterative enterprise. Issues of data reduction, of display, and of conclusion drawing/verification come into figure successively as analysis episodes follow each other, but the other two issues are always part of the ground. There is a consequence, qualitative analysis needs to be documented as a process far more fully that it has been to date. As qualitative researchers, we need to understand more clearly just what is going on when we analyze data, so we can develop methods that are more generally reproducible.

# A. Data Display

# 1. Malang Regency, East Java

# a) Geographical and Climate

Malang Regency is an area which lay in part of middle shares of regional south of East Java Province. Abut on Indonesian Ocean and six regencies. Side north east; abut on Pasuruan and Probolinggo Regency. Eastside, abut on Lumajang Regency. Side south, abut on Indonesian Ocean. Westside, abut on Blitar Regency. Side North West; abut on Kediri and Mojokerto Regency (Figure 9). Geographical position in such a way that cause Malang regency has position which strategic enough. This matter is marked by progressively north transportation band noise and also south which passing Malang Regency from time to time.

Malang Regency position between 112°17', 10, 90" Longitude East and 122°57', 00, 00" Longitude East and between 7°44', 55, 11" Paralel South and 8°26', 35, 45" Paralel South. Regional broadly about 3.238,26 Km<sup>2</sup> (source of Management of Drainage Basin of Brantas Services), Malang Regency lay in biggest wide of second sequence after Banyuwangi Regency from 38 regencies in East Java Province region. Condition of Malang Regency topography represent plateau area encircled by some lowland and mount or dale area at height 250-500 metre above sea level which located in middle shares of Malang Regency region. Area plateau represent hilly area of chalk (Mountain of Kendeng) in part of south at height 0-650 metre above sea level, bevel area of Tengger-Semeru in part of northerly lengthwise east to south at height 500-3600 meter above sea level bevel area and of Kawi-Arjuno in part of west at height 500-3.300 meter above sea level.



Figure 9: Position and District Boundary in Malang Regency

Source: Malang Regency in Figures 2008.

There are nine mounts and one mountain disseminating to flatten in north side, east, south, and regional west of Malang Regency. Some mounts have been recognized nationally, they are Mount of Semeru (3.676 metre) the highest mount in Java, Mount of Bromo (2.329 metre), Mount of Kawi (2.651 metre), Mount of Kelud (1.731 metre), Mount of Welirang (2.56 metre), and Mount of Arjuno (3.339 metre), and the other mounts are Panderman, Anjasmoro, Batok, Konto, Brantas, Bango, Ampong, Lesti, Contong, Manjing, Glidik, Purwo, Sumberduren, Kedungbanteng, Bambang, Bangkok, Barek, Sempol, Donowarih, Kondogo, and Lahor. One mountain is Kendeng Mountain. Condition of such topography is big forest potency indication. Forest representing the source of potentially water which enough, emitting a stream during the year through its rivers irrigate agriculture farm. From 18 great rivers and named in Malang Regency region, they are River Brantas, that is longest and biggest river in East Java. Upstream River of Brantas upper there are in Batu Municipality region and upstream under residing in Malang Regency region.

Condition of mountain topography and hilly make Malang Regency region as cold area and enthused many resorts and residences. High of centre governance of district (Office Sub-Regency chief) of sea level range from 240-1.299 metre above sea level (Table 3). Based on the result of monitoring of the three Monitoring Station Posts of climatology Karangploso Malang, in the year of 2007 means air temperature relatively lower, ranging from 21.7°C until 26.8 °C. Dampness of mean air range from 67.0% till 91.0% and mean rainfall range from 0.6 mm till 784.0 mm. It means rainfall of lowest happened in June, the results of monitoring of Karangkates Post. While happen highest rainfall means also in June, result of monitoring of AR Saleh Post.



	(meter)						
No.	Sub District	2004	2005	2006	2007		
1.	Donomulyo	449	449	449	449		
2.	Kalipare	310	310	310	310		
3.	Pagak	560	560	560	560		
4.	Bantur	273	273	273	273		
5.	Gedangan	546	546	546	546		
6.	Sumbermanjing	563	563	563	563		
7.	Dampit	585	585	585	585		
8.	Tirtoyudho	603	603	603	603		
9.	Ampelgading	542	542	542	542		
10.	Poncokusumo	842	842	842	842		
11.	Wajak	553	553	553	553		
12.	Turen	445	445	445	445		
13.	Bululawang	425	425	425	425		
14.	Gondanglegi	443	443	443	443		
15.	Pagelaran	437	437	437	437		
16.	Kepanjen	335	335	335	335		
17.	Sumberpucung	291	291	291	291		
18.	Kromengan	321	321	321	321		
19.	Ngajum	383	383	383	383		
20.	Wonosari	811	811	~ 811	811		
21.	Wagir	474	474	474	474		
22.	Pakisaji	386	386	386	386		
23.	Tajinan	486	486	486	486		
24.	Tumpang	577	577	577	577		
25.	Pakis	474	474	474	474		
26.	Jabung	624	624	624	624		
27.	Lawang	527	527	527	527		
28.	Songosari	493	493	493	493		
29.	Karangploso	_ 561	561	561	561		
30.	Dau	√562 U	562	562	562		
31.	Pujon	299	299	299	299		
32.	Ngantang	870	870	870	870		
33.	Kasembon	240	240	240	240		
	Total	524	524	524	524		

Table 3: The Average Altitude of Centre Sub District, 2004–2007

Source: Brantas River Flow Location Service Office in Malang Regency in Figures 2008 page 27.

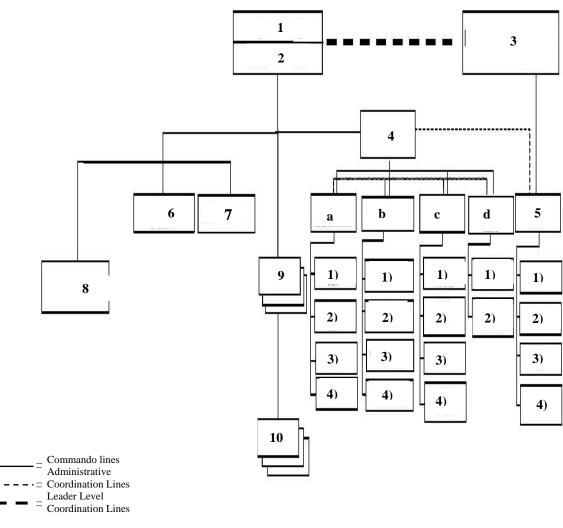
# b) Government

By the Act No. 32 of 2004 about Local Government, the Government of Malang Regency has 16 obligate affairs and selection affairs which are appropriated with potencies in Malang Regency. The institutions in repository.ub.a

Government of Malang Regency as the organizer of these affairs should have a capability to do these affairs perfectly. So, the institutions as the subject of Government become a key to get success of Government.

The institutional in Government of Malang Regency consist of Local Secretariat, Local House of People Representative Secretariat, 19 departments, 11 boards, 4 offices, 33 sub districts, and 12 villages. The diagram of organization structure of institutions in Malang Regency based on Regulation No. 1 of 2008 about Organization Structure of Institutions can be seen at Figure 9 below:

Figure 10: Organization Structure of Institutions in Malang Regency based on Regulation No. 1 of 2008



Source: Data of Local Board of Personnel of Malang Regency

The diagram above explains about organization structure of institution in Government of Malang Regency East Java, and here more explanation about that diagram.

- 1. Bupati
- 2. Wakil Bupati
- 3. Dewan Perwakilan Rakyat Daerah
- 4. Sekretariat Daerah
  - a. Asisten Pemerintahan:
    - 1) Bagian Tata Pemerintahan Umum
    - 2) Bagian Tata Pemerintahan Desa
    - 3) Bagian Hukum
    - 4) Bagian Pertanahan
  - RAWIUSL b. Asisten Perekonomian dan Pembangunan:
    - 1) Bagian Perekonomian
    - 2) Bagian Kerjasama
    - 3) Bagian Administrasi Pembangunan
    - 4) Bagian Pengelola Data Elektronik
  - c. Asisten Adminitrasi:
    - 1) Bagian Umum dan Protokol
    - 2) Bagian Tata Usaha
    - 3) Bagian Hubungan Masyarakat
    - 4) Bagian Organisasi
  - d. Asisten Kesejahteraan Rakyat:
    - 1) Bagian Kesejahteraan Rakyat
    - 2) Bagian Bina Mental dan Kerohanian
- 5. Sekretariat Dewan Perwakilan Rakyat Daerah
  - a. Bagian Perundang Undangan
  - b. Bagian Rapat
  - c. Bagian Umum
  - d. Bagian Keuangan

- 6. Lembaga Teknis Daerah
  - a. Inspektorat Kabupaten
  - b. Badan Kepegawaian Daerah
  - c. Badan Perencanaan Pembangunan
  - d. Badan Penelitian dan Pengembangan
  - e. Badan Kesatuan Bangsa dan Politik
  - f. Badan Lingkungan Hidup
  - g. Badan Ketahanan Pangan dan Pelaksana Penyuluhan
  - h. Badan Pemberdayaan Masyarakat
  - i. Badan Pendidikan dan Pelatihan
  - j. Badan Keluarga Berencana
  - k. Badan Perpustakaan, Arsip, dan Dokumentasi
  - 1. Kantor Penanaman Modal
  - m. Kantor Pemberdayaan Perempuan dan Perlindungan Anak

4

- n. Kantor Perumahan
- o. Rumah Sakit Umum Daerah
- 7. Dinas Daerah
  - a. Dinas Pendidikan
  - b. Dinas Pemuda dan Olah Raga
  - c. Dinas Kesehatan
  - d. Dinas Sosial
  - e. Dinas Tenaga Kerja dan Transmigrasi
  - f. Dinas Perhubungan, Komunikasi, dan Informatika
  - g. Dinas Kependudukan dan Catatan Sipil
  - h. Dinas Kebudayaan dan Pariwisata
  - i. Dinas Binamarga
  - j. Dinas Pengairan
  - k. Dinas Cipta Karya dan Tata Ruang
  - 1. Dinas Koperasi, Usaha Mikro, Kecil, dan Menengah
  - m. Dinas Perindustrian, Perdagangan, dan Pasar
  - n. Dinas Pertanian dan Perkebunan
  - o. Dinas Kelautan dan Perikanan

- p. Dinas Kehutanan
- q. Dinas Energi dan Sumber Daya Mineral
- r. Dinas Peternakan dan Kesehatan Hewan
- s. Dinas Pendapatan, Pengelolaan Keuangan dan Aset
- 8. Unit Pelayanan Terpadu Perizinan
- 9. Kecamatan

1	) Donomulyo	12) Wajak	23) Tajinan
2	) Kalipare	13) Turen	24) Pakisaji
3	) Pagak	14) Bululawang	25) Tumpang
4	) Bantur	15) Gondanglegi	26) Pakis
5	) Gedangan	16) Pagelaran	27) Jabung
6	) Sumbermanjing	17) Kepanjen	28) Lawang
7	) Dampit	18) Sumberpucung	39) Singosari
8	) Tirtoyudho	19) Kromengan	30) Karangploso
9	) Ampelgading	20) Ngajum	31) Dau
1	0) Poncokusumo	21) Wonosari	32) Pujon
1	1) Kasembon	22) Wagir —	33) Ngantang
10. K	Kelurahan		Y.
a	. Lawang	g. Cempokomuly	yo
b	. Kalirejo	h. Panarukan	



Based on Quality Control and Reference Table on 31<sup>st</sup> of March 2000 posted that total of civil servants in Indonesia is about 3.927.146 people and at that time population in Indonesia is coming at 210.485.600 people. If we compare between civil servants and the populations is about 1 than 54. It means that civil servant serve 54 people. That quantity is not equal with landmass of Indonesia. Civil servants are just about 2.2 percent of population in Indonesia.

In Malang Regency, total of civil servants until December 2008 posted 17.519 people and contract officials are about 1.681 people, so the totally is about 19.200 people. The last of year 2008, total population in Malang Regency is 2.442.422 people, it means that each civil servant serve 127 people. The composition of local civil servants and contract official in Malang Regency can be seen by tables below.

Table 4: Total of Civil Servants in Malang Regency based on Grade

No.	Grade	Civil Servants
1.		5.790
2.	III	8.408
3.	II	2.999
4.	Ι	394
	Total	17.591

(December 2008)

Source: Data of Local Board of Personnel of Malang Regency

Based on the table above, civil servants with Grade IV is about 5.790 people, and continued civil servants with Grade III is about 8.408 people, then civil servants with Grade II is about 2.999 people, and the last civil servants with Grade I is about 394. So, the total of Civil Servants in Malang Regency based on grade is 17.591 people. This data is per December 2008.

Table 5: Total of Contract Official in Malang Regency based on Grade (December 2008)

No. Position		Position Civil Servants	
1.	Structural	1.239	-
2.	Functional	12.888	- 2
3.	Staff	3.464	802
Total		17.591	802

Source: Data of Local Board of Personnel of Malang Regency

The table above shows that there 1.239 civil servants of structural position. The functional position is about 12.888 civil servants, and staffs are about 3.464 civil servants. For the structural and functional position there is no official contract, but there 802 of staff that contract official. This data is the last update data on December 2008

	(December 2008)				
No.	Echelon	Civil Servants			
1.	II- a	I Ensing U			
2.	II- b	35			
3.	III- a	145			
4.	III-b	99			
5.	IV-a	734			
6.	IV-b	169			
7.	V-a	57			
	Total	1.239			

Table 6: Total of Civil Servants in Malang Regency based on Echelon

Source: Data of Local Board of Personnel of Malang Regency

Based on the table above, there were no civil servants in Echelon II-a. Echelon II-b is 35 people, Echelon III-a 145 people, Echelon III-b is 99 people, Echelon IV-a 734 people, Echelon IV-b is 169, and Echelon V-a 57 people. This data is per December 2008.

Table 7: Total of Civil Servants and Contract Official based on

Gender (December 2008)	)
------------------------	---

No.	Sex	Civil Servants	Contract Official
1.	Male	9.314	612
2.	Female	8.277	190
	Total 🖉 🤇	17.354	802

Source: Data of Local Board of Personnel of Malang Regency

Based on the table above, there were 9.314 males of civil servants and 612 contract officials, and 8.277 females of civil servants and 190 contract officials. This data is per December 2008.

Total of civil servants in Local Government in Malang Regency is 17.591 people that consist of 5 persons were graduate from S3, then 435 people were graduate from S2, 8.316 people were graduate from S1, 842 people were graduate from D3, 2.750 people were graduate from D2, 312 people were graduate from D1, 3.739 people were graduate from senior high school, 654 people were graduate from junior high school, and 538 people were graduate from elementary school.

Education Eever (December 2000)							
No.	Education Level	Civil Servants	<b>Contract Official</b>				
1.	S3	5-05					
2.	S2	435					
3.	<b>S</b> 1	8.316	55				
4.	D3	842	42				
5.	D2	2.750					
6.	D1	312					
7.	Senior High School	3.739	354				
8.	Junior High School	654	96				
9.	Elementary School	538	225				
	Total	17.591	802				

Table 8: Total of Civil Servants and Contract Official based on

Education Level (December 2008)

Source: Data of Local Board of Personnel of Malang Regency

Unit of public administration under regency is district. Every district directs some sub-district/countryside, every sub-district/countryside divided into hamlet or village far from urban area, here it is called dusun or dukuh, foundation citizen (here it is called Rukun Warga/RW) and foundation neighbor (here it is called Rukun Tetangga/RT). In detail Governmental administration region of Malang Regency divided into 33 districts region which direct into 3.125 RW and 14.352 RT (Table 9).



