

**EVALUATING PROMOTION POLICY FOR NON-
PERMANENT EMPLOYEES TO BE CIVIL
SERVANTS: A Case of Temanggung, Indonesia**

Report

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ABBREVIATIONS

APBD	:	<i>Anggaran Pendapatan dan Belanja Daerah</i> (Local Budget, APBD I for Provincial Budget and APBD II for Regency or City Budget)
APBN	:	<i>Anggaran Pendapatan dan Belanja Negara</i> (National Budget)
BKD	:	<i>Badan Kepegawaian Daerah</i> (Local Civil Service Agency)
BKN	:	<i>Badan Kepegawaian Negara</i> (National Civil Service Agency)
BAPPENAS	:	<i>Badan Perencanaan Pembangunan Nasional</i> (National Planning and Development Agency)
DUK	:	<i>Daftar Urut Kepangkatan</i> (The List of Personnel Rank)
DP3	:	<i>Daftar Penilaian Prestasi Pegawai</i> (The List of Assessment of Personnel Achievement)
GR	:	Government Regulation
NIRTH	:	<i>Nomor Induk Registrasi Tenaga Honorer</i> (Non-permanent Employee Identity Number)
NIP	:	<i>Nomor Identitas Pegawai</i> (Identity Number of Civil Servant)
PERDA	:	<i>Peraturan Daerah</i> (Local Government Regulation)
PNS	:	Pegawai Negeri Sipil (Civil Servant)
PUSKESMAS	:	<i>Pusat Kesehatan Masyarakat</i> (Public Health Service)
SKCK	:	<i>Surat Catatan Kepolisian</i> (Police clearance Recommendation)
UNDP	:	United Nations Development Program
UUD 1945	:	<i>Undang-undang Dasar 1945</i> (the Indonesian Constitution)

GLOSSARY

- Cancelled of non-permanent Employee : Non-permanent employees who have been accepted based on the announcement of *Diponegoro University* via online. They were selected and accepted based on the administrative selection but their name unlisted in the official announcement.
- Civil Servant : People who work for governmental agencies, with the main duty of implementing government's policies and delivering public service.
- Critical Age of Non-permanent Employee : Non-permanent employees who have reached their 46's, yet their tenure have not reached 10 year in 31 December 2005.
- Formation : The criteria and kinds of position of civil servant.
- The First Category of Non-permanent Employee : Non-permanent employee paid by *APBN/APBD*
- The Second Category of Non-permanent Employee : Non-permanent employee paid by non *APBN/APBD*
- Good Governance : Good governance entails sound public sector management (efficiency, effectiveness and economy), accountability, exchange and free flow of information (transparency), and a legal framework for development (justice,

respect for human rights and liberties).

- Merit System : The recruitment system of employee system which based on skill, expertise, and competency standard in order to get the best person or employee for available positions.
- Personnel Administration : A national staffing management process initiating from determining formation, recruiting, developing, transferring to other posts, establishing remuneration, improving civil service prosperity and retiring based on standardized norms and fixed procedures.
- Recruitment : The process of acceptance of new employees (civil servants), in accordance with merit principles through the process of registration, selection, placement and promotion in attracting the most qualified candidates.
- Zero Growth Plus : The recruitment of civil servant for substituting civil servants undergoing the pension phase except for teachers, paramedics, and technical staffs.

TABLE OF CONTENTS

ACKNOWLEDGEMENTS	ii
ABBREVIATIONS.....	iii
GLOSSARY	iv
TABLE OF CONTENTS.....	vi
LIST OF FIGURES	ix
LIST OF TABLES	x
ABSTRACT	xii
 CHAPTER I INTRODUCTION	
1.1. General Background.....	1
1.2. Research Questions	3
1.3. Objectives of the Study	4
1.4. Significance of the Study	5
1.5. Organization of the Report.....	5
 CHAPTER II DEFINITIONS AND CONCEPTS	
2.1 The Concept of Personnel Administration	7
2.1.1 The Concept of Civil Servant.....	7
2.1.2 Recruitment	9
2.2 Merit System.....	12
2.3 Good Governance	14
2.4 Agency Theory	16
2.5 Recruitment based on the Act Number 8 Year 1974	18
2.6 Recruitment based on the Government Regulation Number 48 Year 2005	19
2.7 Concluding Remarks	20
 CHAPTER III ANALYSIS OF SOCIAL SETTING	
3.1. General Description of Temanggung Regency Area	22
3.2. The Vision and Mission of Temanggung Regency	26
3.3. Personnel Administration	27
3.3.1. Civil Servant Condition.....	27
3.3.2. Non-permanent Employee Condition	29

