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Factors Affecting the Successful Implementation of Bureaucratic Reform in Government Institutions

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Abstract: The objective of the research is to study the relationship between Implementation of Strategic Planning, Learning Organization and Success of Bureaucratic Reform in Government Institutions. The method of the research employed is survey and data analysis technique applied is correlation and regression analysis. The population was employees working at the office, while the respondents were 60 employees selected randomly. The findings of the research is :a) there is positive correlation between Implementation of Strategic Planning, Learning Organization and Success of Bureaucratic Reform. Based on those research findings concluded that the Success of Bureaucratic Reform could be enhanced by improving Implementation of Strategic Planning, Learning Organization; b) the application of Strategic Planning and learning in organizations collectively contributing to the achievement of the success of the reform of the Bureaucracy in 43.4% and amounted to 56.6% by a variety of other factors. Therefore, Implementation of Strategic Planning, Learning Organization should be considered as important factors to enhance Success of Bureaucratic Reforms at National Civil Service Agency. The Recommendation are: a) involvement of employees and partners in formulating strategic planning will enhance the sense of belonging (sense of belonging) against the agencies where they work, therefore the leadership of the institution should instruct the ranks of his subordinates to always involve all stakeholders in formulating and implementing strategic planning; b) culture learning must be grown in every individual, with his servants, provide a model/example of the leaders.

Keywords: Bureaucratic reform, strategic planning, learning organization.

I. INTRODUCTION

Bureaucratic reform is considered fundamentally as an effort to renew government implementation system in order to run effectively and efficiently. It is aimed to accelerate management of good government that

allows national development in all aspects to run accordingly. Bureaucratic reform may not run based on expectation if governance is still loaded with irregularities either in public service administration or state asset management. In public service administration, the irregularities are

1. lack of efficiency, effectiveness and productivity of civil servants in running their tasks and functions;
2. employees planning that is based on subjective assessment, not based on position analysis, position classification, and work load analysis, thus the result still does not reflect the real needs of an organization, either in terms of amount, composition or qualification;
3. employees' remuneration and prosperity system that is not based on position weight, classification, and position competence, therefore it lacks in terms of motivating civil servants to have achievement, besides amount of salaries and allowances still have not fulfilled their needs to live properly, etc.

Targets of bureaucratic reform involve three sectors such as

- (a) institutional sector,
- (b) implementation sector, and
- (c) human resource development sector.

Reformation in institutional sector includes vision-mission, work culture, ethic code, and position map as well as organization structure and National Civil Service Agency work management. Reformation in implementation sector involves norm, standard, and procedure of main task implementation as well as function and achievement of National Civil Service Agency's mission. Reformation in human resource sector involves employees' system building, improvement of employees' competence, and effort of employees' prosperity improvement. An observation on several phenomena which can be considered as dominant factors in succeeding bureaucratic reformation needs to be conducted through a research. Therefore, it is required to obtain a proper, intact, and comprehensive description related to dominant factors as successful bureaucratic reformation on employees working at government institution.

In implementing bureaucratic reform, we need to relate the three aspects above through strategic planning applied by government institutions. In the other words, strategic planning becomes a reference in running its program and activity including bureaucratic reform activity. Referring to the strategic planning, efforts to conduct bureaucratic reform at government institutions have a strong rationale and can be more directives. Strategic planning is quite essential for organization; however it may become unimportant if it is not accompanied by proper implementation. The strategic planning like that is impossible to support bureaucratic reform. Thus, strategic planning implementation is assumed related to the successful bureaucratic reform.

Besides strategic planning, bureaucratic reform is also related to seriousness of organization to change itself to be better. That organization will always develop its capability through continuous learning process, thus it brings change of mind set and positive and constructive culture set. Considering the importance of continuous bureaucratic reform in government institution to encounter the dynamic of strategic environment change, a study on dominant strategic factors influencing success of bureaucratic reform at government institution environment is required.

The following table 1 shows Individual in-Depth Interview results focusing on success of bureaucratic reform at National Civil Service Agency through filling questionnaire which were distributed to 15 employees who hold bachelor degree:

Table 1
Result of Individual in-Depth Interview (IDI) to 15 Employees of
National Civil Service Agency in 2017

| No. | Question | Answer | | In % | | Note |
|-----|--|--------|----|------|------|-------------|
| | | Yes | No | Yes | No | |
| 1 | Current Bureaucratic Reform running in your institution creates more productive organization culture | 10 | 5 | 67 % | 33 % | Not optimal |
| 2 | Current Bureaucratic Reform running in your institution creates slight, effective, adaptive and flexible organization structure | 10 | 5 | 67 % | 33 % | Not optimal |
| 3 | Current Bureaucratic Reform running in your institution creates various standard of procedure that is implementable | 9 | 6 | 60 % | 40 % | Not optimal |
| 4 | Current Bureaucratic Reform running in your institution creates excessive minimum service standard | 10 | 5 | 67 % | 33 % | Not optimal |
| 5 | Current Bureaucratic Reform running in your institution leads the main task and function to be applicable | 12 | 3 | 80 % | 20 % | Optimal |
| 6 | Current Bureaucratic Reform running in your institution creates clear, measured, and implementable employees planning | 7 | 8 | 47% | 53% | Not optimal |
| 7 | Current Bureaucratic Reform running in your institution creates transparent, objective, and measured employees' career development | 5 | 10 | 33% | 67% | Not optimal |
| 8 | Current Bureaucratic Reform running in your institution creates improvement of employees' prosperity | 14 | 1 | 93% | 7% | Optimal |
| 9 | Success of current Bureaucratic Reform running in your institution due to dominant factor which is the implementation of measured strategic planning | 7 | 8 | 47% | 53% | Not optimal |
| 10 | Success of current Bureaucratic Reform running in your institution due to dominant factor which is continuous learning within organization | 10 | 5 | 66% | 33% | Not optimal |

Based on the result of IDI as presented in Table 1, it can be inferred that bureaucratic reform currently running in National Civic Service Agency has not yet showed optimum achievement referring to IDI related to indicators of success on bureaucratic reform in which out of 10 items, there were only 2 items answered by respondents that it shows 'success of Bureaucratic Reform at National Civic Service Agency' (> 75% of respondent) while the rest 8 questions show that indicators of Success on Bureaucratic Reform "have not yet optimal" (dH 67%). Therefore, a study on whether or not the application of strategic planning and learning organization can be significant and dominant variable that influence the Success of Bureaucratic Reform in government institutions.

II. LITERATURE REVIEW

2.1. Success of Bureaucratic Reform

Samodra Wibawa (2005: 207) states that reformation is a movement to change type and behavior of an order due to the order is no longer favored and appropriate to the needs of time either it is considered inefficient, unclear, or no longer democratic, and etc. Beside as reformation, movement of change can be in terms of revolution, transformation, development, modernization, etc. All terms, more or less, have the same essence; they are only different in terms of duration, goal, agent, target group, location and image. Weber in Shafritz Jay M, (2004:50-55) states that bureaucracy is the most rationale organization; even though he realizes weaknesses of bureaucracy, he still believes that the advantages are more than its disadvantages. Kettle (2000: 3-4) mentions that there are four fundamental reasons of bureaucratic reform:

- (a) Politic pressure after the cold war causing controversy about role of government that is more democratic or rebuilds civil society and rebuilds relation between government and citizen;
- (b) Economic issue that happened at the end of 1990 particularly financial crisis in Asia that have caused structural adjustment massively at mostly countries in Asia;
- (c) Effort in overcoming shifting from agricultural society to industrial society, and from industrial society to information based production society, from opened government to administrative reformation; and d) global involvement within different institutions that needs negotiation and partnership, various ideas of change and tactics with partner.

According to Jeddawi (2008:68), the real goal of reformation program is to improve quality of service to people not for merely bureaucratic enterprise. Related to that, development of quality and capability of human resource in public sector needs to be strived continuously and systematically; thus, reformation program will be implemented effectively and efficiently. Furthermore, strategic environment condition of government organization has been more developed which emphasizes existence of state apparatus that is transparent, clean and authoritative, reliable, religious, professional, effective and efficient. Dale S. Beach (2000:110) utters that efforts to actualize bureaucratic reform, role of human resource is one of determining factors of continuity and success of organization. Therefore, as an initial stage in human resource management implementation, it requires good human resource planning. Beach revealed 6 reasons why management should make human resource planning; they are:

- (a) Future personnel needs, which means human resource planning is very vital or important to ensure the future personnel needs;
- (b) Coping with change which means human resource planning can adjust organization to be adaptable toward change. The change that is marked by intense competition and rapid development of science and technology can cause the change of work load; the competence, quantity, and quality of human resources are required;
- (c) High-talent personnel which means human resource planning enables in gaining potential and talented human resources;
- (d) Strategic planning, each modern organization notices strategic planning. Meanwhile, human resource planning is an essential component in the strategic planning;

- (e) Equal employment opportunity which means human resource planning can generate an equal opportunity to personnel to acquire training, education, development, placement, and compensation;
- (f) Foundation for personnel functions, human resource planning gives essential information to employees' activities such as recruitment, selection, mutation, promotion, training, and work termination.