No.	Sub District	Kelurahan	Village	RW	RT
1.	Donomulyo	11.2440	10	111	477
2.	Kalipare	410-31¥	9	61	519
3.	Pagak	V PAL	8	59	328
4.	Bantur		10	-98	491
5.	Gedangan		8	95	329
6.	Sumbermanjing	-	15	111	508
7.	Dampit	1	11	122	709
8.	Tirtoyudho	-	13	66	303
9.	Ampelgading	-	13	89	317
10.	Poncokusumo		17	192	821
11.	Wajak 🦳	AJ 6	13	149	484
12.	Turen	2	15	158	710
13.	Bululawang	-	14	93	356
14.	Gondanglegi	-	14	59	374
15.	Pagelaran		10	49	295
16.	Kepanjen 📈	(23, 4)	0 14	79	451
17.	Sumberpucung		7	50	259
18.	Kromengan		7	50	234
19.	Ngajum		5.9	87	329
20.	Wonosari		8	78	311
21.	Wagir		12	86	345
22.	Pakisaji		12	91	378
23.	Tajinan		12	73	353
24.	Tumpang		15	111	649
25.	Pakis		15	146	746
26.	Jabung		15	80	456
27.	Lawang	2	10	146	556
28.	Songosari	3	514	140	731
29.	Karangploso		9	104	454
30.	Dau		10	68	280
31.	Pujon	4747U	10	88	278
32.	Ngantang		13	72	333
33.	Kasembon	-	6	64	185
	Total	12	378	3.125	14.352

Table 9: The Number of Sub District, Village, RW, and RT in 2007

Source: Government Endeavoring Society Division of Malang Regency in Malang Regency in Figures 2008, page 59.

Governance wheel go well in order to planning, executing and evaluating development trot. As one of the indications attainment of progress of development earn careful through level growth of countryside. Level growth of countryside/sub-district represents independence mirror in role movement and organizational and also society in development of its area. In the year 2007, Level growth of countryside according to its classification is likely re-studied as governmental efforts to get measuring rod utilize to see growth in future. To be more sharpness, level growth of countryside can be seen at the Table 10 and Table 11.

Years	Empowerment		Self Action		Self Su	fficient	Total
Tears	Number	%	Number	%	Number	%	Total
1995-1996		-	-	_	410	100.00	410
1996-1997	-	-	-	_	406	100.00	406
1997-1998	-	-11	AS.		406	100.00	406
1998-1999	-		-		406	100.00	406
1999-2000	-	-	-	-	409	100.00	409
2001	271	64.68	148	35.32	- 1	-	419
Mula	144	76.60	44	23.40	-	<b>~</b> 7-	188
Madya	78	59.54	53	40.46	-		131
Lanjut	49	49.00	51	51.00	-	-	100
2002	295	75.84	94	24.16	-	-	389
Mula	132	83.54	26	16.46	ſ	-	158
Madya	96	73.28	35	26.72	5	-	131
Lanjut	67	67.00	33	33.00		-	100
2003	295	75.84	94	24.16	<i>X</i>	-	389
Mula	132	83.54	26	16.46	-	-	158
Madya	96	73.28	35	26.72		-	131
Lanjut	67	67.00	33	33.00	-	-	100
2004	223	57.33	141	36.25	25	6.43	389
Mula	208	56.52	136	36.96	24	6.52	368
Madya	15	88.24	111	5.88	1	5.88	17
Lanjut	-	-Jih)	4	100.00	-	-	4
2005	235	60.26	132	33.85	23	5.90	390
Mula	211	58.13	129	35.54	23	6.34	363
Madya	20	86.96	30	13.04	-	-	23
Lanjut	4	100.00	-	-	-	-	4
2006	390	100.00	-	-	-	-	390
Mula	363	100.00	-	-	-	- 8	363
Madya	23	100.00	-	-	-		-23
Lanjut	4	100.00	-	-	-		4
2007	390	100.00	-	-	THE PARTY	S D.	390
Mula	363	100.00			DS LL	A-AS	363
Madya	23	100.00			41-1-1		23
Lanjut	4	100.00			N-11	134	4

Table 10: Number of Village by its Category Period 1995-2007

Source: Government Endeavoring Society Division of Malang Regency in Malang Regency in Figures 2008, page 57.

No.	Sub District	Self Sufficient	Self Action	Empowerment	Total
1.	Donomulyo			10	10
2.	Kalipare		R	9	9
3.	Pagak			8	8
4.	Bantur	A		10	10
5.	Gedangan			8	8
6.	Sumbermanjing			15	15
7.	Dampit	-		12	12
8.	Tirtoyudho	-	-	13	13
9.	Ampelgading	-	-	13	13
10.	Poncokusumo	-	-	17	17
11.	Wajak	TAS		13	13
12.	Turen		541	17	17
13.	Bululawang	-	-	14	14
14.	Gondanglegi	-	-	14	14
15.	Pagelaran		-	10	10
16.	Kepanjen		<u>~</u>	18	18
17.	Sumberpucung			7	7
18.	Kromengan	I		7	7
19.	Ngajum			9	9
20.	Wonosari		えんて	8	8
21.	Wagir			12	12
22.	Pakisaji			12	12
23.	Tajinan		- / -	12	12
24.	Tumpang			15	15
25.	Pakis			15	15
26.	Jabung			15	15
27.	Lawang			12	12
28.	Songosari	ŶY   ITT		17	17
29.	Karangploso			9	9
30.	Dau		11 25	10	10
31.	Pujon			10	10
32.	Ngantang		-	13	13
33.	Kasembon	-	-	6	6
	Total	-	-	390	390

Table 11: Number of Sub District by its Category 2007

Source: Government Endeavoring Society Division of Malang Regency in Malang Regency in Figures 2008, page 58.

Efficacy of development of countryside is not quit of ability of human resources as perpetrator and also as development target. One of the measuring rod ability of human resources is education level. Level education of countryside head/chief of village in Malang Regency can be seen at the Table 12.

No.	Sub District	Non Complition of Primary School	Primary School	Junior High School	Senior High School	Academy	University	Total
1.	Donomulyo	L-F-TAN		3	7		511-51	10
2.	Kalipare			3	3		3	9
3.	Pagak			-	7	307 <del>-</del> N D		8
4.	Bantur		1	2	5	-	-3	10
5.	Gedangan	_	-	2	4	1	1	8
6.	Sumbermanjing	-	-	6	9	-		15
7.	Dampit	-	-	4	5	-	3	12
8.	Tirtoyudho	-		-7	4	-	2	13
9.	Ampelgading			7	5		1	13
10.	Poncokusumo	-	-	5	10	_	2	17
11.	Wajak	-	-	2	8	1	2	13
12.	Turen	-	-	1	10	-	6	17
13.	Bululawang	-		2	c(8)	-	4	14
14.	Gondanglegi	-		2	7	-	5	14
15.	Pagelaran			2		-	1	10
16.	Kepanjen	- 29	ズボクス		8		9	18
17.	Sumberpucung	- ^ 4		2	5	<u> </u>	-	7
18.	Kromengan	-		<b>1</b> /2	4	- W-	2	7
19.	Ngajum	- X		2	6	- 77	1	9
20.	Wonosari	- (6		3	2	1	2	8
21.	Wagir	- ~		4	4	1	3	12
22.	Pakisaji	-			8	-	3	12
23.	Tajinan	-		3	4	-	5	12
24.	Tumpang	-		3	8	-	4	15
25.	Pakis	-	i Ê	5	10	-	-	15
26.	Jabung	-		6	7	-	2	15
27.	Lawang	-		3	6	-	3	12
28.	Songosari	-	Y Y	~~~4 <del>.</del> /(	60	1	6	17
29.	Karangploso	-		2	4	-	3	9
30.	Dau	-	-	4	5	-	1	10
31.	Pujon	-	-	-	5	-	5	10
32.	Ngantang	-	-	2	10	-	1	13
33.	Kasembon	-	-	1	4	1		6
	Total	-	-	94	205	7	84	390

Table 12: Number of Sub District Leader by Education Level, 2007

Source: Government Endeavoring Society Division of Malang Regency in Malang Regency in Figures 2008, page 65.

Countryside head with level education of secondary School about 24.10 percents, High School about 52.56 percent, Academy about 1.80

percent, and University is about 21.54 percent. To support governance wheel fluency and as effort of make up of governmental performance as a whole hence Government of Malang Regency always try to improve its ability through formal education and also non formal education. As its growth picture hence can be seen at Table 13.

·	Primary	Junior Senior			61		
Institutions	School	High School	High Academy School		<b>S1</b>	<b>S2</b>	Total
1	22	11	91	12	128	22	286
2	1	<b>C</b> -5	-15	5	13	3	42
3	52	21	74	6	37	8	198
4	25	29	67	3	23	9	156
5	29	19	74	5	56	8	191
6	21	51	396	364	141	25	998
7	3	- 52	79	36	136	16	270
8	5	9 9	50	15	67	8	154
9	1	5 7 8	37	-3	42	3	86
10	18	18	62	4	36	5	143
11	8		37		40	6	100
12	- 4		20	_2>	53	6	81
13	1	1	17	3	29	5	56
14	218	293	1.641	3.045	6.969	136	12.029
15	2		7		35	11	57
16	-		75		15	1	24
17	5	-13	62	46	69	12	167
18	-		4	3	26	8	42
19	2	1	-5		28	14	51
20	-		5		16	9	31
21	4		13	// // 4	11	4	36
22	1	-	9.4		13	7	30
23	-	3	17	1	29	5	55
24	-	-	9	1	19	9	38
25	1	6	86	29	145	1	268
26	1	-	15	3	11	3	33
27	3	3	42	2	10	-	6
28		-	-	-	3	-	3
29	5	7	119	13	40	26	300
30	24	39	308	14	188	47	620
31	2	8	44	3	48	3	108
Total	454	54	3.412	3.684	8.203	420	16.713

Table 13: Number of Malang Regency Official by Education, 2007

Source: Government Endeavoring Society Division of Malang Regency in Malang Regency in Figures 2008, page 67. The names of institutions above are:

- 1. Sekretariat Daerah
- 2. Sekretariat Dewan Perwakilan Rakyat Daerah
- 3. Dinas Binamarga
- 4. Dinas Pengairan
- 5. Dinas Permukiman
- 6. Dinas Kesehatan
- 7. Dinas Pertanian & Perkebunan
- 8. Dinas Peternakan, Kelautan, & Perikanan
- 9. Dinas Kehutanan
- 10. Dinas Pasar
- 11. Dinas Perubungan dan Pariwisata
- n BAWIJJA 12. Dinas Koperasi, Perindustrian, dan Perdagangan
- 13. Dinas Tenaga Kerja & Mobilitas Penduduk
- 14. Dinas Pendidikan dan Kebudayaan
- 15. Dinas Lingkungan Hidup, Energi, dan Sumber Daya Mineral

5

- 16. Dinas Perijinan
- 17. Badan PKD
- 18. Badan Pengawasan
- 19. Badan Perencanaan
- 20. Badan Penelitian dan Pengembangan
- 21. Badan Pemberdayaan Masyarakat
- 22. Badan Kesatuan Bangsa dan Perlindungan Masyarakat
- 23. Badan Kepegawaian
- 24. Badan Diklat
- 25. Badan Adminduk, Capil, KB
- 26. Kantor Sosial & Kesra
- 27. Satuan Pamong Praja
- 28. K.P.U
- 29. Rumah Sakit Daerah
- 30. Kecamatan
- 31. Kelurahan

# c) Population and Man Power

Development planning and evaluation surely requires population data. This is so, if we associate with the double roles of people in development. As a subject, people are the main actor of development process, while as an object they become ultimate development target. It means that the role must go hand in hand.

The population of Malang Regency in 2007 is 2.442.422. It consists of 50.07 percent of male and 49.93 percent of female. Based on its composition, the population of Malang regency can be categorized as an Intermediate population. Percentage of child age (0-14 years) is about 25.44 percent (less than 40 percent) and older age (65 years and more) is about 8.95 percent (below 10 percent). By view the population according to its median age (the age that divided the population into two parts with equal number) then the population of Malang Regency can be classified as an old population with the median in 30-34 years age group. While, intermediate median age is in range 20-30 years and young median age is in age range below 20 years old. By having 65.61 percent of population in productive age (15-64 years old), human resources of Malang Regency is invaluable resources in supporting regional development. For more clear, it can be seen at Table 14.

Age Group	Male	Female	Total	Sex Ratio
0-4	109.726	95.885	205.611	114.44
5 – 9	107.173	97.925	205.098	109.44
10 - 14	104.488	106.182	210.670	98.40
15 – 19	93.192	86.299	179.491	107.99
20 - 24	86.049	83.718	169.767	102.78
25 – 29	91.457	94.963	186.420	96.31
30 - 34	99.985	97.135	197.120	102.93
35 – 39	93.745	86.411	180.156	108.49
40 - 44	91.533	97.519	189.052	93.86
45 - 49	79.468	91.864	171.332	86.51
50 - 54	80.942	64.818	145.760	124.88
55 – 59	57.218	54.601	111.819	14.79
60 - 64	37.705	33.827	71.532	111.46
65+	90.354	128.240	218.594	70.46
Total	1.223.035	1.219.387	2.442.422	100.30

Table 14: The Population by Age Groups and Gender

Source: Statistic of Malang Regency in Malang Regency in Figures 2008, page 106.

In this population, the Statistic Board of Malang Regency provides population data based on registration. According to registration data, among 33 sub districts, Singosari in the most populated sub district. Its population number is 150.309 people that consist of 74.772 males and 75.537 females. While, the less populated sub district is Kasembon. The population number is 31.040 people that consist of 15.714 males and 15.326 females.

Sex ratio of Malang Regency in 2007 is about 98.51 percent. It means that he number female is larger than the number of male. Population density in Malang Regency in 2007 is 804 people/km<sup>2</sup>. Some sub districts have high population densities that are more than 2000 people/km<sup>2</sup>. Other sub districts have medium population density that is 1500-1999 people/km<sup>2</sup>. While the rest have lower density, that is less than 1500 people/km<sup>2</sup>.

#### d) Agriculture

Indonesia is an agrarian nation. Nature of Indonesia has big agricultural sector potency. Climate support, fertility of land and forests as sources of water cause majority resident of Indonesia drape its living as farmer, and also geographical condition of Indonesia as archipelagic country which is potency properties of its area, causing Indonesian nation recognizing also as maritime nation.

It is also Malang Regency; it is resident majority and also works in agricultural sector. Agricultural sector represent people sector in economic in Malang Regency. According to Agriculture and Forestry Department in Malang Regency region represent agriculture farm, hat is about 14,79 % (47.403 hectare) representing rice field farm, and 34,07 % (109.150 hectare) is dry field or un irrigated field near the rice fields but used for vegetables and other secondary crops, and 4,94 % (15.838 hectare) is plantation area, and 2,41 7 (7.731 hectare) is forest.

Network irrigation facility have built up many to cover to barricade remain to, waterworks, sources of water, flood gate and channel carrier of water destined to answer the demand of requirement of irrigating of the rice field far from the width of 43.301 hectare. Most irrigation network represent technical irrigation with irrigate about 27.817 hectare or about 62.24 percent of rice field farm. While technical semi irrigation is about 6.374 hectare (14.72 percent) and simple irrigation is about 9.110 hectare (21.04 percent).

Food production especially paddy in the year 2007 reaching 368.507 ton, increasing to be compared to previous year, even compared to year 2005. Beside production of paddy, other commodity coming within I foodstuff crop which enough potency as horticulture commodities. There are 18 kind of vegetable commodities and 21 fruits commodities which potencies to be developed in Malang Regency. Productions of vegetable in 2007 generally increase, while fruits productions have fluctuation from year to year. Other commodities are dove, coffee, sugar cane, coconut, and tobacco. Common products of people wood are mahoni, sengon, and sono. Population and livestock production (meat, milk, and egg) in the year 2007 generally increased, also growth of fishery armada especially fishing boat.

## e) Industry

Mining potency in Malang Regency is good enough either from volume side and also mineral type variation. This is big enough potencies nit yet earned to be dug and developed. Industrial sectors are sector capable to race fast of economics area, and will be able to assign value to add swiftly, and in the end will give area income through its local real income. Not all area is compatible and conductive to be made as industrial area. Many factors required for the growing up of industrial sectors, among others: available of reliable human resources, natural resources, and investment which enough.