CHAPTER IV RESEARCH METHOD

4.1	Type of Research	35
4.2	Location	36
4.3	Focus of Research	36
4.4	Data Source.....	37
4.5	Data Collection Process	37
4.6	Design of Data Analysis.....	38
4.7	Validity of Data	40
4.8	Research Framework.....	42

CHAPTER V STAKEHOLDERS

5.1	B K N	43
5.2	B K D of Central Java Province.....	44
5.3	B K D of Temanggung Regency	44
5.3.1	Bureaucratic Structure	45
5.3.2	Human Resources	51

CHAPTER VI IMPLEMENTATION OF GR NUMBER 48 YEAR 2005

6.1	Data Gathering of Non-permanent Employees	56
6.2	Promotion Process	59
6.3	The Mechanism of Proposing NIP.....	67
6.4	General Obstacles	69

CHAPTER VII DISCUSSION

7.1	The Comparison Between Act Number 8 Year 1974 and Government Regulation Number 48 Year 2005.....	71
7.2	The Consistency of Government Regulation Number 48 Year 2005 to Its Implementation.....	77
7.2.1	The Consistency Between Implementation of Government Regulation No. 48/2005 to Its Contents	77
7.2.2	The Consistency Between Implementation of Government Regulation No. 48/2005 to Its Objectives	80

CHAPTER VIII IMPACTS

8. The implementation Impacts of GR No. 48/2005	84
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CHAPTER IX CONCLUSIONS AND RECOMENDATIONS

9.1 Conclusions	88
9.2 Recommendations	91

REFERENCES	92
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LIST OF FIGURES

3.1 Map of Indonesia.....	23
3.2 Map of Central Java	24
3.3 Map of Temanggung Regency	25
4.1 Components of Data Analysis	40
4.2 Research Framework.....	42
5.1 Diagram of Stakeholders in the implementation of Government Regulation No. 48/2005 in Temanggung Regency	43
5.2 The Organization Chart of BKD of Temanggung Regency Based on Local Government Regulation No. 7 Year 2004	46
5.3 The Organization Chart of BKD of Temanggung Regency Based on Local Government Regulation No. 16 Year 2008.....	49
7.1 The Proportion of The First Category of Non-Permanent Employees in Temanggung Regency Year 2005.....	82

LIST OF TABLES

2.1	The Five Principles of Good Governance.....	16
2.2	Conceptual Framework.....	21
3.1	The Number of Population per-District of Temanggung Regency.....	23
3.2	The Spread of Civil Servants in Temanggung Regency Based on Working Units	28
3.3	The Number of Civil Servants by rank in Temanggung Regency	29
3.4	The Ranks and Job Classes of Non-permanent Employee in Temanggung Regency.....	31
3.5	The Salary List of Non-permanent Employee in Temanggung Regency .	33
3.6	Non-permanent Employee condition based on Formation and Degree of Education	34
5.1	The Name List of BKD Officials Based on <i>PERDA</i> No. 7/2004	52
5.2	The Name List of BKD Officials Based on <i>PERDA</i> No. 8/2008	52
5.3	The Structure of Steering Committee	54
5.4	The Structure of Technical Recruitment	55
6.1	The Number of the First Category of Non-permanent Employee Listed as based on Formation and Degree of Education	57
6.2	The Number of The First Category of Non-permanent Employee Listed as based on Formation and Personnel Authority	58
6.3	The Number of The Second Category of Non-permanent Employee Listed as based on Formation and Degree of Education	58
6.4	Civil Servant Allocation of Temanggung Regency Year 2005.....	60
6.5	Civil Servant Allocation of Temanggung Regency Year 2006.....	62
6.6	Civil Servant Allocation of Temanggung Regency Year 2007.....	63
6.7	Civil Servant Additional Allocation of Temanggung Regency Year 2007 .	64
6.8	Civil Servant Allocation of Temanggung Regency Year 2008.....	65
6.9	Civil Servant Allocation of Temanggung Regency Year 2009.....	66
7.1	The Contradiction between Act No. 8/1974 and GR No. 48/2005.....	83