Based on the above explanation, what it is meant by success of bureaucratic reform is a success in the improvement of government implementation system in order to demonstrate good governance including aspects of institutional, management, and human resource development which can be observed through:

- (a) Adjustment of organization culture;
- (b) Availability of ethical code;
- (c) Accuracy of organization structure;
- (d) Application of standard of operational procedure;
- (e) Application of standard of minimum service;
- (f) Application of task and function;
- (g) Employees' planning;
- (h) Development of employees' career; and
- (i) Employees' prosperity.

2.2. The Implementation of Strategic Planning

According to Johnson and Scholes (1991:14), strategy as direction and long term scope to obtain advantage through configuration of natural resource and environment that change to achieve market needs and to fulfill expectation of related parties. Meanwhile, Mintzberg (1997:70) affirms about definition of strategy by using 5P acronym: strategy as perspective, strategy as positions, strategy as plan, strategy as patterns, and strategy as ploy which is a deceiving activity and tends to be confidential. According to Hax and Majluf (1991:430) strategic planning is a planning procedure conducted in a disciplined manner and well defined in order to arrange strategies of company completely accompanied by delegating responsibility in its implementation. Furthermore, they state that process of strategic planning is focused on strategic formulations and programs. Organization strategy is a final product of a thinking process involving internal and external environment observation and requires business mission that has been determined. Moreover, it requires a clearness of job description, responsibility, and authority in order to implement strategic planning properly. Robbins (1998:222) said, chain of command is unfractured authority from the highest level of organization to the lowest echelon, and it explains to whom one should make a report. Chain of command answers a question like "to whom do I have to face if I have a problem?", and "to whom should I be responsible?". In the concept of chain of command, there are two supporting concepts, authority and unity of command. Ansoff (1991:520) stated that in strategic planning, the future cannot be expected as the improvement of the past only. Therefore, an analysis on internal and external environment of

organization is needed. One of analysis methods to arrange organization's strategic planning is performed by analysis of strengths, weaknesses, opportunities, and threat (SWOT).

Based on the above explanation, what is meant by strategic planning is efforts to run strategy which is used to clarify purposes and goals of an organization in the future based on internal and external condition of organization through activities such as establishing commitment, arranging action planning, and controlling in which they are indicated by :

- (a) Employees' involvement in strategic activities;
- (b) Socialization of strategic planning;
- (c) Support of organization management;
- (d) Work team;
- (e) Human resource empowerment;
- (f) Person in charge of each activity;
- (g) Mechanism of evaluation; and
- (h) incentive giving.

2.3. Learning Organization

According to Senge (1990:370) learning organization is learning at organization which proactively generates, obtains, and transfers knowledge, and changes behavior based on knowledge and new insight. Meanwhile, Daft asserted that learning organization is a condition when each person involves in identifying and solving a problem, enables the organization to do experiment, to change, to do self-improvement, to continuously improve the capacity, to learn and to achieve goals. Marquardt then testified that learning organization is a process of an organization to learn effectively and collectively and to continuously transform itself to be better in managing and utilizing knowledge, empowering individual in and out of organization to learn while working and to utilize technology in maximizing process of learning and production. Linda Morris in Hadari Nawawi (2003: 178-179) states that characteristics of learning organization are:

- (a) Individual learning and the development should be linked to learning organization while the development is performed through clear and patterned way;
- (b) It focuses on creativity and capability to adapt;
- (c) Teams of all types are part of learning organization and working process;
- (d) Personal network and technology are used as supporting facilities that have important roles for learning and tasks completion;
- (e) Systematic thinking is considered fundamental;
- (f) Learning organization has a strength: a clear vision wherever and whenever members of organization are in and are stepping; and
- (g) learning organization will continuously improve and develop.

Marquardt (1994:52) states that there are five key skills needed to start and to maximize learning organization, they are:

- (a) Thinking in system, it is a conceptual frame that helps one to see the whole pattern clearly in order to improve his/her ability to change it;
- (b) Mental model, it is a deep basic assumption that influences point of view on a situation as in other words it is one's perspective on an event, situation, activity or concept;
- (c) Self-control, it is one's commitment to continuously learn, to improve and to complete his/her skill;
- (d) Direct self learning, it is a skill of how one can motivate his/herself to learn and to support learning process in his/her surroundings;
- (e) Dialog, it is a skill to communicate that based on skill to listen, skill to explore each other about the topic being discussed, and ability to refrain in order to not impose personal point of view. Through those skills, interaction pattern in a group can be comprehended.