Some areas in Malang Regency and its strategies position enough to be made industrial area, where availability of labor and transportation or infrastructure is very supporting. But that way is existence expected not disturbing continuity of environment of Malang Regency, which also represents area, is target of especial tourism in East Java. Since year 1990 amount of big and medium industries in Malang Regency increasing

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which it's top of the year 1996. In year 1996 amount of big and medium industries reaching about 197 companies. But since economic crisis of year 1997, amount of big and medium industries continue to experience of degradation. On the year 2000 amount of big and medium industries that still survive are about 153 companies. The year 2001 industrial sectors start to arise, amount of big and medium industrial companies increased become 156 companies. These tendencies continue until in the year 2006 that became 264 companies.

Big and medium industrial companies permeate labor about 37.839 people with detail of about 85.06 percent (32.186 person) are production labor and 14.94 percent (5.653 person) are other labor. While if seen composition absorption of labor by its sector hence about 54.22 percent absorbent by food, tobacco, and beverage industry. 12.95 percent by chemical industry and goods of chemical, petroleum, embers stone, rubber and goods plastic and the rest by other sub sectors.

Absorption of labor per big and medium industrials companies reaching 143 labors. Highest rate absorption happened at processing of food, beverage, and tobacco industrial about 983 labors each company, then caught up by industrial company of chemistry and goods of chemical, petroleum, ember stone, rubber and plastic goods about 807 labors ach company, and clothes textile and husk industries of about 541 labors each company.

#### f) Trade

Trade sector is potential tertiary sector enough to be developed become pledge sector area. This sector will always become the place of routine activities of resident to provide requirement of foods, boards, and clothing. Available of requirement material which enough, price reached and relative stabilize is hungering every resident.

Fare to be paid by farmer is the expense of which released by farmer to produce agriculture commodity that is in the form of fare process farm, agriculture appliance rent, seed, manure and drug crop and others. Malang Regency exporting in the year 2007 experiencing of improvement, volume and also its value. Value export in year 2007 reached US\$ 262.410.188,25. Import in the year 2007 was also experiencing of improvement, increase about 8.38 percent compared to last year. It was supporting by increasing number of origin country, variation and type of commodity import.

Economics of Malang Regency from year to year expand better, this matter as mirror of growth of sign enlist company at Koperasi, Manufacture, and Trade Service in Malang Regency. In the year of 2003 the company enlist reached 8.583 business unit, the increasing of its amount continue till the year 2007 reached 12.250 business unit. One of the trade facilities is market. Traditional markets which have been built by local government in Malang Regency amount to 32 units. Part of the trade sectors are hotels and accommodations services.

#### g) Transportation, Communication, and Tourism

Almost entire Malang Regency connected with land transportation facilities, so that roadway represents especial transportation facilities. Development of road either through amount and also quality adequate very require by user of the road. From year by year growth of road user increase, amount of vehicle increasing so that continuous government correction of facilities and basic facilities to launch all activities and easier resident mobility.

Amount of vehicles as road user that note by Police Office in Malang Regency increased sharply becoming 363.079 units that consist non public vehicles about 356.758 units and public about 6.321 units. According to its type hence about 321.258 units are two wheel vehicles, about 17.244 units are vehicles of transportation of goods, and about 900 units are bus, and 23.667 units are passenger car. Communications facilities which much used are letter and telephone. Since attendance of communications technology and accompanied progress of telecommunications technology especially phone cellular hence usage of phone increasing. Not only urban community able to access this facility, countryside also can do.

Strategic Geographical condition, air which cold enough and supported by adequate tourism potency in Malang Regency causing become one of tourism target for all tourists from abroad and also local tourists. The potencies of tourism adequate consist of beaches, swimming pools, forests, fossils, and others.

#### h) Finance and Price

Monetary acceptance of Government in Malang Regency in the year 2007 experiencing of increase about 21.27 percent compared to previous year. Increase of acceptance raced by make up of counter balance fund which go up about 14.22 percent. Increase these acceptances have to become whip to Government of Malang Regency to increase services to citizen. Pursuant to its structure of monetary acceptance of Government of Malang regency most coming from counter balance funds about 86.94 percent. Share of big such as counter balance fund is in the reality supported by level general allocation fund about 75.54 percentage of totalizing revenue.

The number of bank in Malang Regency reached 34 units. The units and members of Koperasi in 2007 experiencing of a few improvement. Amount of Koperasi increase about 2.14 percent and Koperasi members about 0.63 percent. The increasing of units and koperasi members at least having effects to increase its deposits.

# 2. Local Board of Personnel, the Government of Malang Regency, East Java

#### a) History

The Government of Malang Regency in keeping local autonomy and implementing their authority in their area and all of the resources refers to Government Regulation No. 41 of 2007 about Local Institution. Managing human resources by Local Government is arranged from the Act No. 22 of 1999 was revised as the Act No. 32 of 2004 and both were revised as Act No. 12 of 2008 about Local Government give a change in managing human resources from centralization to decentralization that implies to make Local Government more autonomous.

To organize civil servants in each Local Government there are Local Board of Personnel that is refer to the Act No. 88 of 1974 was revised as the Act No. 43 of 1999 section 34 point A about Principles of Personnel Administration and Presidential Decree No. 159 of 2000 about Manual of Local Board of Personnel. To create good governance by monitoring, institutional structuring, increasing quality of public services, and developing human resources capacity.

In reformation and decentralization era, Local Government of Malang Regency has changed the Local Board of Personnel for three times, they are:

- In 2001, the change based on the Government Regulation No. 84 of 2000 about Principles of Local Institutions and Local Government Regulation of Malang Regency No. 27 of 2001 about Organization Structure and Local Board of Personnel Work.
- 2) In 2004, the chage based on Government Regulation No. 8 of 2003 about Principles of Local Institutions and Local Government Regulation of Malang Regency No. 3 of 2004 that was revised as about Local Government Regulation of Malang Regency No. 4 of 2004 about Organization Structure and Local Board of Personnel Work. Whereas, the explanation of the duties and the functions of the Local Board of Personnel based on Regential Decree, the Government of Malang Regency No. 83 of 2004 about Organization Structure and Local Board of Personnel based on Regential Decree, the Government of Malang Regency No. 83 of 2004 about Organization Structure and Local Board of Personnel Work.
- 3) In 2008, the chage based on Government Regulation No. 41 of 2007 about Local Institution and Local Government Regulation of Malang Regency No. 1 of 2008 about Local Institution. Whereas, the explanation of the duties and the functions of the Local Board of Personnel based on Regential Decree, the Government of Malang Regency No. 24 of 2008 about Organization Structure of Local Board of Personnel.

Local Board of Personnel, the Government of Malang Regency has the fundamental duty to organize local public servants professionally in order they can implement local autonomy well in unitary state of Indonesia.

# b) Vision and Mission of Local Board of Personnel

## 1) Vision

"Actualization of well personnel administration in organizing public servants proportional to achieve development of professional public servants"

The meanings of that vision are:

- Actualization of well personnel administration means give personnel administration services easy, fart, and accurate.
- Organizing public servants proportional means there are plans and management of public servants to increase and develop their competencies
- Professional public servants means public servants dedicate, discipline, be good example, have good mental attitude, responsible, well informed and eclectic in all of their duties and responsibility to serve the citizen

## 2) Mission

To achieve that vision, Local Board of Personnel, the government of Malang Regency describes the missions. The missions are:

- Giving prima personnel administration services
- Increasing civil servants welfare
- Developing civil servants
- Managing personnel information system

# c) Organization Structure

1) The Roles, Main Duties, and Functions of Local Board of Personnel, the Government of Malang Regency

# a. The Roles are:

- 1. Local Board of Personnel is supporting unsure of Regent
- 2. Local Board of Personnel is headed by head of the board that direct responsible to Regent by Local Secretary.

# b. The Main Duties are:

1. To commit local partly affairs that concern in personnel administration which prescript by Regent.

2. To commit other duties that given by Regent that concern in personnel administration.

#### c. The Functions are:

- 1. Collection, organize, and monitoring of database and data analysis to arrange programs
- 2. Usage strategic planning in Local Board of Personnel
- 3. Formulation of technical policy in personnel administration
- 4. Implementation of local government affairs and public services that concern to personnel administration
- 5. Development of personnel administration duties
- 6. Implementing, monitoring, controlling, evaluating, and reporting personnel administration
- 7. Implementation of Minimum Service Standard of personnel administration services
- 8. Implementation secretarial affairs in Local Board of Personnel
- Coordination, integration, and synchronization programs of personnel administration in Local Government of Malang Regency environment
- 10. Development and cooperation between citizen, Local Government, and others institutions
- 11. Implementation of Local Public Servants Administration
- 12. Implementation of Personnel Administration Regulations
- 13. Formation Planning and Personnel Development
- 14. Preparation of general policy of personnel development and coordination with training and education office
- 15. Preparation and realization of appointment, mutation, and discharge of local public servants appropriate by standard norms and procedures those set in legislations
- 16. Preparation and realization administration in appointment, mutation, and discharge within structural position or functional position appropriate by standard norms and procedures those set in legislations

- 17. Preparation and determination of local public servants retirement
- Determination of salary, subsidy, and prosperity of local public servants appropriate by standard norms and procedures those set in legislations
- 19. Implementation of giving reward and testimonial to Public Servants
- 20. Preparation and implementation promotion administration of public servants appropriate by standard norms and procedures those set in legislations
- 21. Management of Information System of Personnel Administration comprehensively
- 22. Preparation of data requirement and information to arrange development programs of personnel administration
- 23. Documentation of personnel administration files
- 24. Realization of development and control in personnel administration
- 2) Composition and Organization Structure of Local Board of Personnel, the Government of Malang Regency
  - a. The Composition of Local Board of Personnel consist of:
    - 1. Head of Local Board of Personnel has duties, such as:
      - Leading, monitoring, controlling, developing, coordinating, and collaborating in implementing personnel administration that decided by Regent
      - Bringing other duties out that given by Regent based on each level
    - 2. Secretariat has duties, such as:
      - Coordinating, planning, evaluating, and reporting programs of Local Board of Personnel, managing personnel administration affairs, include organize files or documents, equipper, house keeping desk, public relation, and finance

- Bringing other duties that given by Head of Local Board of Personnel out based on each level
- Strategy of secretarial programs
- Organize personnel administration affairs, official prosperity, education and training of official
- Organize house keeping desk and public relations
- Manage finance administration and local properties
- Organizing files, typing, duplicating, and filling
- Maintenance administration equipment and keeping safety and cleanliness office
  - Coordinating and arranging developing planning of personnel administration, evaluating, and reporting

Secretariat has three sub divisions; they are sub division of public affairs, sub division of finance, and sub division of plan, evaluation, and report. Each of sub division is lead by Head of Sub Division that responsible to Secretary.

a) Sub Division of Public Affairs

Based on Regent Decree No. 24 of 2008, the duties of Sub Division of Public Affairs are:

- Arrange planning programs of Sub Division of Public Affairs
- Developing organization and administration archives, household administration, official journey, arrange requirements, and distribution
- Managing personnel administration, official welfare, education and training
- Inventories and maintaining requirements office
- Implementing office affairs administration
- Keeping office cleanliness and safety
- Accumulating, managing data, and arrange programs of Sub Division of Public Affairs

- Bringing other duties out that given by Secretary based on its level and cappacity
- b) Sub Division of Finance

Based on Regent Decree No. 24 of 2008, the duties of Sub Division of Finance are:

- Arrange planning programs of Sub Division of Finance
- Implementing finance administration that consist of keeping accounting, responsibility reporting, verification, and estimate planning
  - Reporting statement of finance for eash units
  - Preparing matters to arrange strategic planning of Local **Board of Personnel**
- Accumulating and managing data and arrange working programs in Sub Division of Finance
- Budgeting of official mutation and giving indemnity and the financial rights to official
- Evaluating budget of programs and strategic planning of Local Board of Personnel
- Managing planning report and acuntability report of Local Board of Personnel
- Bringing other duties out that given by Secretary based on its level and cappacity
- c) Sub Division of Plan, Evaluation, and Report

Based on Regent Decree No. 24 of 2008, the duties of Sub Division of Plan, Evaluation, and Report are:

- Arrange planning programs of Sub Division of Plan, Evaluation, and Report
- Preparing matters and coordinating in arrange strategic planning of personnel development in local area
- Preparing policy of working plan of Sub Division of Plan, Evaluation, and Report and Local Board of Personnel

- Preparing matters of development intern sectors
- Implementation of Management Information System and reporting of Local Board of Personnel
- Coordinating, and synchronizing program plns in each period of personnel development
- Monitoring and coordinating in arrange evaluation matters and reporting of Local Board of Personnel
- Preparing matters as review to the leader in controlling and developing personnel administration
- Evaluating development planning and programs of personnel administration
- Arrange period account and other accounts
- Bringing other duties out that given by Secretary based on its level and cappacity
- 3. Division of Official Development and Prosperity:
  - Doing duties that partly from Local Board of personnel in collecting matter of personnel planning, formation, increasing professionalism, capacity building, increasing quality, increasing official welfare, giving reward and training
  - Realizing retire compensations administration and managing unchanged official administrative affairs
  - Performing other duties that given by Head of Local Board of Personnel based on their own level

For realizing jobs above, here the duties of Head of Official

- Development and Prosperity Division, such as:
- Planning and developing officials
- Preparing technique policies of officials development
- Processing personnel structure (formation)
- Planning and sending civil servants to follow training
- Processing human resources development
- Processing rewards for public servants

- Arrange retire administration and unchanged officials

Official Development and Prosperity Division consist of:

- a) Sub Division of Official Development, the duties are:
  - Preparing matter and developing quality of public servants through study
  - Collecting data and making list of nominative education and training, both structural and functional in order to increase professionalism of public servants
  - Preparing and arrange matter that concern to personnel formation and recruitment

Bringing out other duties that given by Head of Official Development and Prosperity Division based on its level

- b) Sub Division of Official Prosperity, the duties are:
  - Collecting matters and finishing discipline punishment administration in order to construct public servants, and giving rewards to them
  - Implementation of arrangement personnel administration that related to leave, husband/wife card, healthy insurance, official card, official identity card, pension insurance saving, and hose saving
  - Arrange personnel administration that related to pension
  - Arrange personnel administration that related to casual official
  - Performing other duties that given by Head of Official Development and Prosperity Division
- 4. Division of Promotion and Remuneration
  - Bringing part of Local Board of Personnel duties out that related to public servants promotion, promotion control, adjustment salary of civil servants, managing data of realization work assessment, arrange list of promotion series, and working life review of public servants

- Bringing other duties that given by Head of Local Board of Personnel out based on its own level

For realizing jobs above, here the duties of Head of Promotion and Remuneration Division, such as:

- Set up of technique policy of promotion and remuneration of civil servants
- Implementation of promotion control of public servants
- Processing promotion administration of civil servants
- Processing administration of periodic salary of public servants
- Processing administration of adjustment salary of civil servants
- Processing working life review of civil servants
- Management data of appraisal realization work
- Arrangement list of promotion series and positions
  - Promotion and Remuneration Division consist of:
- a) Sub Division of Structural Promotion and Remuneration:
  - Making plans and preparing technique procedure of structural civil servants promotion and remuneration
  - Preparing matters of promotion control of structural civil servants
  - Processing promotion of structural civil servants
  - Processing increment periodic salary of structural civil servants
  - Processing working life review of structural civil servants
  - Processing adjustment of salary administration for structural civil servants
  - Managing data of realization work assessment by structural civil servants
  - Processing and arranging list of promotion series structural civil servants

- Bringing other duties that given by Head of Promotion and Remuneration Division out based on its own level
- a) Sub Division of Functional Promotion and Remuneration:
  - Making plans and preparing technique procedure of functional civil servants promotion and remuneration
  - Preparing matters of promotion control of functional civil servants
  - Processing promotion of functional civil servants
  - Processing increment periodic salary of functional civil servants
    - Processing working life review of functional civil servants
  - Processing adjustment of salary administration for functional civil servants
  - Managing data of appraisal realization work by structural civil servants
  - Bringing other duties that given by Head of Promotion and Remuneration Division out based on their own level
- 5. Mutation Division
  - Bringing out part of others Local Board of Personnel duties that related to structural position administration, civil servants oath, and civil servants occupational movement and their placement
  - Bringing other duties that given by Head of Local Board of Personnel out based on its level
  - For realizing jobs above, here the duties of Head of Mutation Division:
  - Preparing administration technique of civil servants position
  - Processing administration of structural position
  - Processing administration of functional position