7.2	The Contradiction between GR No. 48/2005 and Its Implementation	83
8.1	Regencies/Cities with the Personnel Expenditure more than 60% (2011)	86
8.2	The Percentage of Personnel Expenditure of Temanggung (2005-2011)	86

ABSTRACT

This study is designed to describe and analyze the implementation of Government Regulation Number 48 Year 2005 on The Promotion of Non-Permanent Employee to be Civil Servant in Temanggung Regency, Indonesia. The regulation was issued to appreciate the dedication of non-permanent employees who have worked for government organizations at least one year in December 1, 2005. The promotion process had been implemented since 2005-2009 and it was prioritized for teachers, paramedics, agricultural extensions, and technical staffs.

This research employs qualitative method. For data collection, the researcher conducted field work and used multiple sources. In this respect, in dept interview was conducted and various data in forms of documents, regulations, etc. were collected.

The research results show that the implementation of Government Regulation Number 48 Year 2005 generated several problems both in Local and central government such as the dichotomy definition of non-permanent employee into the first and the second categories of non-permanent employees. The first category had guarantee to be promoted to be civil servant but not for the second one. In the case of Temanggung, up to now, all of the second category could not be promoted to be civil servant.

Based on the analysis, it can be concluded that the Government Regulation Number 48 Year 2005 was not consistent with Act Number 8 Year 1974 on Public Personnel Principles. In addition, the implementation of the Regulation Number 48 Year 2005 caused several negative impacts such as the huge number of civil servant and becoming additional budget burden for the government. Referring to its inconsistency and the negative impacts raised, the researcher pointed out that it is no chance for such Government Regulation to be further implemented.

Based on the empirical findings, the researcher provides recommendations such as: in terms of recruitment of civil servant, the Indonesian Government should apply the principles of good governance and merit as well as avoid political interest. Moreover, in order to recruit qualified civil servants, government has to arrange the demand of civil servants based on the job analysis, organization needs, and the financial ability.

CHAPTER I

INTRODUCTION

This chapter presents the background and design of the study. The background of the study provides general description of Government Regulation Number 48 Year 2005 on the promotion of non-permanent employee to be a civil servant in terms of definition of non-permanent employee, types of formations and the priority of formation which can be promoted. In addition, the negative impacts of such policy implementation are briefly observed. Moreover, to clarify the research direction, objectives of the study, research questions, significance of the study, and chapter outline are presented.

1.1. General Background

In 2005, the Indonesian Government issued Government Regulation Number 48 Year 2005 on Non-permanent Employee to be A Civil Servant. The regulation aimed to promote non-permanent employee to be civil servant as appreciation for their dedication as public services and it had been implemented during 2005-2010.

The object of this policy was non-permanent employees; it was defined as an employee who is appointed by government official and works for government organization. Furthermore, it was divided into two categories based on the salary. The first category is non-permanent employee paid by *APBN/APBD* and the second one paid by non *APBD/APBN*. The first category was guaranteed to be promoted as civil servants, while the second category was not.

The first category was set up in the list based on age, tenure, and formation. The maximum age of non-permanent employees was 46 year and minimum was 18 year with minimum tenure was 2 years by 31 December 2005. Then promotion of non-permanent employees was prioritized for teachers, paramedics, agricultural extensions, and technical staffs.

In the following promotion process, they must pass selections of: discipline, integrity, and medical test. In addition, they should follow administrative selection which was distinguished from the general candidates. The distinction between non-permanent employee and general candidate was discrimination as opposed to merit principle.