Based on the previous explanation, definition of learning organization is an activity performed by an organization in managing knowledge to improve its self to be better including development of knowledge, dissemination of knowledge, and utilization of knowledge as efforts have been indicated :

- (a) Building learning culture;
- (b) Creating creativity;
- (c) Expanding the point of view;
- (d) Providing information;
- (e) Delivering idea;
- (f) Providing comprehension;
- (g) Improving behavior;
- (h) Improving performance, and
- (i) Building synergy.

III. METHOD OF RESEARCH

3.1. Research Design

This research aims at verifying and analyzing the influence between Implementation of Strategic Planning variable (X_1) and Learning Organization (X_2) toward Success of Bureacratic Reform (Y) at National Civil Service Agency as one of government institutions. It applies correlational survey on independent variables (X_1 and X_2) and dependent variable (Y). Regression analysis is applied to detemine correlation model among variables such as X_1 to Y and X_2 to Y , and simultaneously X_1 and X_2 to Y . Population are employees at National Civil Service Agency amounted to 108 people and samples are 60 respondents through the application of simple random sampling technique. Technique of data collection applied non-test

(questionnaire) and likert scale consisting of 5 categories: score of 5 = strongly agree/always, score of 4 = agree/often, score of 3 = neutral/sometimes, score of 2 = disagree/rare and score of 1 = strongly disagree/never. Data of research are analyzed using descriptive analysis (central tendency) and inferential analysis (correlation and multiple linear regression analysis) through the assistance of SPSS for Window program. Operational definition of the three variables are defined as follows:

3.2. Operational Definition of Variable

Success of Burecratic Reform (Y)

Success in improving government implementation system in order to create good government management involves improvement in institution, management, and human resource development which can be observed from:

- (a) adjustment of organization culture;
- (b) availability of ethic code;
- (c) appropriateness of organization culture;
- (d) implementation of standard operating procedure;
- (e) implementation of minimum service standard;
- (f) implementation of task and function;
- (g) employees' planning;
- (h) development of employees' carrier; and
- (i) employees' prosperity.

Implementation of Strategic Planning (X₁)

Efforts in running strategy employed to clarify direction and goals of organization's/institution's future based on internal and external environments condition of organization through the implementation of the following activities such as building commitment, arranging action planning and controlling which are indicated by

- (a) Employees' involvement in strategic activities;
- (b) socialization on strategic planning;
- (c) organization management support;
- (d) work team;
- (e) empowerment of human resource;
- (f) person in charge of each activity;
- (g) evaluation mechanism; and
- (h) incentive giving.

Learning Organization (X_2)

Activity conducted by organization in managing knowledge to improve its self to be better involves knowledge development, knowledge dissemination, and knowledge utilization as they have been indicated in the following efforts:

- (a) Building learning culture;
- (b) Creating creativity;
- (c) Expanding the point of view;
- (d) Providing information;
- (e) Delivering ideas;
- (f) Providing comprehension;
- (g) Improving behavior;
- (h) Improving performance, and
- (i) Building synergy.

3.3. Research Variables and Indicators

Variables of research consist of dependent variable (Y) which is success of bureaucratic reform while independent variables which are Implementation of Strategic Planning (X_1) and Learning Organization (X_2) with equation

$$Y = a + bX_1 + cX_2 + \epsilon$$

Each variable has indicators that can be seen in Table 2 as follows:

Table 2
Instrument Summary of Research Variable

| <i>Variable</i> | <i>Dimension</i> | <i>Indicator</i> | <i>Scale</i> |
|--|--|--|----------------|
| Success of Bureaucratic Reform (Y) | 1. Institutional Improvement | (a) Adjustment of organization culture; (b) availability of ethic code; (c) appropriateness of organization structure | Ordinal 1 to 5 |
| | 2. Management Improvement | (a) application of standard operating procedure; (b) application of minimum service standard; (c) application of task and function | |
| | 3. Improvement of Human Resource Development | (a) employee's planning; (b) development of employee's career; (c) employee's prosperity | |

Contd. table 2

| <i>Variable</i> | <i>Dimension</i> | <i>Indicator</i> | <i>Scale</i> |
|--|-------------------------------|--|---------------|
| Implementation of Strategic Planning (X_1) | 1. Building Commitment | (a) involvement of employees in strategic activities; (b) Socialization in strategic planning (c) Support of organization management | Ordinal1 to 5 |
| | 2. Arranging Action Planning | (a) Work team; (b) Empowerment of human resource (c) Person in charge of each activity | |
| | 3. Controlling | (a) Mechanism of evaluation (b) Incentive giving | |
| Learning Organization (X_2) | 1. Development of knowledge | (a) building learning culture; (b) Creating creativity (c) expanding point of view | Ordinal1 to 5 |
| | 2. dissemination of knowledge | (a) Providing information (b) delivering idea (c) providing comprehension | |
| | 3. Utilization of knowledge | (a) Improving behavior (b) Improving performance (c) building synergy | |