- Implementation of civil servants oath
- Implementation of occupational movement
- Making plans about civil servants placement

Mutation Division consists of:

- a) Sub Division of Structural Mutation
  - Preparing technique administration that is related to structural civil servants administration
  - Collecting and arrange personnel data as the matter to be suggested in appointment structural position

Processing appointment and movement civil servants in structural position

- Collecting and managing data of personnel administration as the planning matter in development and appointment civil servants
- Processing appointment of civil servants aspirants become civil servants and taking their oath
- Investiture structural official
- Finishing movement inter institutions for structural civil servants
- Bringing out other duties that given by Head of Mutation Division
- b) Sub Division of Functional Mutation
  - Preparing technique administration that is related to functional civil servants administration
  - Processing appointment, exemption temporary return appointment, adjustment salary, and dismissal functional official
  - Accumulation, verification, and management of credit mark assessment proposal list as the matters to contend credit mark assessment

- Preparing technique development matters of management of functional administration
- Bringing out other duties that given by Head of Mutation Division based on own level
- 6. Personnel Information Division
  - Bringing out others duties of Local board of Personnel in collecting, managing, up dating, and verification data that related to personnel database, data analysis of Personnel Information System, evaluating and reporting personnel data and files

Bringing other duties that given by Head of Local Board of Personnel out based on its level

For realizing jobs above, here the duties of Head of Personnel Information Division:

- Preparing and Formulating technique of collecting, managing, up dating personnel data
- Managing and analyzing personnel data in career development official
- Controlling of civil servants database
- Data services, documentation, and present information in helping to make decision
- Management and development of Personnel Information System
- Management and activation personal record office archives of civil servants
- Reporting personnel data
  - Personnel Information Division consists of:
- a) Sub Division of Tabulation Data
  - Preparing technique procedures of civil servants tabulation data

- Assembling and preparing matters that related to tabulation data, entry and analysis civil servants data in helping make decision
- Developing Personnel Information System software
- Making plans, arrange, developing, and maintaining application programs of personnel administration
- Managing, registering, and controlling personnel data electronically
- Bringing out other duties that given by Head of Personnel Information Division based on its level
- b) Sub Division of Flipchart and Documentation
  - Preparing technique procedures data of civil servants
  - Preparing matters of report and analyzing the report, publication, and documentation manually and electronically
  - Maintaining and developing Personnel Information System hardware
  - Coordinating personnel administration with Local Governance units
  - Managing, maintaining, registering, and controlling personal record office of civil servants
  - Bringing other duties that given by Head of Personnel Information Division out based on its level
- 7. Functional Position
  - Functional official group has duty to bring others duties out of Local Government based on their competence and requirements
  - Functional official group that explains before consist of expert in their own capability based on the requirements

The functional official group is lead by functional senior official that ellected by Head of Local Board of Perssonel and respnsible to Head of Local Board of Personnel and others functionarues ellected. From explanation above, Local Board of Personnel, the Governmnet of Malang Regency has noe secretariat and four divisions, they are: development and prosperity division, promotion and remuneration division, mutation division, and personnel information division. Beside than, Local Board of Personnel, the Government of Malang Regency also has functional position that have a specific ability and capacity to bringing other duties out of Government based on their specific ability and capacity.

# b. Organization Structure of Local Board of Personnel

Organization structure of Local Board of Personnel, the Government of Malang Regency can be seen by the figure above:



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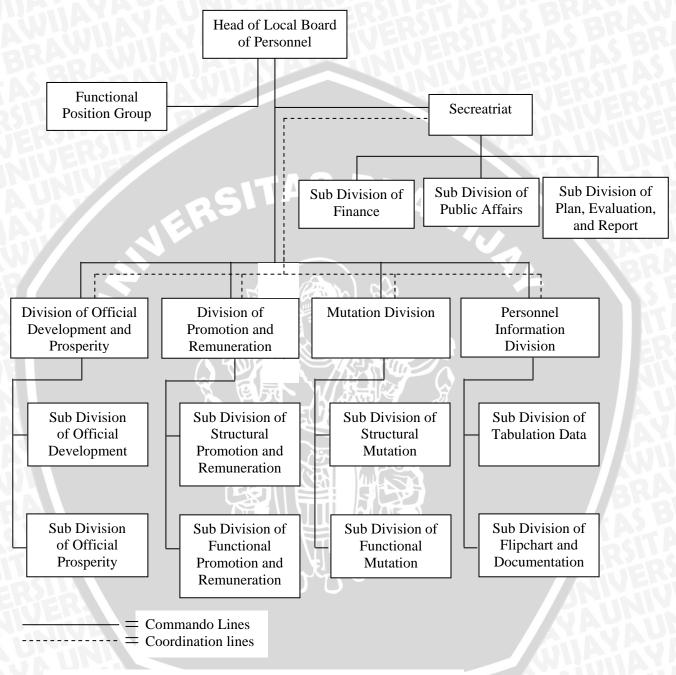


Figure 11: Organization Structure of Institutions in Malang Regency Based on Regent Regulation No. 24 of 2008

Source: Local Board of Personnel Assistance, 2009, page 10

# c. Personnel Officials

There are list of personnel official names in Local Board of Personnel, the Government in Malang Regency:

- 1) Head of Local Board of Personnel: Drs. Tulus Hariyanto, M.Si
- 2) Secreaty : Drs. Sutrisno- Head of Sub Division of
  - Public Affairs : Dra. Nurtini
  - Head of Sub division of Finance
  - Head of Sub Division of

Plan, Evaluation, and Report : Drs. Suri Wahyudi

3) Head of Official Development

And Prosperity Division

- Head of Sub Division of
   Official Development : A
   Head of Sub Division of
- Head of Sub Division of Official Prosperity
- : Agus Harianto, S.Sos

: Dra. Sri Purwaningsih

: Hari Wuryanto, SH., M.Si.

: Novhy Novhero, SH

4) Head of Promotion and Remuneration

# : Drs. Sutrisno

- Head of Sub Division of Structural
   Promotion Remuneration : Drs. Haryanto
- Head of Sub Division of Funtional
  - Promotion and Remuneration : Sutrisno Widjojo, S.Sos.
- 5) Head of Mutation Division : Drs. Ainurrofiq Mansur
  - Head of Sub Division of
     Structural Muatation : Heru Nugroho, SH, MM.
    - Head of Sub Division of Functional Mutation : Ahmad Budianto, S.Sos.
- 6) Head of Communication andInformation : Choirul Huda, SE
  - Head of Sub Division of
     Flipchart and Documentation : Agoes Seohandha, SH

- Head of Sub Division of Data
   Processing
- d) Services in Local Board of Personnel, the Government of Malang Rengency

There are services by Local Board of Personnel, the Government of Malang Rengency, such as: Formation Planning, Recruitment, Appoinment, Mutation, Promotion, Struktural Promotion/Functional Promotion, Periodic Salary Increment, Education and Trainning Administration, Leavement, Karpeg, Karis/Karsu, Taspen and Bapertarum Administration, Administration of Study Lisence, Realization work assessment of Sructural and Functional official, Discipline punishment, Arrange list of promotion series and positions, Reward (Satyalencana), Merriage and diforcement lisence, Reacapitulation of weekly absence for all units, Processing of civil servants insigne, Retirement, Appoinmnet and disimissal administration and, Honorary Official Administration.

#### e) Infrastructures

To support and to keep good working, it needs infrastructures. For more clear, infrastructures in Local Board of Personnel, the Government of Malang Regency can be seen at tables below. The wide of building office are 348 m<sup>2</sup>. Table 12 shows the total rooms in Local Board of Personnel, the Government of Malang Regency. There are 1 head office, 4 secreatiat offices, 2 mutatoin division offices, 3 promotion and remuneration offices, 3 official developments and prosperity offices, 1 personnel information division office, 1 data room, 1 meeting room, 5 bathroom, and 2 musholla.

: Drs. Zainal Abidin

Table 15: The Local Board of Personnel Building
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No.	Description	Total
1.	Head Office	1
2.	Secretariat Office	
3.	Mutation Division Office	
4.	Promotion and Remuneration Office	
5.	Official Development and Prosperity Office	
6.	Personnel Information Division Office	
7.	Data Room	
8.	Meeting Room	
9.	Bathroom	5
10.	Musholla	2

Source: Local Board of Personnel, the Government of Malang Regency data

No.	Description	Total		
1.	Tables and chairs of Echelon II	1		
2.	Tables and chairs of Echelon III	5		
3.	Tables and chairs of Echelon IV	14		
4.	Tables and chairs of staffs	58		
5.	Cupboard	32		
6.	Archives Filling Cabinet	10		
7.	Computer	31		
8.	Printer	16		
9.	Note Book	6		
10.		1		
11.	Typewriter	2		
12.	Four Wheelers	3		
13.	Two Wheelers	3		
14.	Safe box	1		
15.	Strongbox	7		
16.	Web Site Network	1		

 Table 16: List of Local Board of Personnel Utilities

Source: Local Board of Personnel, the Government of Malang Regency data

The Table 16 shows list of Local Board of Personnel utilities, they are 1 table and chairs of Echelon II, 5 tables and chairs of Echelon III, 14 tables and chairs of Echelon IV, 58 Tables and chairs of staff, 32 cupboards, 10 archives filling cabinet, 31 computers, 16 printers, 6 note books, 1 LCD projector, 2 typewriters, 3 of four wheelers, 3 of two wheelers, 1 safe box, 7 strongbox, and 1 of website network.

**B.** Data Analysis of Research Focuses

# 1. The Perspective of Civil Servants in Understanding Knowledge Management

Before explaining about perspective of civil servants in understanding knowledge management, better we know personnel condition of civil servants in Local Board of Personnel, the Government of Malang Regency. As we know that human resources is the most assets in organizations. Here, local civil servants have strategic positions to carry out local bureaucracy and quality of Local Government in servicing citizen absolutely influenced by own local civil servants. Moreover, the best level of nation is also depending on best level of human resources competitiveness, not only by material and natural resources. So that, knowledge personality that is more and more can make increasing of competitiveness of country.

In this globalization era, the Local Government faces the increasing competition that is not only in local area or regional, but also global. That competition requires Local Government to change and to complete their management functions of human resources that all this time is about administration activity, such as recruitment, staffing, coordinating becomes strategic integrating functions of all the part of organizations. Human resources management by Local Government is arranged in Act No. 22 of 1999 was revised as the Act No. 32 of 2004 and both were revised as the Act No. 12 of 2008 about Local Government. It makes a change human resources management from centralization to decentralization.

# a) Staffing based on Education Level in Local Board of Personnel, the Government of Malang Regency

In implementing of duties and function based on the organization structure that decided, Local Board of Personnel the Government of Malang Regency is supporting by civil servants that can implement their duties and function well and professional, not only in quality but also quantity. Based on the data that collect by researcher, Local Board of Personnel the Government of Malang Regency has 61 civil servants with education level below.

No.	Education Level	Civil Servant	(%)
1.	S2	3	5
2.	S1	28	46
3.	D3		1.6
4.	D4/STPDN	3	4.9
5.	Senior High School	21	34.4
6.	Junior High School	5	8.2
7.	Elementary School	-	
	Total	61	100

Table 17: Staffing based on Education Level in Local Board of

Personnel, the Government of Malang Regency

Source: Local Board of Personnel, the Government of Malang Regency data per January 2009

From the Table 17 above, it can be known that from 61 civil servants in Level in Local Board of Personnel, the Government of Malang Regency, there are 3 people that graduate form S2 (5%), and then 28 people graduated from S1 (46%), 1 person graduated from D3 (1.6%), 3 people graduated from STPDN (4.9%), 21 people graduated from Senior High School (34.4%), and 5 people graduated from Junior High School (8.2%). No one graduates from elementary school as civil servants in Local Board of Personnel, the Government of Malang Regency.

# b) Staffing based on Grade in Local Board of Personnel, the Government of Malang Regency

Grade is work position in organizational structure as basic of remuneration. Based on data that is collected by the researcher from Local Board of Personnel, the Government of Malang Regency, that most of civil servants there is on the third grade if compare with other grade, that is 34 people or about 54% of all civil servants there. This phenomenon because of that grade is indispensable in bring the duties out as staff. All of personnel data of Local Board of Personnel, the Government of Malang Regency based on grade can be seen on the table below. Table 18: Staffing based on Grade in Local Board of Personnel, the

No.	Grade	Civil Servant	(%)
1.	IV	4	5.5
2.	III	34	55.7
3.	П	18	29.5
4.	I	2	3.3
5.	Non Grade	3	4.9
Total		61	100

Government of Malang Regency

Source: Local Board of Personnel, the Government of Malang Regency data per January 2009

Based on Table 18 above, total of civil servants are 61 civil servants in Level in Local Board of Personnel, the Government of Malang Regency consist of four people with Grade IV (5.5%), then civil servants with grade III are 34 people (55.7%), then civil servants with grade II are 18 people (29.5%), the civil servants with grade I are 2 people (3.3%), and then civil servants non grade are 3 people (4.9%).

# c) Staffing based on Echelon in Local Board of Personnel, the Government of Malang Regency

Echelon is level of structural position, and structural position is position that shows the responsibilities, the duties, the authorities, and the rights in leading public organization. All of personnel data of Local Board of Personnel, the Government of Malang Regency based on echelon can be seen on the table below.

Table 19: Staffing based on Echelon in Local Board of Personnel, the

No.	Echelon	Civil Servant	(%)
1.	II-B	1	1.6
2.	III-A	3	4.9
3.	III-B	1	1.6
4.	IV-A	11	18
5.	Functional		12-15
6.	Staff	42	68.9
7.	Contract	3	4.9
	Total	61	100

Government of Malang Regency

Source: Local Board of Personnel, the Government of Malang Regency data per January 2009 Based on the Table 19 above, the high echelon in Local Board of Personnel, the Government of Malang Regency is Echelon II-B. Beside that from the total official in Local Board of Personnel, the Government of Malang Regency, that is 61 people consist of 16 people that occupy echelon and from the 16 people consist of 11 people on Echelon IV-A (18%) this echelon is official that occupy Head of Sub Division, 1 person on Echelon III-B (1.6%), 3 people on Echelon III-A (4.9%), and 1 person (1.6%).

d) Staffing based on Gender in Local Board of Personnel, the Government of Malang Regency

Table 20: Staffing based on Gender in Local Board of Personnel, the

No.	Gender	Civil Servant	(%)
1.	Male	39	63.9
2.	Female		36.0
	Total	61	100

Government of Malang Regency

Source: Local Board of Personnel, the Government of Malang Regency data per January 2009

Based on the Table 20, the total male civil servants in Local Board of Personnel, the Government of Malang Regency are 39 people (63.9%) and total female of civil servants there are 22 people (36%). The perspective in understanding knowledge management also depend on the gender, because in many cases there are different perception between male and female in facing the situations. So, the researcher put this point.

Based on the tables above, the education level influences people perspectives about their knowledge. The important meaning of knowledge management can be understood by questions, for example why does organization cannot hold on? What makes organization can more join competition well than others? From the interview with some officials in Local Board of Personnel, the Government of Malang Regency that education not only influences their knowledge but also influences their action. It sounds like statement from Secretary in Local Board of Personnel, the Government of Malang Regency, Drs. Sutrisno:

"Keberhasilan organisasi publik bukan hanya karena kuantias ataupun karena faktor keberuntungan saja, melainkan karena organisasi publik atau instansi pemerintah dapat beradaptasi lebih baik dan lebih cepat terhadap perkembangan lingkungan yang ada saat ini, atau organisasi tersebut membuat inovasi secara terus menerus atau berkelanjutan, dan tentunya keberhasilan tersebut juga sangat dipengaruhi oleh para pegawai atau sumber daya manusia didalamnya, khususnya para pemimpin yang dapat mengambil kebijakan yang tepat dalam mencapai tujuan organisasi. Kondisi seperti ini dapat terwujud jika organisasi publik atau instansi pemerintah mampu mengatur dan mengelola segala sumber daya yang dimiliki secara efektif, termasuk didalamnya adalah pengetahuan (knowledge) yang dimiliki oleh para pegawai atau sumber daya manusia dalam organisasi tersebut, selain itu juga menciptakan situasi yang kondusif bagi pegawai dan lingkungan untuk mentransfer pengetahuan mereka dalam berinovasi atau memberikan pelayanan. Oleh karenanya, pendidikan dan pelatihan mereka meningkatkan pengetahuan dapat membantu dan kemampuan yang mereka miliki dan kemudian mentrasfer pengetahuan mereka tersebut untuk mewujudkan tujuan organisasi publik" (Sumber: wawancara, tanggal 16 Juni 2009).