Due to discrimination of recruitment, the objective of the policy written in Government Regulation Number 48 Year 2005 to fulfill the requirement of civil servants both in central and local government in the formation of teachers, paramedics, agricultural extensions, and technical staffs could not be achieved. The implementation of the policy generated several problems that could not be solved up to now, such as: increasing the number of civil servant from 3.6 million in the end of 2005 to 4.5 million by 2010. The huge number of civil servants makes a burden for government's budget (<http://www.antaranews.com/berita/264141/menkeu-jumlah-pns-cukup-tinggi-beratkan-anggaran-pemerintah>, retrieved on December 27, 2011).

In the level of local government (Temanggung Regency), promotion of non-permanent employee to be civil servants is unable to fulfill the requirement of elementary school's teachers. As of end 2011, Temanggung is requiring additional 500 elementary school's teachers.

(<http://www.mediaindonesia.com/read/2011/06/08/232262/289/101/Temanggung-Kekurangan-500-Guru-SD>, retrieved December 27, 2011).

Taking this general background into consideration, it is interesting to explore the arising negative impacts of such policy implementation. As stated that the objective of the policy is to fulfill the requirement of civil servants in the position of teachers, paramedics, agricultural extensions, and technical staff, but in facts, the implementation did not meet the expectation, even it generated negative impacts in central and local government. Therefore researcher would like to describe and evaluate the implementation of Government Regulation Number 48 Year 2005 which conducted by BKD of Temanggung.

1.2 Research Questions

To guide this research to be focused, researcher formulates research questions as follows:

1. Who were stakeholders involved in the implementation of Government Regulation Number 48 Year 2005 in Temanggung Regency? (chapter V)
2. How did BKD Temanggung implement the Government Regulation Number 48 Year 2005? (chapter VI)
3. Was the Government Regulation Number 48 Year 2005 followed the Government Regulation Number 8 Year 1974 in terms of Civil Servant Recruitment? (chapter VII)
4. What are the implementation impacts of Government Regulation Number 48 Year 2005? (chapter VIII)

1.3. Objectives of the Study

1. To describe the stakeholders involved in the implementation of Government Regulation Number 48 Year 2005 in Temanggung Regency;
2. To describe the implementation process of government regulation number 48 year 2005 in Temanggung Regency;
3. To analyze the comparison between government regulation number 48 year 2005 and Act Number 8 Year 1974;
4. To describe the implementation impacts of Government Regulation Number 48 Year 2005.

1.4 Significance of the Study

1. Theoretically, this study will contribute to the enrichment of public administration theories, especially related to the issue of civil service management in order to shape good governance through accepting only a qualified civil servant.
2. Practically, this study could evaluate the existing practices and provide recommendation for better practices for all stakeholders in implementing Government Regulation Number 48 Year 2005.

1.5 Organization of the Report

This research report is divided into these following nine chapters:

- Chapter I : provides the general background, research questions, objectives of the study, significance of the study, and organization of the report.
- Chapter II : presents concepts and definitions. This chapter describes some key concepts and definitions, including some definitions of public

personnel administration, civil servants, good recruitment of civil servants, good governance, merit system, and agency theory. In addition, this chapter also presents the provisions of the recruitment of civil servant based on Act Number 8 Year 1974 and Government Regulation Number 48 Year 2005.

Chapter III : describes the situation of Temanggung Regency as locus of research including general description of Temanggung; Vision and Missions; the number of civil servants in the recent year and the number of non-permanent employees before the implementation of Government Regulation Number 48 Year 2005.

Chapter IV : presents the research method. To conduct a sound research, researcher has to use an appropriate research method. This part will depict what an appropriate research method is, type of research, location, research foccus, data collection, design of analysis data, data validity, and research framework.

Chapter V : describes and analyzes the stakeholders involved in the implementation of Non-Permanent Employee to be Civil Servant.

Chapter VI : describes the implementation of the government regulation Number 48 Year 2005: data gathering, stakeholders, promotion process, mechanism of proposing NIP, and general obstacles during 2005-2009.

Chapter VII : discusses and compares the differences in recruitment of civil servant between Act Number 8 Year 1974 and Government

Regulation Number 48 Year 2005. In addition, this chapter also analyzes whether the implementation of Government Regulation Number 48 Year 2005 was consistent to its content and objective or not.