3.4. Research Instrumen Test Result

Before the application of research instrument, instrument trial to 30 respondents has been conducted in order to verify level of validity by using r formulation of pearson's product moment while instrument reliability is applied r formulation of Cronbach Alpha. Result of validity test for instrument on variables of Y, X_1 , X_2 is presented in Table 3 as follows:

Table 3
Validity and Reliability Verification on Y, X_1 and X_2 Variables

| <i>No</i> | <i>Variable</i> | <i>Number of Valid Instruments</i> | <i>r Count Value (Pearson)</i> | <i>Reliability Coefficient</i> | <i>Remark</i> |
|-----------|--|------------------------------------|--------------------------------|--------------------------------|--------------------|
| 1 | Success of Bureaucratic Reform (Y) | 38 | 0,352 – 0,822 | 0,93 | Valid and Reliable |
| 2 | Implementation of Strategic Planning (X_1) | 39 | 0,418 – 0,890 | 0,95 | Valid and Reliable |
| 3 | Learning Organization (X_2) | 43 | 0,380 – 0,778 | 0,93 | Valid and Reliable |

IV. RESEARCH FINDINGS

4.1. Descriptive Analysis

Descriptive analysis includes central tendency measurement such as range, minimum score, maximum score, average, standard error on success of bureaucratic reform (Y), Implementation of Strategic Planning (X_1), or Learning Organization (X_2). Data scoring applies Likert scale; score of 5 is strongly agree/always, score of 4 is agree/often, score of 3 is neutral/sometimes, score of 2 disagree/rare, and score of 1 is strongly disagree/never.

4.1.1. Descriptive Analysis on Mean Data of Success of Bureaucratic Reform

There were opinions from 60 respondents on 38 questions which reveal success of bureaucratic reform variable (Y) indicators as it can be seen in following Table 4:

Table 4
Descriptive Statistic Mean of Success of Bureaucratic Reform Variable (Y)

| <i>Mean of 38 item of Questionnaires</i> | <i>N</i> | <i>Range</i> | <i>Minimum</i> | <i>Maximum</i> | <i>Sum</i> | <i>Mean</i> | |
|--|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| | <i>Statistic</i> | <i>Statistic</i> | <i>Statistic</i> | <i>Statistic</i> | <i>Statistic</i> | <i>Statistic</i> | <i>Std. Error</i> |
| Y | 60 | 2,03 | 2,92 | 4,95 | 256,71 | 4,2785 | 0,0515 |
| Valid N (list wise) | 60 | | | | | | |

Based on table 4, average (mean) of 60 respondents’ opinions on 38 items of questionnaire on success of bureaucratic reform variable indicators at national Civil Service Agency obtains score of 4,2785 (it is equal to score of 4 = agree) by having standard of error 0,0515. It means that, in average, respondents ‘agree’ toward the existence of bureaucratic reform in National Civil Service Agency.

4.1.2. Descriptive Analysis on Mean Data of Implementation of Strategic Planning (X₁)

There were opinions from 60 respondents on 39 questions of implementation of strategic planning (X₁) indicators which can be seen in following Table 5:

Table 5
Descriptive Statistic Mean of Implementation of Strategic Planning (X₁)

| <i>Mean of 39 item of Questionnaires</i> | <i>N</i> | <i>Range</i> | <i>Minimum</i> | <i>Maximum</i> | <i>Sum</i> | <i>Mean</i> | |
|--|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| | <i>Statistic</i> | <i>Statistic</i> | <i>Statistic</i> | <i>Statistic</i> | <i>Statistic</i> | <i>Statistic</i> | <i>Std. Error</i> |
| X ₁ | 60 | 2,51 | 2,28 | 4,79 | 226,23 | 3,7705 | 0,0553 |
| Valid N (list wise) | 60 | | | | | | |

Based on table 5, average (mean) of 60 respondents’ opinions on 39 items of questionnaire on implementation of strategic planning variable indicators at national Civil Service Agency obtains score of 3,7705 (it is equal to score of 4 = agree) by having standard of error of 0,0553. It means that, in average, respondents ‘agree’ with the existence of implementation of strategic planning to achieve success of bureaucratic reform in National Civil Service Agency.