(Successful of public organization is not only because of its quantity or its fortune, but also because of the public organization can adapt toward their pursuit environment condition faster than others, or usually make innovations continually, and of course the officials, especially the leader can make the exact decisions to bring organization reach their purpose. This condition can be formed if the public organization manages their resources effectively, include the knowledge of their officials, giving conducive situation to official and environment to transfer their knowledge to give more innovations products or services. So, the education can help them to increase their knowledge and their capability then to transfer their knowledge to reach goals of public organization (Source: Interview, 16<sup>th</sup> of June 2009)).

Beside that, from the data interview that collected by researcher, the answers of the questions about their perspective of knowledge management show that different education level also different perspective about knowledge and knowledge management. It is known by the interview with Head of Sub Division of Promotion and Remuneration, Drs. Haryanto said that: "Knowledge management adalah suatu pendekatan yang fokus pada pemahaman dalam menggunakan pengetahuan (knowledge) dan bagaimana mentransfer pengetahuan tersebut dengan baik. Tentunya, pendidikan merupakan salah satu cara dalam meningkatkan pengetahuan, jika banyak pengetahuan, maka transferlah pengetahuan tersebut" (Sumber: wawancara, tanggal 19 Juni 2009).

(Knowledge management is an approach that focuses to organization in understanding well about using knowledge and how to transfer knowledge that established successfully. Of course education is one of the ways to increase knowledge, many kinds of knowledge, and transfer it (Source: Interview, 19th of June 2009)).

Some chiefs or heads of divisions and sub divisions in Local Board of Personnel, the Government of Malang Regency has their own perspective about knowledge management. Some of them that graduated from under graduate and post graduate have more complex answers about knowledge management. Head of Sub Division of Official Development, Agus Harianto, S.Sos said that:

"Apa maksud diterapkan knowledge management? Knowledge management diterapkan untuk memberikan pemahaman tentang pentingnya sumber daya-sumber daya organisasi yang bukan hanya bahan atau produk, sumber daya alam/bahan baku, uang, dan sumber daya manusia saja, melainkan pengetahuan (knowledge) dalam organisasi. Pengetahuan dalam hal ini termasuk ide-ide, berbagai perspektif, tujuan atau visi, informasi, dan hal-hal lain yang penting dalam mendukung terwujudnya tujuan organisasi, yang mungkin tidak dimiliki organisasi lain, ataupun sesuatu yang belum pernah dilakukan sebelumnya. Ini menjadi aset penting dalam organisasi. Untuk mengelola dan meningkatkan pengetahuan tersebut, Badan Kepegawaian Daerah Pemerintah Kabupaten Malang memberikan berbagai kesempatan dan kegiatan" (Sumber: wawancara, tanggal 19 Juni 2009).

(What is the purpose to apply knowledge management? Knowledge management is applied to give an understanding of the important meaning of organization resources that is not only materials, natural resources, money, and man power but also about knowledge in organization. It includes the ideas, perspectives, purposes, information and others that important to reach organizations goals, perhaps it is not within other organizations. It becomes good assets in organization. In order to manage their knowledge, Local Board of Personnel gives more change to increase it (Source: Interview, 19th of June 2009)).

Almost all of the staffs in Local Board of Personnel, the Government of Malang Regency told that knowledge is related to data and information that is managed by each person in organization to reach the goals. It is not really wrong, but that perception is just related to information and technology. For this, the leaders try to give more change to increase their staffs to see more about knowledge.

From the interview process, not all of the civil servants that graduated from under graduate and post graduate have more complex answers about knowledge management, but civil servants that graduate from STPDN and some of civil servants that graduate from senior high school have it too. Usually they know before being civil servants there, and they understand more when they become civil servants in Local Board of Personnel, the Government of Malang Regency. It is because of Local Board of Personnel, the Government of Malang Regency have the programs, strategies and activities to develop their official capabilities. The programs, strategies and activities to develop their official capabilities will be explained on the next point of this manuscript.

Experiences are also influence the knowledge people. So, people are well grounded have a good position in organization. Based on data interview that is collected by researcher show that civil servants with many experiences in organization got a good position, so they can transfer their knowledge well, even they did not graduate from high education level. If they have many experiences about many things, it can help organization to reach goals transferring and sharing their knowledge. Transferring knowledge there usually by meeting, sharing, and discussing, formal or informal situation. Hopefully, knowledge in organization increase, so it can help to increase organization goals, includes personnel goals, for example increasing capacity and ability. Beside that, the purpose becomes civil servants also influence their knowledge and action. Some of the civil servants in Local Board of Personnel, the Government of Malang Regency did not have aspire become civil servants. For the first time, they did not enjoy it, but now they enjoy and really want to explore their knowledge in order can give the best services that they can. It is like staffs said; one of them is Netiek Maharani. She said that:

"Peningkatan pengetahuan bagi kami sangatlah penting, karena dengan pengetahuan, kami berharap mampu mengambil keputusan secara tepat dan bijaksana, dan jika setiap kami memiliki kemampuan khusus, kami dapat membantu lebih besar dalam mengembangkan organisasi" (Sumber: wawancara, tanggal 19 Juni 2009).

(Increasing our knowledge is very important, because by knowledge we hope can make decision wisely, and if we have special capability, we can help organization growth well (Source: Interview, 19<sup>th</sup> of June 2009)).

From data interview above, some civil servants gave almost same definition of knowledge management, but others gave other perspective about knowledge management. This case is influenced by their point of view. It is like this general example, blind person is asked to tell the characteristics of elephant. If he hold on leg of the elephant, so the characteristic of elephant are rotund, hefty, and stand. While if he hold on large ears, so he will describe the criteria of the elephant are broad and thin. So, the perspective of understanding knowledge management is depending on them selves. It can be influenced by their education, experience, and others.

## 2. The Programs to Develop Civil Servants

- a) The Programs to Develop Civil Servants
  - 1) Preparation and Selection

Firstly, preparation in developing civil servants is job analysis and worker analysis. Job analysis is a process in collecting knowledge about jobs and requirements in organization, especially in public organization in which information about jobs is systematically

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collected, evaluated, and organized to find job characteristics and its requirement. Recorded job information plays a crucial role because it influences most human resources activities. So, the public organization, especially human resources specialist, for example Local Board of Personnel must know what each job requires. Requirements must be specific enough to enable specialist to recruit those with the needed knowledge, skills, and abilities. Knowledge about human mind, cultural, language and other unique attribute must be captured through job analysis information. Worker analysis is a process to analyze worker to get qualifications in getting position that needed by organization.

Local Board of Personnel, the Government of Malang Regency has designed jobs before doing job analysis. This is a view shared by Secretary of Local Board of Personnel, the Government of Malang Regency, Drs. Sutrisno:

"Desain Pekerjaan bertujuan untuk menentukan berbagai pekerjaan yang akan dilaksanakan oleh Pegawai Negeri Sipil dalam instansi dan untuk menentukan dan mengatur tugas-tugas berdasarkan kebutuhan organisasi. Hal ini mempengaruhi kualitas bekerja pegawai. Setelah menentukan pekerjaan, kemudian dilakukan pemahaman mengenai pekerjaan dan berbagai kebutuhannya yang disusun dalam analisis pekerjaan. Proses desain pekerjaan meliputi tiga fase, yaitu: input, transformation process, dan output. Input terdiri dari tuntutan organisasi, tuntutan lingkungan, dan tuntutan perilaku/tindakan, yang sekaligus menentukan produktivitas kerja yang kemudian menjadi umpan balik dalam proses ini" (Sumber: wawancara, tanggal 22 Juni 2009).

(Job design has function to determine jobs for the civil servants there and to regulate assignment based on the organization needs. It influences quality of work. After establishing jobs, understanding about jobs and its requirements is collected in job analysis. The job design process consist of three phases, they are: input, transformation process, and output. Input consists of organizational demands, environmental demands, and behavior demands, then establishes productive work and become feed back in this process" (Source: Interview, 22<sup>nd</sup> of June 2009)).

The Job analysis information phase in Local Board of Personnel, the Government of Malang Regency consist of five phases, such as job descriptions, job identification, data collection, application of job descriptions, job specification, and performances standards each job requires, and the last is human resources information system. Man power planning is activity after making and doing job design and job analysis. Man power planning is a series of activities to anticipate environment change in organization and create integrated planning system of human resources. It consists of four activities, they are: inventory of human resources, human resources forecast, human resources planning, and controlling and evaluating of human resources (Source: field note,  $22^{nd}$  of June 2009).

The next process is recruitment. The quality of an organization's human resources depends on the quality of its recruits. Recruitment is the process of finding and attracting capable applicants for employment (civil servants). Leaders become involved because they want the best people they can get, and they often know about place where appropriate applicants can be found. Although the leaders are often involved, much of recruitment process is the responsibility of professionals in human resources department, for example Local Board of Personnel. After finishing recruitment processes, then selection process begin (Source: field note, 22<sup>nd</sup> of June 2009).

Recruitment and selection are combined and called the employee function in many human resources departments. In Local Board of Personnel, the Government of Malang Regency, the employee function is the responsibility of leaders and human resources departments that handles these duties. From interviewed, one of staff in Local Board of Personnel, the Government of Malang Regency, Khusnul Arifin voiced an explanation about selection process. "Proses Seleksi tergantung pada besarnya input seperti analisis pekerjaan, rencana-rencana sumber daya manusia, dan rekruitmen. Input-input tersebut digunakan dalam menentukan berbagai kebijakan organisasi. Dalam semua fase pada proses seleksi, pihak atau departemen sumber daya manusia hendaklah memperhatikan berbagai potensi buruk selama proses berlangsung. Meskipun secara keseluruhan proses seleksi tidak ditemukan hal-hal yang berpotensi buruk, namun setidaknya diminimalisir segala potensi yang mungkin terjadi seperti diskriminasi atau semacamnya" (Sumber: wawancara, tanggal 22 Juni 2009).

(Selection process depends heavily on inputs such as job analysis, human resources plans, and recruitment. These inputs are used within the context of challenges posed by organizational policies or other legal concern faced by the organization. In all phases of the selection process, human resources department must be concerned about the potential for an adverse impact during the various steps of the process. Even when the overall selection process does not have an adverse impact on member of protected classes, evidence of a discriminatory impact at any stage of the process should be investigated and the discrimination should be eliminated wherever it is found (Source: Interview, 22<sup>nd</sup> of June 2009)).

The selection process in Local Board of Personnel, the Government of Malang Regency consist of preliminary reception of applications, employment tests, selection interview, reference and background checks, medical evaluation, supervisory interview, realistic job previews, and hiring decision.

## 2) Development and Evaluation

After completing selection process, new officials must be oriented in order to become productive contributors. Orientation not only improves the rate at which employee are able to perform their jobs but also helps officials satisfy their personal desire to feel they are part of the organization. The human resources departments generally orient newcomers to broad organizational issues and fringe benefits. The After officials have been selected and oriented, they may still lack the skills, knowledge, abilities needed to perform successfully. Most officials require some training to do their current jobs properly. If the organization wishes to place these officials in more responsible positions in the future, developmental activities also have to take place. There are many activities in Local Board of Personnel, the Government of Malang Regency that related to development and evaluation programs, such as:

- Giving structural steps education, for example adjustment certifies and service examination, and giving assistance studying programs for civil servants that qualified, and also coordination of training to increase quality of civil servants.
- Increasing skills and professionalism by socialization regulation within organization.
- Giving education and training for their function and duties, such as arrange Quality Management Standard (ISO 9001 : 2008) as further Quality Management Standard (ISO 9001 : 2000).
- Developing Local Personnel Information System, entry civil servants data into electronic media and networking of Personnel management Information System.
- Handling and giving punishment of breach cases of discipline
- Monitoring, evaluating, and reporting for each program within organization.

Based on those activities, Local Board of Personnel, the Government of Malang Regency is not only giving education, training, and opportunities for its officials, but also evaluate individual job performance. The effectiveness of training and development depends on all of aspect within organization.

Undeniable that training is one of the eminent approaches in developing civil servants, especially in public organization. This

activity becomes a strategic role to reach organization goals, and become a strategic role to succeeding official career in increasing professionalism and quality in service. As supporting unsure in personnel administration, Local Board of Personnel, the Government of Malang Regency undertakes many functions include the function of developing civil servants, that one of them by giving training, and usually it is called education and training. Even the Government of Malang Regency has their own board about this, which is Local Board of Education and Training, the coordination in undertaking education and training should through Local Board of Personnel, the Government of Malang Regency as the local agency that handle all of the things related to personnel administration in Malang Regency. It is like explanation from the Head of Sub Division of Official Development, Local Board of Personnel, the Government of Malang Regency, Agus Harianto, S.Sos that:

"Tidak semua pendidikan dan pelatihan Pegawai Negeri Sipil di Kabupaten Malang *menjadi tanggung* jawab Badan Kepegawaian Daerah, Pemerintah Kabupaten Malang. Sebagai koordinator dan fasilitator Sub Bidang Pengembangan mempunyai tanggung jawab untuk mendaftar peserta yang akan mengikuti pendidikan dan pelatihan dari satuan kerja perangkat daerah Kabupaten Malang. Setelah data terkumpul dan disetujui oleh Bupati, maka Badan Pendidikan dan Pelatihan yang memfollow up atau menindaklanjuti serta memproses data tersebut. Untuk data yang lebih jelas dan detail mengenai proses pendidikan dan pelatihan Pegawai Negeri Sipil Kabupaten Malang ada pada Badan Pendidikan dan Pelatihan, Pemerintah Kabupaten Malang" (Sumber: wawancara, tanggal 22 Juni 2009)

(Not all of the education and training processes become responsibility of Local Board of Personnel, the Government of Malang Regency. As the coordinator and facilitator, Sub Division of Official Development has responsibility to register education and training participants that come from all of the area and working units of local government in Malang Regency. After collecting data and the data agreed already by Regent, Local Board of Education and Training follows up and processes the data. For more clear about education and training data is on Local Board of Education and Training, the Government of Malang Regency (Source: Interview, 22<sup>nd</sup> of June 2009)).

From these data interview, can be known that responsibility of education and training process is not intoto undertaken by Local Board of Personnel, the Government of Malang Regency, but also by working with Local Board of Education and Training. As the eminent activity of developing civil servants, there are principles of law about education and training process:

- 1. Act No. 32 of 2004 about Local Government (Chapter VII regarding 76)
- 2. Act No. 43 of 1999 about Change of Act No. 8 of 1974 about Principles of Personnel Administration (Chapter III regarding 31)
- Governmental Regulation No. 79 of 2005 about Manual Developing and Monitoring Implementation of Local Governance (Chapter II regarding 2 point 1)
- 4. Governmental Regulation No. 101 of 2000 about Education and Training Occupation of Civil Servants
- Decree of LAN No. 193/XIII/10/6/2001 about General Guidelines of Education and Training Occupation of Civil Servants

As the one of the activities that determines in developing civil servants, the implementation of education and training should undertaken bent over backwards. From data that was acquired by researcher show there are phases of education and training process. In a simple, the phases of education and training process is started with inventory of education and training requirements then evaluation, monitoring, and efficiency alumni impact training. For more clear, it can be seen on Figure 12.