Chapter VIII : describes the implementation impacts of Non-Permanent Employee to be Civil Servants in local and national levels.

Chapter IX : concludes the study, and provides recommendations to all stakeholders.

CHAPTER II

CONCEPTS AND DEFINITIONS

This part presents the concepts and definitions of public personnel administration, civil servants, and recruitment of civil servant which quoted from various literatures. In gaining a competence of civil servants, recruitment system should be based on good governance and merit principles. In addition, the process has to avoid political interest. In accordance with the best system of recruitment of civil servant, researcher also reviews some literatures to explain the concepts of good governance, and merit system.

2.1. The Concept of Personnel Administration

Personnel administration plays important position in assuring public service continuity. As mentioned by Henry (2004:250), personnel administration or public human resource management becomes the administration of policymaking for people and positions in the public sector.

According to Mayer-Sahling (2002:10), civil service system allocates civil servants in the administrative, promotes, and transfers civil servants as well as the decision to admit new members of the civil service.

The scope of personnel administration includes job classifications; compensation and benefits; recruitment; selection and promotion; training and employee development; employee performance appraisal; and work environment (Stehr and Jones: 1999:37). According to Armstrong (Pasolong, 2008:151), personnel management consist of four elements (1) how to recruit, motivate, and develop employees needed by an organization in order to achieve the

organizational goals; (2) how to develop organizational structure and work climate to obtain commitment and cooperation within the organization; (3) how to utilize best skills and capacity within the organization; (4) how to fulfill the social and legal responsibilities of an organization to its employees particularly in the work condition and quality.

Referring to those definitions, we can conclude that personnel administration becomes a national staffing management process initiating from determining formation, recruiting, developing, transferring to other posts, establishing remuneration, improving civil service prosperity and retiring based on standardized norms and fixed procedures.

2.1.1 The Concept of Civil Servant

In public organization, civil servants who are working in government agencies play as key human resource. Laveriza (Sulardi, 2005:30) identified that every government agency, in any location, is initiated, managed, specified and implemented by a group of people called by civil servants. In order to guarantee that the public service is delivered properly, government should assign officers who have good reputation and character as well as competence (Henry, 2004:251).

Islamy classified civil servant management into four categories:

1. The political executive system;

Government officers assigned to be decision makers while at the same time they are not civil servants.

2. The general civil service;

The official personnel occupied higher positions without following the standard recruitment system. They got their position because of

compensation of relationship. It can also be defined as “Spoil System”.

3. The professional career system;

Full-time professional personnel with planning, progressive (based on development system), and hierarchic career (based on professional skills).

4. The collective system;

Personnel recruitment based on cooperation contractual between labors and government (coalition). This system is successful flourishes in the developed countries such as USA, France and Germany (Soelardi, 2005:29).

The previous definitions argued that civil servant is he/she who is working for government, implementing governmental policies, and ensuring public service course. Meanwhile, Act Number 43 Year 1999 reflected that Indonesia implemented the Professional Career System even though in recent years, the issue of Government Regulation Number 48 Year 2005, Indonesia tends to shift to the General Civil Service (Spoil System).

2.1.2. Recruitment

The civil servant recruiting or hiring process can determine the quality of organization in the future. If an organization makes a mistake in selecting candidate of employees, the organization's sustainability will be threatened. On the contrary, the organization will have a bright future by choosing the right employees.

Rynes and Breaugh (Fisk and Skatebo, 2010:3) defined recruitment as “all organizational practices and decisions affecting either the number or types of individuals willing to apply, or to accept, a given formation”. Recruitment consists of a set of activities used to obtain a sufficient number of the right people at right time from the right places (Nickels et al., in Briggs, 2007: 142). It aims for selecting those who best meet the needs of the work place, and for developing and maintaining a qualified and adequate workforce in order to fulfill its human resources plan (Briggs, 2007: 142).