4.1.3. Descriptive Analysis of Learning Organization (X₂)

There were opinion from 60 respondents on 43 questions of Learning Organization (X₂) variable indicators which can be seen in the following Table 6:

Based on table 6, average (mean) of 60 respondents’ opinions on 43 items of questionnaire on learning organization (X₂) variable indicators at National Civil Service Agency obtains score of 4,0783 (it is equal to

Table 6
Descriptive Statistic Mean of Learning Organization (X_2)

| Mean of 43 item of Questionnaires | N | Range | Minimum | Maximum | Sum | Mean | |
|-----------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| | <i>Statistic</i> | <i>Statistic</i> | <i>Statistic</i> | <i>Statistic</i> | <i>Statistic</i> | <i>Statistic</i> | <i>Std. Error</i> |
| X_2 | 60 | 1,35 | 3,44 | 4,79 | 244,70 | 4,0783 | 0,0396 |
| Valid N (list wise) | 60 | | | | | | |

score of 4 = often) by having standard of error of 0,0396. It means that, in average, respondents concluded ‘often’ toward the implementation of learning organization in order to achieve success of bureaucratic reform in National Civil Service Agency.

4.2. Correlation and Multiple Regression Analysis

4.2.1. Test of Analysis Requirement

Before correlation and multiple regression analysis are conducted, the test which covers data normality test (see Table 7) and multicollinearity test (see Table 8 and 9) are conducted in the beginning. In this study, the two tests are completed; data of Y , X_1 , and X_2 variables are normally distributed and there is no correlation between independent variables, X_1 and X_2 due to correlation coefficient is less than 0,5 ($r = 0,320$) and they also have VIF (Variance Inflation Factor) value around 1 (VIF = 1,114) and tolerance value approximately 1 (0,897).

Table 7
Test of Normality Y , X_1 and X_2 (One-Sample Kolmogrov-Smirnov Test)

| | | X_1 | X_2 | Y |
|------------------------------------|----------------|--------|--------|--------|
| N | | 60 | 60 | 60 |
| Normal Parameters (a, b) | Mean | 3,7705 | 4,0783 | 4,2785 |
| | Deviation std. | ,42870 | ,30664 | ,39893 |
| Most Extreme | Absolute | ,103 | ,093 | ,104 |
| Differences | Positive | ,094 | ,093 | ,062 |
| | Negative | -,103 | -,090 | -,104 |
| Kolmogorov-Smirnov Z | | ,800 | ,717 | ,805 |
| Asymptotic Significance (2-tailed) | | ,544 | ,683 | ,535 |

Note: –Test Distribution is Normal
–Calculated from data

4.2.2. Correlation Analysis

Correlation analysis result between Implementation of Strategic Planning (X_1), Learning Organization (X_2) and Success of Bureaucratic Reform either partially (X_1 and Y , X_2 and Y) or simultaneously (X_1 , X_2 and Y) can be observed in the following Table 10 and Table 11.

Table 8
Test of Multicollinearity X_1 and X_2

| Model | | Collinearity Statistic | |
|-------|------------|------------------------|-------|
| | | Tolerance | VIF |
| 1 | (Constant) | | |
| | X_1 | ,897 | 1,114 |
| | X_2 | ,897 | 1,114 |

Dependent Variable: Y

Table 9
Coefficient Correlation

| Model | | | X_2 | X_1 |
|-------|-------------|-------|-------|-------|
| 1 | Correlation | X_2 | 1,000 | -,320 |
| | | X_1 | -,320 | 1,000 |
| | Covariance | X_2 | ,019 | -,004 |
| | | X_1 | -,004 | ,010 |

Dependent Variable: Y

Table 10
Coefficient Correlations X_1 and Y, X_2 and Y

| | | Y | X_1 | X_2 |
|-------|-------------------------|-----------|-----------|-----------|
| Y | Pearson Correlation | 1 | ,548 (**) | ,522 (**) |
| | Significance (2-tailed) | – | ,000 | ,000 |
| | N | 60 | 60 | 60 |
| X_1 | Pearson Correlation | ,548 (**) | 1 | ,320 (*) |
| | Significance (2-tailed) | ,000 | – | ,013 |
| | N | 60 | 60 | 60 |
| X_2 | Pearson Correlation | ,522 (**) | ,320 (*) | 1 |
| | Significance (2-tailed) | ,000 | ,013 | – |
| | N | 60 | 60 | 60 |

Note: ** Correlation at 0.01 (2-tailed): ...

– Correlation at 0.05 (2-tailed): ...