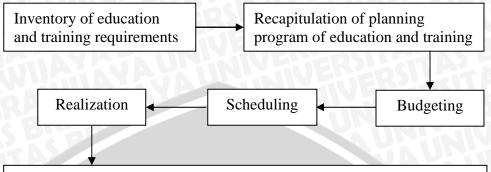


Figure 12: The Organizing Process of Education and Training

Evaluation, monitoring, and efficiency alumni impact training

Based on the Figure 12, education and training process through many phases. For the first phase is inventory of education and training requirements. This inventory is arranged based on proposal of education and training program that came from each unit of local government that into Local Board of Education and Training, the Government of Malang Regency. Inventory is needed because the requirement of education and training in each unit of local government are different. To know kind of education and training in every unit is needed inventory of education and training requirements. So, inventory of education and training that is really needed by every unit what kind of education and training that is really needed by every unit of local government for one year later. However, it is likely that there is a change about education and training requirements. This possibility can be caused by changing of structure and function that because of changing regulation.

The next process is recapitulation of education and training requirements plan. This process is collecting and arranging plan of education and training activities based on priority. Education and training that urgent should undertake first. This phase will deliver recapitulation of education and training requirement proposal from every unit of local government. Based on the document, then realized estimated of account programs. The next phase is scheduling. Scheduling is activity to make schedule of education and training for one year later. If scheduling finish, then realization of education and training program, and the last phase is Evaluation, monitoring, and efficiency alumni impact training. Education and training program has focuses, such as:

1. Supply technical man power

Technical man power is official that has specific skill. Technical education and training is way to get them in Government of Malang Regency. Technical education and training has function to increase technical ability and technical skill in doing their jobs. Not all of the kind of education and training is undertaken by Government of Malang Regency, it is based on the inventory of education and training requirements of each local government.

Before organizing technical education and training, it should prepare technical education and training. This preparation of technical education and training consist of many phases. The first phase is Local Board of Education and Training give notification about organizing technical education and training to each unit in the Government of Malang Regency. Then each unit gives socialization about the notification to follow it. Then data from each unit are collected by Local Board of Personnel to be checked by Regent, then giving back to Local Board of Education and Training. The kind of education and training program in Government of Malang operational Regency are: tax administration training, computer maintenance training, supplying goods and services training, tax administration training, work load analysis training, arranging planning document training, legislation training, local governance administration training, computer operator training, and technical computer of local governance accounting system.

2. Supply professional man power

Professional man power is official that expert in their own profession. Education and training that make professional man epository.ub.ac.id

power is functional training, and preoccupation training, and leadership training.

- Functional training

Based on Government Regulation No. 101 of 2000 about Education and Training for Civil Servants, functional training is training that hold to reach competencies that appropriate with their function. This training more focuses on increasing skills of civil, servants. There are many phases in functional training. First, Local Board of Education and Training announces about functional training information to all of government units in Malang Regency. Then all of government units propose their official to join functional training. After proposing, Local Board of Personnel accumulates data of functional training participants. Then asked to Regent to give a sign and it is followed up by Local Board of Education and Training. The kinds of functional training are: purchase widyaiswara candidates, institutional management education and training, education and training for purilieus teachers, education and training of competence based on curriculum, education and training for headmaster candidates, and others.

Preoccupation training

Preoccupation training is part of rules become civil servants. This education and training has a function to increase knowledge, archipelago concept, personality, and ethics. Based on Government Regulation No. 101 of 2000 about Education and Training Civil Servants, there are many kinds of Preoccupation training, such as Preoccupation Training for Group I, Preoccupation Training for Group II, and Preoccupation Training for Group III. The candidates that want to join this training at least have two years after appointment as civil servants. This training is undertaken by Local Board of Education and Training Province. Preoccupation training consist of many phases, they are announcement from province to all of regencies to sent participants for this preoccupation training. Then Local Board of Education and Training coordination with Local Board of Personnel about the data participants for this preoccupation training, then give it back to the province to select the number of participants, then province undertake this training.

- Leadership training

Based on Government Regulation No. 101 of 2000 about Education and Training Civil Servants, leadership training has the function to complete rules as structural position, especially in leadership. The kinds of leadership training are Leadership Training Level IV for Echelon IV, Leadership Training Level III for Echelon III, Leadership Training Level II for Echelon II, and Leadership Training Level I for Echelon I. civil servants should join this training before or after getting structural position.

Realization of Leadership Training Level III and Level IV in Malang Regency is undertaken by Local Board of Education and Training, the Government of Malang Regency and coordination with Local Board of Education and Training in Province. However, Leadership Training Level I and Level II are undertaken by Local Board of Education and Training in Province with Public Administration Agency.

Preparation of leadership training is started from Local Board of Education and Training, the Government of Malang Regency gives the announcement about leadership training to all of regencies to sent participants for this leadership training. Then Local Board of Personnel accumulate the data of participants for this leadership training, then Local board of Education and Training gives it back to the province to select the number of participants, then Local board of Education and Training follows up the database of participants.

### **3)** Compensation and Protection

Compensation is what officials receive in exchange for their contribution to the organization. When it manages correctly, it helps the organization achieve its objectives and obtain, maintain, and retain a productive workforce. Without adequate compensation, current officials are likely to leave and replacement will be difficult to recruit.

In severe cases, pay dissatisfaction may lower performance, cause strikes, increase grievances, and lead to forms of physical or psychological withdrawal ranging from absenteeism and turnover to increased visits to dispensary and poor mental health. Overpayment also can harm the organization and its people, reducing the organization's competitiveness and causing anxiety, guilt, and discomfort among the officials. There are many activities in Local Board of Personnel, the Government of Malang Regency that related to compensation programs, such as:

- Undertaking organization rewards system for civil servants that have achievement, for example giving Satya Lencana, publication of pension decree, promotion of dedication decree, administration process of Karis/Karsu/Taspen/Bapertarum and giving Tali Asih to civil servants that was complete.
- The civil servants that have been working continually for ten years, twenty years, and thirty years and more and never got high level of discipline punishment, and become an example to other civil servants, can be recommended to get appreciation mark like Satya Lencana Karya Satya for ten years, twenty years, and thirty years). Usually that appreciation mark is giving every 17<sup>th</sup> of August on independent day of Indonesia.

Based on the Act No. 43 of 1999 that civil servant has the right to get fair salary that appropriate with their jobs and responsibilities. The rate of civil servants salary is depending on each group and level. It is - Family allowance: this family allowance consist of wife allowance of husbands allowance for 10% of basic salary (per April 1992), children allowance for 2% of basic salary provide that this allowance is for two children (per April 1992) and do not have their own salary or they already 21 years until 25 years old for the children that still studying.

- Food allowance: food allowance is given to civil servant and family in 10kg rice each month.

The other allowance: the other allowances if occur for all of civil servants, that is regulated by Government Regulation, but if it just occur for specific civil servants, it is regulated by Presidential decree. For example, Presidential Decree No. 31 of 1985 described that the extra pay for civil servants that work in Irian Jaya, now it is Papua are: Group I is about 63% of basic salary, Group II is about 70% of basic salary, Group III is about 70% of basic salary, Group III is about 76% of basic salary, and Group IV is about 79% of basic salary. Based on Presidential Decree No. 34 of 1996 about Dedication allowance shows that dedication allowance is given to civil servants that work and mansions in purilieus are Group I is about Rp.75.000/month, Group II is about Rp.100.000/month, and Group III is about Rp.150.000/month.

Functional allowance: functional allowance is position that refers to duties, responsibilities, authorities, and the rights of civil servant in public organization. For civil servants that in structural position or functional position get specific allowance. Structural allowance is given to structural official and it is regulates in Government Regulation No. 26 of 2007. For the nominal of its allowance can be seen on Table bellow:

110. 20 01 2007	
Echelon	Nominal of allowance
IA	Rp. 5.500.000
IB	Rp. 4.375.000
IIA	Rp. 3.250.000
IIB	Rp. 2.025.000
IIIA	Rp. 1.260.000
IIIB	Rp. 980.000
IVA	Rp. 540.000
IVB	Rp. 490.000
V	Rp. 360.000
	Echelon IA IB IIA IIB IIIA IIIB IVA

 Table 21: The Structural Allowance based on Government Regulation

No. 26 of 2007

Source: data of Local Board of Personnel, the Government of Malang Regency

Based on table above, high allowance is for high echelon, that is Rp.5.500.000,- for Echelon IA, and the lowest allowance for Echelon V, that is Rp.360.000,-. Ahmad Budiono, S.Sos, Head of Sub Division of Functional Mutation in Local Board of Personnel, the Government of Malang Regency gave opinion related to this functional allowance:

"Pada Badan Kepegawaian Daerah, Pemerintah Kabupaten Malang tidak semua Pegawai Negeri Sipil menduduki jabatan struktural. Tunjangan struktural terbaru diatur dalam Peraturan Pemerintah No. 26 tahun 2007 tentang Tunjangan Struktural. Namun, tidak semua pegawai di Badan Kepegawaian Daerah, Pemerintah Kabupaten Malang mendapatkan tunjangan tersebut, karena tunjangan tersebut diperuntukkan bagi pejabat Echelon IA sampai pejabat Eselon VA" (Sumber: wawancara, tanggal 22 Juni 2009).

(In Local Board of Personnel, the Government of Malang Regency, not all of civil servants there are structural official. The newest structural allowance is regulated in Government Regulation No. 26 of 2007 about structural allowance. However, not the entire official in Local Board of Personnel, the Government of Malang Regency got the allowance, but it just for the officials on Echelon IA until Echelon VA (Source: Interview, 22<sup>nd</sup> of June 2009)).

Related to statement from Ahmad Budiono, S.Sos, Head of Sub Division of Functional Mutation in Local Board of Personnel, the Government of Malang Regency and research data indicate that in working environment in Local Board of Personnel, the Government of Malang Regency about salary and other allowance have regulated in regulations, so increasing or decreasing of salary and other allowance should abreast with regulations. Head of Official Development in Local Board of Personnel, the Government of Malang Regency also said that:

"Mengenai kesejahteraan Pegawai Negeri Sipil juga telah ada peraturannya. Namun, hal tersebut berbeda dengan organisasi bisnis, dimana organisasi bisnis memberikan bonus kepada pegawainya yang memuliki kemampuan lebih atau lebih rajin, dan atau lebih produktif dari pegawai-pegawai yang lain, sedangkan pada organisasi publik telah ada aturan mengenai pemberian gaji dan tunjangan yang harus dilaksanakan sesuai aturan-aturan tersebut, jika dijumpai ada pemberian bonus diluar aturan, meskipun pegawai tersebut dinilai lebih produktif, maka hal tersebut termasuk dalam pelanggaran, karena pada organisasi publik telah ada aturan mengenai reward dan punishment untuk Pegawai Negeri Sipi" (Sumber: wawancara, tanggal 22 Juni 2009).

(About official prosperity of civil servants is regulated already. It is different from business organization, because if the employee in business organization more diligent and can get more product they will get the extra bonus, but in public organization salary and other allowance is regulated in regulation. If found bonus for civil servants out of the regulation it can get punishment, because there are reward and punishment regulations already (Source: Interview, 22<sup>nd</sup> of June 2009)).

It means that there is different situation about salary, bonus, and other allowances between public organization and private organization, where the employees will get extra bonus if they can get more than others, it is in private organization. But in public organization there are regulation to regulate salary and other allowances. So, all of the civil servants should follow the regulations.

# b) The Activities to Develop Civil Servants through Knowledge Management

1) Working Condition

Working condition can influence developing civil servants process. From the observation result by researcher in Local Board of Personnel, the Government of Malang Regency tells us that there is relationship one another. This relationship is not just between colleagues, it is more interesting because almost all of civil servants there fell that their colleagues are their friends or their family. It is one of the interesting reasons of civil servants in Local Board of Personnel, the Government of Malang Regency going work, not only for doing their duties and their responsibilities, but also to meet and to share with their friends. There tie one another, it can be seen when they do their jobs every working day, the researcher found that there are cooperating and coordinating between civil servants in doing their jobs. It can help organization keeping their sense of belonging to their organization, especially Local Board of Personnel, the Government of Malang Regency. Because every body has responsibility for each job there, even there are delegation and distribution for each division. Civil servants there has sense of belonging to their organization, because they think that if the human resources have a good feeling in working condition to support them, it can help organization reach their goals. It is like an interview result from staff of Promotion and Remuneration Division in Local Board of Personnel, the Government of Malang Regency, Anik Suryani said that:

"Dalam menjalankan tugas dan memberikan pelayanan kepada masyarakat di Kabupaten Malang, kami melakukannya secara bersama-sama melalui team work. Hal itu membuat pekerjaan kami terasa lebih ringan dan sekaligus memberikan kesempatan kepada setiap orang untuk berbagi pengetahuan mereka dan potensi-potensi mereka melalui interaksi dan sharing dalam team work tersebut, dan tentunya itu mempermudah pekerjaan kami. Dan kami semua merasa memiliki atas tugas dan pekerjaan tersebut, sehingga masing-masing dari kami memberikan yang terbaik yang kami mampu lakukan" (Sumber: wawancara, tanggal 26 Juni 2009).

(In doing our jobs and giving services to the citizen in Malang Regency, we do together in team work. It makes our job complete and give every people a change to share their knowledge and their potencies, and of course it helping out our tasks easier. We feel sense of belonging for our duties. It supports us to give the best we can (Source: Interview, 26th of June 2009)).

From the interview result shows that in Local Board of Personnel, the Government of Malang Regency there is team work in doing their duties. It has many advantages, for example they do their job easier and they can share each other. It means that there is one of important factors in implementing knowledge management that is a change to share. They can share anything they want, for example they share their idea, their activities, their purpose and others. They can share in formal or informal condition. Some of them usually come together out of working hours or out of working days. It makes them close, not only when they work but also in other condition. By sharing, they can increase and combine their knowledge, even at that time may be they do not really need the information from sharing. But, at least they have a change to share and to hear the information, for next activities or decision from sharing is depending on every person.

Beside the important relation of colleagues, there is other important relation that should have attention, which is relationship between staff and the leader. Relationship between staff and leader also influence developing civil servants process. Leader is an actor to create conducive environment in sharing and creating knowledge. Implementation of knowledge management needs the leader that has ability to make a change, to open ones eyes of important of knowledge, capable in actuating others to increase their knowledge, and able to give example or become a good model to support increasing knowledge management. Leader that has characteristic and capable become inspiration is needed to implement knowledge management. However, leader can not give guarantee to keep knowledge management continue to rage, because leader in public organization has limited period to lead. This condition enables to cut off knowledge management process, because of permutation of the leader, and at the same time there is possibility that the new leader does not have appreciate in knowledge management process. So, in organization needs strategic direction within organization that applies continually, and if it becomes organization culture it can support the organization become knowledge organization. Without presence of leader in organization, all of elements within organization can still implement knowledge management.

The observation result that has collected by researcher from working condition in Local Board of Personnel, the Government of Malang Regency can be described that leadership supports implementation of knowledge management in developing civil servants. It can be seen that there is guarantee from the leader to the staffs in doing their duties and responsibilities. It is form of leader responsibilities of staffs. It is important when there are error data or information results, the leader can not threw off to the staffs, because before performing data or information, the leader should control and correction that data or information. Head of Sub Division of Functional Promotion and Remuneration in Local Board of Personnel, the Government of Malang Regency, Drs. Haryanto gave opinion that related to relation between staff and leader. He said that:

"Sebagai kepala Sub Bagian Kenaikan Pangkat dan Penggajian Fungsional pada Badan Kepegawaian Daerah, Pemerintah Kabupaten Malang, saya mempunyai tanggung jawab terhadap semua staff dan segala sesuatu yang kami lakukan. Karena kami adalah pejabat struktural, sehingga model tanggung jawab kami juga bersifat struktural" (Sumber: wawancara, tanggal 26 Juni 2009).

(As the head of Sub Division of Functional Promotion and Remuneration in Local Board of Personnel, the Government of Malang Regency, I have responsibility toward all of my staffs and everything that we did. Because of we are structural officials, so responsibility model is also structurally (Source: Interview, 26th of June 2009)).

Based on those opinion, can be take conclusion that highest responsible is on Head of Local Board of Personnel, then Head of Division, Head of Sub Division, and the last is staffs. So, head of sub division has responsibility to staffs directly. It means that there is condition that needs more attention from the leader to the staffs. From the observation result that has collected by researcher in Local Board of Personnel, the Government of Malang Regency, there are many important roles to be played by the leaders.

The first important role to be played by the leaders is the leader becomes a coach or trainer in organization. For example, even the responsibility there is structurally, but the leader still has attention and guidance for the staffs. Drs. Sutrisno as secretary in Local Board of Personnel, the Government of Malang Regency often gives time to guide this staffs when they get a trouble of their jobs. Sometimes, he also applies personal approach by giving a time to share something out of their jobs and giving advice. Beside that, he also gives opportunity to his staffs to learn everything that can increase their knowledge and ability more and more. However, he also gives examinations by their jobs to know ability his staffs, getting up or down, and gives punishment to civil servants that break the rule. Drs. Sutrisno said that civil servants has rights to develop themselves in many ways, and the important they do not break over the rule. It has purpose to keep civil servants with their potencies in their commitment to the organization.

The second role is keeping information and support to create knowledge. One of the examples is duties in Personnel Information Division in Local Board of Personnel, the Government of Malang Regency. Based on Regent Regulation No. 24 of 2008, this division consists of Sub Division of Tabulation Data and Sub Division of Flipchart and Documentation. Actually, in keeping information and supporting to create knowledge is not only undertaken by personnel information division, but also other division has their own ways to do it. Concerned to personnel information, Local Board of Personnel, the Government of Malang Regency serves data about personnel administration systematically in Personnel Information Division, because of that there are system and technology concern to these data. Personnel information to the citizen is made easier, for example electronic civil servant card and Personnel Service Application System, these programs have purpose to increase affectivity and efficiency in managing personnel information, in order can give best services to the citizen.

The third important role to be played by the leaders is keeping organization culture that support implementation of knowledge management. For example, leaders give appreciate to working results of staffs. This condition certain influences staffs and motivates them to do the best and to increase their capability day by day.

### 2) Knowledge Creation

Creating knowledge has the important position in organization, because if there is no this activity, organization difficult to create innovations. Usually most of organizations have perspective that their organization is just a system that processes information to solve the problem and concern information and decision efficiently in uncertain condition. It makes organization static and less considers of potencies that they can manage and create from the information that they have. In dynamic and uncertain condition, the duties of organization, especially public organizations is not only about processing information efficiently, but also creating information and knowledge to identify and to analysis everything related to their organization. Furthermore, organizations give support to an individual or group of people to create their knowledge. From the observation result by researcher in Local Board of Personnel, the Government of Malang Regency indicated that there are three steps in knowledge creation in organization, such as:

- Enlarge Individual Knowledge

The prime mover undertakes knowledge process in organization is human resources. They accumulate their tacit knowledge by their experiences. The quality of tacit knowledge is influenced by two important things. First is factor of individual experience diversity. If their experience is limited by routine duties, the amount of tacit knowledge expected from repeating and routines prone to decrease. Routine duties usually decrease creative thinking of people in creating new knowledge. The second factor that is influenced quality of tacit knowledge is knowledge about experience (Sangkala, 2007:105).

In Local Board of Personnel, the Government of Malang Regency, enlarging individual knowledge is formed by giving authority to finish their work based on their ways, but still on the rules. Beside that, they are given variety jobs, in order to explore their ability and their knowledge to do their jobs, and to alleviate their saturation of their jobs. Ability to enlarge their knowledge also can be formed by giving access of technology. This access is one of mediums to develop and to create their knowledge. Without equipping infrastructures for the civil servants to develop their knowledge, it makes their knowledge out of date and left behind with dynamic improvement knowledge, and it appears new problem in public organizations, because there are increasing citizen demands that dynamic day by day is not followed by increasing knowledge of civil servants that serve the citizen. Beside that, knowledge creation process can be form by training, because from that they will have opportunity to share their knowledge (Source: field note, 29<sup>th</sup> of June 2009).

### Sharing Tacit Knowledge

After enlarging individual knowledge, civil servants need to share their knowledge by articulating and enlarging social interaction. In sharing tacit knowledge, civil servants have opportunities to explore everything about their ideas and their perspectives related to organization in team. From that, they can accommodate, share, and compare the different ideas and perspectives in finding problem solving. In sharing tacit knowledge from individual to social interaction needs arena to articulate individual knowledge and to work through concept over. Self-organizing team builds to do that. Self-organizing team consists of people from various backgrounds and various functions, in order they can discuss and formulates decisions in many aspects. Self-organizing team can stimulate creating knowledge in two processes. The first process is organization gives facilities to increase mutual trust. The second process is sharing implicit perspectives by dialogue continually one another. Tacit knowledge that is brought in team or in organization is changed to make collective basic comprehension. Sharing tacit knowledge is a process to develop human resources and the access that they can get. In this condition, organization needs team to do it.

The observation result that was collected by researcher in Local Board of Personnel, the Government of Malang Regency indicates there are small teams that are arranged conditionally, based on the necessity in Local Board of Personnel, the Government of Malang Regency. For example, the team discusses and share about their activities for the next period, or discuss about leadership style of leader, then they give their idea and their opinion in order they can work together and understanding each other. Usually they have their community to share anything. For example, official women there have habitual activity to meet and share about information and knowledge. At least they have a place and change to share their information. It can increase closeness each other, because most of them feel difficult and nervous to share information and they often silent in meeting (Source: field note, 29<sup>th</sup> of June 2009).

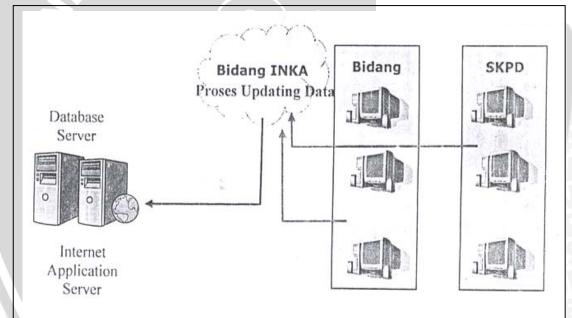
The researcher found indicates in sharing processes need the activities that support system thinking, even not clear at all. They, Local Board of Personnel, the Government of Malang Regency try to make sustainable activities for every program that handled. Firstly, they try to make same perception related to their responsibility, and it is concern to personal mastery and mental models, system thinking try to integrate these components to help them easier reach their goals. It needs many times to develop that condition. Because now, it is just indicated, and still need support from all of element in organization.

The leader has the big change for real this condition, because if the leader can support system thinking, it will influence the civil servants there. Their policy will influence the condition in organization too. So, the integrated between each component of The Fifth Discipline should be done, in order can reach the organization goals optimally.

Networking of Knowledge

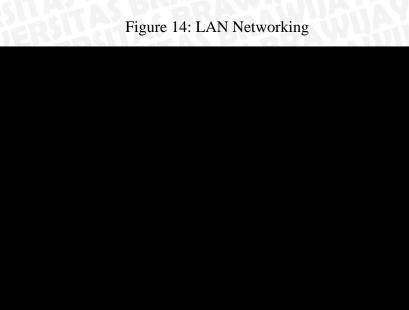
Networking has the important effect to expand and increase relationship of organization. It is concerned with information and communication technology in facilitating sharing and creating knowledge in organization. It connects people and help to form explicit knowledge. Networking help to get information and form explicit knowledge online and systematic, easy to access and accurate. Networking also helps to increase coordination, communication, and collaboration for each person or for group of people in sharing their knowledge. Networking also becomes a media to offer the special competence. The example of networking in Local Board of Personnel, the Government of Malang Regency is Personnel Information System. One of the advantages of this system is citizen can access accurate data by internet. There is updating data by identifying and distributing data from units and departments to be checked by Local Board of Personnel, the Government of Malang Regency. It can be seen on Figure 13 about the updating data of civil servants in Malang Regency below:





Source: Local Board of Personnel Assistance, 2009, page 117.

In comparing integrated data on database server in Local Board of Personnel, the Government of Malang Regency, there is LAN Networking and the data will upload in website of Local Board of Personnel, the Government of Malang Regency. For more clear, I can b seen in Figure 14 about LAN Networking inLocal Board of Personnel, the Government of Malang Regency, East Java.



Source: Local Board of Personnel Assistance, 2009, page 118.

### 3) Knowledge Addition

Activities of knowledge addition basically oriented in addition of knowledge that there's been in organization. The way to addition of knowledge can be reached from external and internal of organization. Organization can get information and knowledge by many ways, such as benchmarking from other organization; attending conferences; hired consultant; reading many references, for example journals, newspapers, email and others; watching television or movie that can increase the knowledge; collecting and analyzing data from many sources; and collaboration with other organization, building alliance, or other cooperation.

The observation result that was arranged by researcher in Local Board of Personnel, the Government of Malang Regency showed that there are many activities in knowledge addition. For example they hired consultant that concern to implementation Quality Management Standard (ISO 9001 : 2008) from Surabaya. They have schedule to learn more about Quality Management Standard (ISO 9001 : 2008). Beside that, they also have email to share and to add knowledge that related to personnel administration or other information. The facilities in supporting knowledge addition are almost complete. However, it depends on an individual having good will to develop their selves or not. In this condition, organization that represent by the leader has a role to prepare and supply the other ways in knowledge addition. But it is not only responsibility for the leader, but also supporting by all of actors within organization (Source: field note, 22<sup>nd</sup> of June 2009).

### 4) Transfer of Knowledge

Transfer of knowledge is not an easy activity moreover when is related to tacit knowledge. Tacit knowledge consists unsure that usually difficult to transfer and to visualization. Because of that, organization needs strategies to transfer knowledge. The strategies to do that process are giving a place and opportunity to transfer and organizing opened forum. The observation result that was arranged by researcher in Local Board of Personnel, the Government of Malang Regency showed that transfer of knowledge there is not happened perfectly. It is caused there are many rules and regulation that impeded ideas or perspectives that want to explore by civil servants (Source: field note,  $2^{nd}$  of July 2009).

# 5) Decision Making

Decision making method that is taken by Head of Local Board of Personnel, the Government of Malang Regency engage participation from many unsure, it can be practitioners, academician, and citizen. However, sometimes the leaders there have a strong posturing is certain condition, other words can say

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that their staffs have opportunity to participate in making decision, because almost all of the staffs usually just have a change to understand and to accept what the leader decide. By participating, organization can minimize the missing information or bad consequence e.g. there is no support for decision that made. Based on observation data that was arranged by researcher showed that there are process to hear idea and opinion in meeting from meeting participant. It is effective to make same perception related to theme that was discussing (Source: field note, 2<sup>nd</sup> of July 2009). By participating, participants can share their ides, their opinion, their perceptions, and information that they have. It means there is condition that indicates implementing knowledge management.

# 3. The Supporting and Constraining Factors Toward the Implementation of Knowledge Management

a) Supporting Factors

Supporting factor is everything in Local Board of Personnel, the Government of Malang Regency that influences and gives good effects towards the implementation of knowledge management to develop civil servants in order to get professional civil servants than can give the best services to the citizen. There are many supporting factors toward the implementation of knowledge management in Local Board of Personnel, the Government of Malang Regency, such as:

1) Internal Factors

Internal factors are everything that influences and gives good effects towards the implementation of knowledge management within organization. The internal factors are:

- Regulations within organization

The acts and regulations about personnel administration supports in developing civil servants. Improving on the acts and the regulations becomes pursuit to Local Board of Personnel in giving best services to the citizen professionally. The Act No. 32 of 2004 about Local Governance explains that Local Government has authority in giving rights and duties in undertaking local autonomy. By this act, Local Government also has authority to optimal their local potencies and local varieties, give attention to opportunity and global competition challenge. So that, efficiency and effectiveness in undertaking local governance needs more enhanced by giving attention to civil servants professionalism. It means that the Act No. 32 of 2004 about Local Governance gives encouragement to Local Government increase and develop all of potencies that they have in order can give the best services to the citizen.

The specific regulation about personnel administration is The Act No. 43 of 1999 about The Principles of Personnel Administration. It is revision from The Act No. 8 of 1974. In The Act No. 43 of 1999 explains that fluency in undertaking duties of Local Government and national development is depending on civil servants within organization. Because of that, in reaching national development goals needs state apparatus and local apparatus in giving services to the citizen. In this act also describes procedures about personnel administration and management clearly in order to make easier in giving services and manage their potencies.

It means that regulations, for example the Act No. 32 of 2004 and The Act No. 43 of 1999 are supporting factors in developing civil servants, especially in Local Board of Personnel, the Government of Malang Regency. It is same with opinion from Drs. Sutrisno as Secretary of Local Board of Personnel, the Government of Malang Regency. He said that:

"Peraturan mengenai administrasi kepegawaian memberikan batasan-batasan yang sangat jelas dalam pelaksanaan administrasi kepegawaian, tugas-tugas dan tanggung jawab Pegawai Negeri Sipil. Jika kemudian ditemukan aktivitas penyempurnaan peraturan, hal ini berarti terdapat kondisi yang baik dimana pemerintah terus berupaya memberikan pelayanan yang prima pada masyarakat secara profesionaldan mengaturnya" (Sumber: wawancara, tanggal 22 Juni 2009). (The regulations about management and personnel administration give constraints clearly in undertaking personnel duties and responsibility of civil servants. If there action of perfecting the regulations, it means that there pursuit with condition of citizen to give service well and professional (Source: Interview, 22<sup>nd</sup> of June 2009)).

Based on data interview above, the conclusion is perfecting regulation of personnel administration basically has the purpose to increase quality and quantity of services to the citizen by civil servants. Because of that, everything to develop civil servants becomes absolute things or important activity in Local Board of Personnel, the Government of Malang Regency.

Knowledgeable Human Resources within organization

Human resources are one of the important unsure in implementing knowledge management. In Local Board of Personnel, the Government of Malang Regency there is civil servants that have potencies to implement knowledge management. From observation result that have got by researcher showed that almost all of civil servants in Local Board of Personnel, the Government of Malang Regency ever joined training, structural training or functional training and other training. Availability of civil servants that have commitment to work is very supporting organization in developing them. Beside that, the potencies of civil servants there that can be developed and can be managed of course support organization for the future. Organization also needs civil servants that care to apply many decisions that have made.

- Knowledge Management Infrastructure

For the first time, knowledge worker working with papers and notes to find information and practitioners just have a small room to share their ideas with their community, but the varieties demands of citizen that dynamic more and more, make knowledge worker find the ways to solve it by keeping infrastructure. Internet

is evidence from increasing information and communication technology. The advantages by using internet in knowledge management activities are organization can facilitate information faster and facilitate the people interaction to share and create knowledge. Beside that, there are groupware e.g. email and online forum as infrastructure of knowledge management. Data base give long term memories to the organization, because by data base, human resources within organization can save, process and manage their data systemically. All of technologies that describes above called infrastructure of knowledge management. At least in knowledge management activities there are computer, laptop, or hand phone as hardware and also there are places to save the data and information. Implementation of knowledge management without technology will be difficult to do, but not just technology that makes knowledge management apply. Technology here is facility to connect and make communication going well. In Local Board of Personnel, the Government of Malang Regency there is infrastructures of knowledge management that applied e.g. internet, groupware, and database (Source: field note, 2<sup>nd</sup> of July 2009).

2) External Factors

Information and communication technology develop more and more. It influences increasing of citizen demands. The citizen demands become more complex and more dynamic. Thus it makes civil servants have demand to give more productive and more professional in giving services to the citizen. Because of that, public organization needs to develop civil servants to fulfill citizen necessities. Drs. Haryanto as Head of Sub Division of Promotion and Remuneration in Local Board of Personnel, the Government of Malang Regency gave the opinion that related to this condition. He said that: "Pengembangan Pegawai Negeri Sipil di Badan Kepegawaian Daerah, Pemerintah Kabupaten Malang merupakan kebutuhan organisasi yang tidak boleh ditawar, karena perkembangan tuntutan masyarakat semakin meningkat terus dan terus. Pegawai Negeri Sipil dituntut untuk terus mengembangkan kemampuan mengikuti tuntutan perkembangan zaman. Jika Pegawai Negeri Sipil tidak berkembang sesuai kebutuhan dan tuntutan zaman, mungkin masyarakat akan sangat kecewa terhadap kondisi Pegawai Negeri Sipil semacam itu, karena melayani masyarakat adalah tugas dan tanggung jawab mereka" (Sumber: wawancara, tanggal 2 Juli 2009).