Based on the correlation analysis (Table 10), it obtains value of linear regression correlation coefficient of X_1 and Y for 0,548. It demonstrates that there is a positive and strong correlation between Implementation of Strategic Planning (X_1) and Success of Bureaucratic Reform (Y), and based on significance test, correlation between X_1 and Y is significant (Sig value = 0,00). Value of linear regression correlation coefficient of X_2 and Y is $r_{y_2} = 0,522$. This confirms that correlation between Success of Bureaucratic Reform (Y) and Learning Organization (X_2) is positive and sufficiently strong, and based on significance test, correlation

Table 11
Coefficient Multi Correlations X_1 , X_2 and Y

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Change Statistics | | | | |
|-------|---------|----------|-------------------|----------------------------|-------------------|----------|-----------------|-----------------|-----------------------|
| | | | | | R Square Change | F Change | df ₁ | df ₂ | Significance F Change |
| 1 | ,659(a) | ,434 | ,414 | ,30541 | ,434 | 21,832** | 2 | 57 | ,000 |

Note: Predictors: (constant) X_2 , X_1 ,...

** Very significant

F table ($\alpha : 0,01$) =7,08, F table ($\alpha : 0,05$) = 4,00

between X_2 and Y is significant (Sig value = 0,00). Determination coefficient value $R^2_{y.12}$ is 0,434 (see Table 11) and based on F test, the coefficient determination is significant. Significance F Change = 0,000 or F count value $>$ F table either at $\alpha : 0,05$ (21,832 $>$ 4,00) or at $\alpha : 0,01$ (21,832 $>$ 7,08). It indicates that Implementation of Strategic Planning (X_1) and Learning Organization (X_2) simultaneously contribute to Success of Bureaucratic Reform at National Civil Service Agency for 43,4%, and the remaining 56,6% is the contribution of other factors (External factor: politic stability, economy, safety, inconsistency of central government policy, and etc.), Thus, Implementation of Strategic Planning and Learning Organization is undeniable for achievement of Success of Bureaucratic Reform at National Civil Service Agency (Government Institution).

4.2.3. Multiple Regression Analysis

Variance analysis (ANOVA) result of the correlation between Implementation of Strategic Planning (X_1), Learning Organization (X_2) with Success of Bureaucratic Reform (Y) can be seen in Table 12 and Table 13 below:

Table 12
ANOVA

| Model | Sum of Squares | df | Mean Square | F | Significance |
|-------|----------------|-------|-------------|-------|--------------|
| 1 | Regression | 4,073 | 2 | 2,036 | 21,832 |
| | Residual | 5,317 | 57 | ,093 | ,000 |
| | Total | 9,390 | 59 | | |

Note: Predictors: (constant) X_2 , X_1 ,...

Dependent Variable: Y

F Table ($\alpha : 0,01$) = 7,08, F Table ($\alpha : 0,05$) = 4,00

Based on Variance Analysis (ANOVA) result as what has been presented in Table 12 and 13, it can be formulated multiple linear regression model of correlation between Implementation of Strategic Planning (X_1) and Learning Organization (X_2) with Success of Bureaucratic Reform (Y) is:

$$Y = 0,742 + 0,395X_1 + 0,502X_2$$

Table 13
Coefficients

| Model | | Unstandardized Coefficient | | Standardized Coefficient | T | Significance |
|-------|------------|----------------------------|------------|--------------------------|-------|--------------|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | ,742 | ,563 | | 1,317 | ,193 |
| | X_1 | ,395 | ,098 | ,424 | 4,030 | ,000 |
| | X_2 | ,502 | ,137 | ,368 | 3,670 | ,001 |

Note: Dependent Variable: Y

Significance test result on Regression Constanta is $a = 0,742$ which has been presented in Table 13 and revealed 'insignificant' due to sig value $> 0,05$ ($0,193 > 0,05$). It indicates that Constanta does not significantly influence the Success of Bureaucratic Reform at National Civil Service Agency. Regression coefficient significance test result of X_1 is $b = 0,395$ which has been presented in Table 13 and revealed 'significant' due to sig value $< 0,05$ ($0,00 < 0,05$); and regression coefficient significance test result of X_2 is $c = 0,502$ which has been presented in Table 13 and revealed 'significant' due to sig value $< 0,05$ ($0,01 < 0,05$). It indicates that regression coefficient either b or c influences value of Y. Significance test towards multiple simple regression model $Y = 0,742 + 0,395X_1 + 0,502X_2$ through F test revealed 'significance' due to F count $> F$ table either at $\alpha = 0,05$ ($21,832 > 4,00$) or at $\alpha = 0,01$ ($21,832 > 7,08$) or it can be seen from sig value of 0,00 lower than 0,05 (see Table 12). It confirms that $Y = 0,742 + 0,395X_1 + 0,502X_2$ model is very significant and undeniable to predict Success of Bureaucratic Reform at National Civil Service Agency (Government Institutions) by applying data of Implementation of Strategic Planning (X_1) and Learning Organization (X_2) if the data are confirmed. The model, however, indicates that each increase/decrease as 10 units of score of Implementation of Strategic Planning (X_1) and Learning Organization (X_2) simultaneously will be followed by increase/decrease of achievement of Success of Bureaucratic Reform for $0,742 + 0,395(10) + 0,502(10) = 9,7$ units of score at Constanta of 0,74. If Implementation of Strategic Planning is 0 ($X_1 = 0$) and Learning Organization is 0 ($X_2 = 0$), achievement of Success of Bureaucratic Reform averagely is 0,742 unit.