(Developing civil servants in Local Board of Personnel, the Government of Malang Regency is necessity of the organization that no bargain, because there are developing condition and increasing citizen demands more and more. Civil servants are demanded to develop equal with developing condition. If civil servants do not develop as like developing condition, perhaps citizen can not get good services, and perhaps the citizens disappointed with civil servants responsibility (Source: Interview, 2<sup>nd</sup> of July 2009)).

From the opinion above means by developing citizen demands, of course civil servants must develop to serve the citizen.

### b) Constraining Factors

Constraining factor is everything in Local Board of Personnel, the Government of Malang Regency that gives bad effects towards the implementation of knowledge management to develop civil servants. Here the constraining factors toward the implementation of knowledge management.

1) Internal Factors

There are still found civil servants are difficult to support implementation of knowledge management. Most of them still have perspective that knowledge is not important to reach organization goals. Beside that there are fatter conditions that make some of civil servants can not explore their idea and their perspectives, because organization fear to fail, or there are domination of information and technology just for high level within organization. The less in Beside that, developing civil servants through knowledge management can not apply well, because of cost limit within organization. If there are cost limit, it can be difficult to prepare and supply infrastructure in implementing knowledge management to develop civil servants. From data interview that was collected by researcher there, Drs. Sutrisno as Secretary of Local Board of Personnel, the Government of Malang Regency give opinion related to this case. He said that one of the constraining factors in developing civil servants is financial. Many activities to develop civil servants can not undertake directly because of finance (Source: field note, 2<sup>nd</sup> of July 2009). Even there is cost limit; the developing civil servants must goes on.

2) External Factors

Beside that, in Local Board of Personnel, the Government of Malang Regency less of competition. It make organization can not explore what they want concern to information and knowledge. Actually the competition can come from the organization itself, but it also comes from outside. The less of competition in public organization influence less of spirit to give the best services, moreover to make innovations. Even not all of the public organization face it, but almost of them face it. The small control from the citizen also influence public organization can not manage their knowledge well. It makes public organization less spirit in increase their knowledge more and more. Beside that, there are not supporting condition in implementing knowledge management, it can happened because there is know activities to give knowing about knowledge management.

### C. Data Analysis

Malang Regency in managing and developing resources based on Government Regulation No. 41 of 2007. Developing human resources by Local Government is regulated in the Act No. 22 of 1999 that has revised by the Act No. 32 of 2004 that also has revised by the Act No. 12 of 2008 about Local Governance gives a sign that there is happened alteration of managing and developing human resources from centralization become decentralization, and it implicates to Local Government be more autonomous in taking care of its resources and potencies included human resources. In managing and developing human resources, especially civil servants then organized Local Board of Personnel based on the Act No. 43 of 1999 section 34A about Alteration of the Act No. 8 of 1974 about Personnel Principles and Presidential Decree No. 159 of 2000 about Manual Local Board of Personnel Formation.

Being good governance is carried out by controlling, managing, and increasing quality of services and also increasing capacity of civil servants. Local Board of Personnel, the Government of Malang Regency also manages its resources, especially civil servants, because civil servant is eminent unsure in government agencies that has a role to establish for success government administration and development. As we know that keeping civil servants pursuit to development is not like leaf trough the palm. The phenomenon that happened concerned to civil servants quality showed they are considered slow, not transparent, and not accountable, lack of initiative, and sometimes involved in illegal activities such as accepting a bribery and tendency for corruption practices. This condition is influenced by many factors e.g. less of developing program, less of preparation to face the condition that change more complex and dynamic, and other factors. The various problems that refer to civil servants have given many impacts in realization local government activities. Handling situation which is not seriously can emerge new problems and complicated.

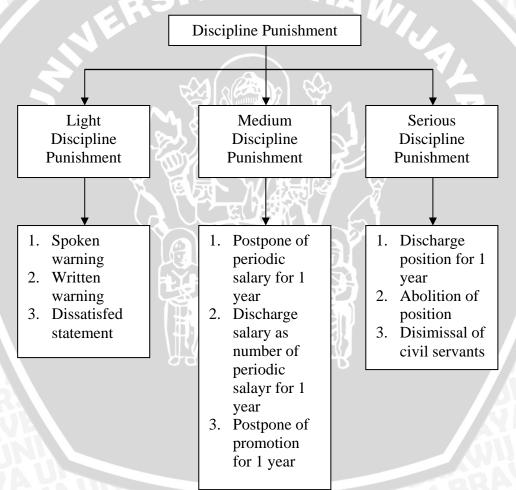
Therefore, so interested if there emerge many theories, many ways, and many methods try to solve the problems and to handle situation related to human resources. Knowledge management is one of them that seek to understand the way in which knowledge is created, used and shared within organizations. Knowledge management is the concept to prepare the worker in order to have intellectual capital or become a knowledge worker, so it can develop their organization to reach their goals.

This theory is applied in Local Board of Personnel, the Government of Malang Regency, al the least the steps and methods in knowledge management theory is applied there, especially in developing civil servants. Developing civil servants has purpose in order Local Board of Personnel, the Government of Malang Regency get the quality human resources in undertaking local government activities. Giving opportunity to join training, to study, giving reward and appreciate, and giving variety jobs are the ways in increasing quality of civil servants. Sharing knowledge becomes the important activities in Local Board of Personnel, the Government of Malang Regency; it indicates that there is implementation of knowledge management. Beside that, there are infrastructures that support knowledge management activities. This condition is to create civil servants that have authoritative and professional, clean, have high skill, hold responsible, efficient work and have commitment.

The activities in developing civil servants in Local Board of Personnel, the Government of Malang Regency have to reach the goals. For example job analysis and worker analysis, they are process to collect knowledge about jobs and requirements in organization and analyze worker process to get qualifications in getting position that needed by organization, like aphorism "A square peg in a round hole". The next process is recruitment that is the process in finding and attracting capable applicants become civil servants. The quality of an organization's human resources depends on the quality of its recruits. Local Board of Personnel, the Government of Malang Regency also facilitate structural steps education e.g. adjustment certifies and service examination, and giving assistance studying programs for civil servants that qualified. Giving education and training for their function and duties, such as arrange Quality Management Standard (ISO 9001 : 2008) as further Quality Management Standard (ISO 9001 : 2000), for this Local Board of Personnel,

the Government of Malang Regency hired the consultant. Other activities are supply technical man power, supply professional man power (functional training, preoccupation training, and leadership training), and giving rewards and appreaciate for civil servants that contribute and productive than others.

Local Board of Personnel, the Government of Malang Regency is not only giving education, training, and opportunities for its civil servants, but also evaluate individual job performance. For example handling and giving punishment for breach cases of discipline. For more clear of punishment for breach cases of discipline can be seen at figure below.



From figure above, the light discipline punishment consist of three kinds, they are spoken warning, written warning, and dissatisfied statement. The spoken warning is given by competent authority for the civil servants that break over discipline e.g. did not attend at working hours without permission,

Figure 15: The Kinds of Discipline Punishment

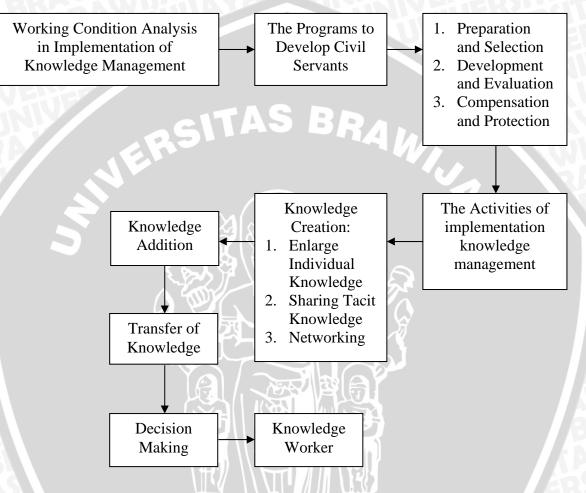
if spoken warning was not effective, competent authority make written warning and dissatisfied statement. The medium discipline punishment and serious discipline punishment is given by competent authority in prescript.

In this day that everything going rapidly, citizen demands also dynamic and more complex. For facing this condition, Local Board of Personnel, the Government of Malang Regency always tries to give best services. It is implementing activities that refer to knowledge management. It tries to develop the important factors to reach the goals, that is civil servants, because they conscious that they must develop civil servants become knowledge worker. So, if this purpose is realized, organization becomes more innovative and civil servants also have increasing their quality follow the condition.

Before implementing knowledge management, the organization should understand what knowledge management is. Civil servants in Local Boar of Personnel, the Government of Malang Regency have known about knowledge management, even not all of them understand about knowledge management. Mostly, civil servants in Local Boar of Personnel, the Government of Malang Regency though that implementation of knowledge management is only related to data and information to make decision in the organization. But some of them have the opinion that knowledge management is related to experience, idea or concept, brainstorm, and value. From this, researcher tried to explain to them about knowledge management in order they have same perspective about knowledge management. The Head of Local Board of Personnel, the Government of Malang Regency and some official that understand about knowledge management helping researcher to make same perception about it, even before in Local Boar of Personnel, the Government of Malang Regency already implement activities that refers to knowledge management. They believe that success in knowledge management implementation depend on interaction of user or people in organization and processing the own data and information in organization. It can be seen by their activities that always tray to manage their resources and potencies well. Implementation of knowledge management can not success if just explore one of aspect of it, it needs to apply all of factors integrated.

The analyses result from research that is done by researcher in Local Board of Personnel, the Government of Malang Regency about activities of implementation knowledge management:

Figure 16: The activities of implementation of knowledge management in Local Board of Personnel, the Government of Malang Regency



Working condition analysis becomes the first activities in implementing knowledge management. From this, the organization can get data and information about resources and potencies that they have and they can explore. This process should accurate, detail and systematic in order can give the valid data and information. After identifying resources, the nest process is analysis potencies that they can manage and develop to reach the goals for short term and long term. From this analysis, data and information that can take is formed data base of number and qualification of civil servants, materials and tool, financial performance and its prediction, external factors that influence organization, and other special potencies that they can collect. It helps to know and learn real condition of organization. In working condition analysis include analysis programs to develop civil servants there. It has purpose to make specification in developing civil servants. From research result showed that there are three general processes in managing and developing human resources in Local Board of Personnel, the Government of Malang Regency, they are preparing recruitment and selection process, then development and evaluation process, and the next process is compensation and protection.

The Head of Local Board of Personnel, the Government of Malang Regency and some civil servants there though that if this organization always doing activities that have been doing before, the organization will stagnant because the demands of citizen always going rapidly, dynamic, and more complex. So, they are doing activities that refer to knowledge management. They though that organization prepare and manage human resources within organization, they believe that it will help organization reach their goals. So, developing civil servants process is added aspect of knowledge management. Firstly, by their authority, they enlarge individual knowledge. Identifying of individual knowledge will give the data and information about specification ability each person within organization and hoping can be increased in organization and can be shared to others. There is strategy to reach the target, which is sharing knowledge. In sharing knowledge include tacit knowledge and explicit knowledge. It is important because usually people feel difficult to share their tacit knowledge, because it concern with idea, perspective, and other that abstract. The next process is networking. It is needed to expand range for organization. It is also important in helping organization make conducive condition in implementing knowledge management. If the organization has good performance of networking it can influence organization increase their potencies. It needs technology and infrastructure to implement and create this condition and also need human resources that can operate and manage them well.

After creating knowledge in organization, there is process to manage knowledge addition systematically. In order civil servants there can reuse any time the data and information that they ever got. It is asset in organization, because the data, information, and knowledge will easier to get if needful. In order knowledge always rotate in organization, it needs to transfer of

order knowledge always rotate in organization, it needs to transfer of knowledge. This condition is to create organization culture based on knowledge. If every people can do this activity and the activities before, the leader does not need to always stay to do it. In activities of implementation knowledge management, there factors that influence it, both supporting factors and constraining factors. It is not become problem if the organization can find a basic factor that is caused. So, the organization needs civil servants that can break down problems and give the solution effectively. By knowledge management, every civil servant can make decision especially to support the organization. By the decision, we can know the orientation of decision maker. Developing civil servants trough knowledge management in Local Board of Personnel, the Government of Malang Regency has been doing well, and hope can be done by other public organization. In order to get civil servants those have capacity and quality in working and create innovation to give best services to the citizen.



# CHAPTER V CONCLUSION AND RECOMMENDATION

### A. Conclusions

Based on the research explanation before that concern to developing civil servants through knowledge management in Local Board of Personnel, the Government of Malang Regency, the conclusions are:

- 1. Local board of Personnel, the Government of Malang Regency tries to adapt the situation that more dynamic and complex and tries to solve issue about lowering of public servant productivity in Indonesia. Local Board of Personnel, the Government of Malang Regency realizes that situation through knowledge management. Knowledge management is methods to understand the way in which knowledge is created, used and shared within organizations. Knowledge management is the concept to prepare the worker in order to have intellectual capital or become a knowledge worker, so it can develop their organization and to reach their goals. Before implementing knowledge management, organization needs to understand knowledge management and make the same perception of it in order it goes well and give advance for all of aspect within organization. After understanding knowledge management, just do the activities of knowledge management, they are knowledge creating, knowledge addition, transfer of knowledge, and decision making. The need to know that system thinking also influence in implementing knowledge management, where system thinking helps organization integrated their activities in developing civil servants and helps to increase sustainable activities in organization. System thinking is related to the fifth discipline that has explained before. System thinking should be done integrated with other component in implementing knowledge management.
- 2. The programs to develop civil servants in Local Board of Personnel, the Government of Malang Regency consist of preparation and selection process, development and evaluation process, and compensation and protection process. After working condition analysis, there are activities in

implementing of knowledge management, they are knowledge creation that consist of enlarge individual knowledge, sharing tacit knowledge, and networking, then knowledge addition, transfer of knowledge, decision making, then become knowledge worker.

3. There are supporting and constraining factors in implementing knowledge management in Local Board of Personnel, the Government of Malang Regency. The supporting factors that come from internal organization are regulations within organization, knowledgeable human resources within organization, knowledge management infrastructure. The supporting factors that come from external organization are information and communication technology that develop more and more. It influences increasing of citizen demands. The citizen demands become more complex and more dynamic. Thus it makes civil servants have demand to give more productive and more professional in giving services to the citizen. The constraining factors that influence activities of implementation knowledge management are civil servants that difficult to support implementation of knowledge management. It is depends on many factors. Beside that there are cost limit within organization, and less of competition.

### **B. Recommendations**

- 1. The programs to develop civil servants should be followed up by many sustainable activities, in order organization know the development of civil servants, especially civil servants that have joined training and education in order have more responsibility to increase knowledge and be more professional. Beside that, organization by the leader should make conducive situation in increasing capability and quality of civil servants. In order the officials need to develop their selves especially in giving services to citizen.
- 2. Knowledge management helps organization to create, to share, and to transfer knowledge in organization to develop civil servants as the eminent unsure in organization especially in giving services. Because of that, organization should keep condition and infrastructure to implement it, and doing the activities of knowledge management integrated. Because

knowledge management is not a short term process, but it needs long term process. The processes are working condition analysis that becomes the first activities in implementing knowledge management. From this, the organization can get data and information about resources and potencies that they have and they can explore. This process should accurate, detail and systematic in order can give the valid data and information. After identifying resources, the nest process is analysis potencies that they can manage and develop to reach the goals for short term and long term. From this analysis, data and information that can take is formed data base of number and qualification of civil servants, materials and tool, financial performance and its prediction, external factors that influence organization, and other special potencies that they can collect. After creating knowledge in organization, there is process to manage knowledge addition systematically. By knowledge management, every civil servant can make decision especially to support the organization. By the decision, we can know the orientation of decision maker. Developing civil servants trough knowledge management in Local Board of Personnel, the Government of Malang Regency has been doing well, and hope can be done by other public organization. In order to get civil servants those have capacity and quality in working and create innovation to give best services to the citizen.



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