V. DISCUSSION

There is positive and significant correlation between the implementation of strategic planning and learning organization simultaneously with success of bureaucratic reform. The positive and significant correlation is revealed by regression equation of multiple regression between independent variable and dependent variable, $Y = 0,742 + 0,395X_1 + 0,502X_2$. The equation means that each increase/decrease of 10 units of implementation of strategic planning (X_1) and Learning Organization (X_2) simultaneously will generate the increase/decrease on achievement of success of bureaucratic reform by having average $0,742 + 0,395(10) + 0,502(10) = 9,7$ units at constanta of 0,74. If the implementation of Strategic Planning is 0 ($X_1 = 0$) and Learning Organization is 0 ($X_2 = 0$), average score on the achievement of Success of Bureaucratic Reform is only 0,742 unit.

Dale S. Beach (2000:110) stated that effort to create bureaucratic reform, role of human resource is one of determining factors toward continuity and success of organization. Beach declared 6 reasons why human resource planning is required, they are:

- (a) Future personnel needs,
- (b) Coping with change,
- (c) High-talent personnel,
- (d) Equal employment opportunity,
- (e) Foundation for personnel functions

The five reasons describe how important human resource planning is as a vital part of 'Strategic Planning' due to human resource is agent of change for an organization to be better, such as Bureaucratic Reform in Government Institutions. Competent and talented human resources can apparently arrange and adjust the 'Strategic Planning', therefore it can be implemented properly in an organization. Dynamic change among enterprises and industries is marked by intense competition and rapid development of science and technology as it implicated to the need of competent and potential human resources to implement strategic implementation that has been organized by an organization. Therefore, system of giving equal opportunity to all employees to get training, education, development, placement, and compensation is demanded, thus, the escalation of human resource planning can give essential information about career planning such as recruitment, selection, mutation, promotion, training, and retired or work termination. The consistent implementation of strategic planning will focus on reforming organization resource to be organization vision. Effort to actualize this organization vision is synchronized with bureaucratic reform spirit in which fundamentally it is a basic improvement effort of work mechanism through development of institutional, management, and human resource systems. Thus, the implementation of strategic planning will positively implicate to the success of bureaucratic reform.

Furthermore, Marquardt (1994:52) stated that there are 5 key skills required to start and to maximize learning organization, they are:

- (a) Thinking in system/holistic
- (b) Mental model
- (c) Self-control
- (d) Direct learning
- (e) Ability to communicate

The five key skills above are necessarily developed and to become organization culture since organization members either individually or collectively has the five 'key skills', the bureaucratic reform will be easier to implement considering the five skills indicate some points such as the characters to easily adapt, having logic perspective to situation, activity or concept, and high commitment to continuously learn, high motivation to seek experience, and having good communication skill.

VI. CONCLUSION AND RECOMMENDATION

6.1. Conclusion

- (a) The success of bureaucratic reform at National Civil Service Agency can be improved through the improvement of Strategic Planning implementation and Learning Organization

- (b) The Implementation of Strategic Planning (X_1) and Learning Organization (X_2) simultaneously contribute to the achievement of success of bureaucratic reform at National Civil Service Agency for 43,4% and the remaining 56,6% is influenced by other factors (external factors).
- (c) The consistent Implementation of Strategic Planning can improve the success of bureaucratic reform, besides, internal control must be run effectively particularly main task and function control of the employees through measured evaluation mechanism, and offset by adequate incentive giving (reward).
- (d) Continuous and sustainable Learning Organization will improve success of bureaucratic reform; thus, it emphasizes equal opportunity to all employees to improve knowledge and skill through various trainings.

6.2. Recommendation

- (a) Involvement of employees and partners in formulating strategic planning will enhance the sense of belonging toward the
- (b) agency, therefore the leader of the institution should instruct his/her subordinates to continually involve all stakeholders in formulating and implementing strategic planning.
- (c) Culture learning must be promoted in every individual, with his employees through providing a model/example of the leaders.

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