Simamora (Sulastri, 2010:82) suggested that recruitment as a series of activities to locate and attract candidates with motivation, skills, abilities, and knowledge which required covering staff shortages identified in the staffing plan. As mentioned by Amstrong (Mukoro, 2005:34), recruitment and selection are processes of obtaining at minimum cost, the number and quality of staff required to satisfy the manpower needs of organizations. Downs (Sulastri, 2010:82) believed that good recruitment becomes very vital for the organization and turns out to be a rational process for any organization.

Islamy (2001:20) asserted that recruitment is the process of acceptance of new employees, in accordance to merit system principles through the process of registration, selection, placement and promotion in attracting the most qualified candidates to obtain the formation and tasks of government.

In the personnel administration or management of civil service, the process of recruitment becomes a significant role. Because of the

significance of an effective recruitment strategy, government must select the best candidates in each formation. The government should implement the principles of good governance based on the merit system in assuring the acceptance of competent candidates of civil servants.

The Requirements and the Stages of Recruitment

The requirement for being civil servant is stipulated in Act Number 8 Year 1978 on the Public Personnel Principles and Government Regulation Number 98 Year 2000 on Civil Servant Recruitment. It is stipulated that the general requirements are:

1. Indonesian citizen;
2. The minimum age when apply must be 18 and the maximum age 35 years old;
3. Have adequate education, skill, and capability as required.

In order to obtain a competent civil servant, the process of recruitment should undergo some selection stages. Thoha proposed guidelines should be implemented by government for recruiting a qualified civil servant. He classified the steps in hiring process into: *accepting candidates' application; testing; test result's ranking; determining the main candidates; proposing Identity Number of Civil Servant (NIP) to BKN (National Civil Service Agency); promoting to be a civil servant; assigning formations; and orientating (1983:33).*

He also expressed that to get a qualified civil servant, the hiring process should be based on the formation and organizational needs (1983:21), and it must avoid a corruption, collusion, and nepotism.

Meanwhile, Siagian (Sulastri, 2010:86-88) wrote that the selection process consists of eight steps such as: *accepting letter of application; testing; interviewing; checking documents; evaluating medical condition; interviewing with supervisors; selecting decision; accepting candidates.*

In addition, Act Number 8 Year 1974 has introduced the principle of merit in public personnel management of Indonesia in terms of civil servant recruitment. The merit principle is more obvious in the article 7 of Government Regulation Number 98 Year 2000; it states that civil servant must pass the tests of: *competency and psycho test.*

To control the number of civil servants growth, the Government of Indonesia has issued *zero growth plus* policy. It implies that recruitment of civil servant is only implemented to replace those are in the pension phase except for teachers, paramedics, and technical staffs.

Academically, the recruitment of civil servant should be based on the principles of good governance, merit, and agency theory. The principle of good governance directs the recruitment process must be in line with the other regulations (legal compliance), while merit principle guarantees the recruitment process will get the best employee in every positions, and principle agency prevents the involvement of political interest in the recruitment process.

2.2. Merit System

The history of merit system can be traced from Young's writing (1958). In his writing he introduced the terminology of "meritocracy", and history revealed that Venice in 18th century had been implemented this system. According to the system, the citizens are ranked by their result in all of sectors such as in

academic life, trade, art and so on to be appointed in the republic council. Another implementation of the system was in The Great Ducat of Finland in 19th century considering an autocracy as the executive structures of power persons belonging to the wealth class (Matei & Popa, 2010:1).

Meanwhile, the definition of merit system (Matei & Popa, 2010: 1) is government or organization form in which the appointments are made and duties are assigned on the bases of abilities and talent. On the other hand, the appointments must not base on wealth (plutocracy), origin, family connection (nepotism), class privilege (aristocracies), the right of first born, popularity (democracy) or due to other key factors concerning social Formation or political power. In the simple definition, merit can be defined as choosing the best person or employee for each Formation or job.

Another definition is provided by Stahl (1962). He asserted that merit system in modern governance beame personnel system comparing between skill and achievements to determine individual selection and his career in a governmental organization. Furthermore, the performance quality also significantly contributes to the service continuity (Soelardi, 2005:28).

After knowing several definitions of merit system, the next step is to find out what the merit principles is. According to the USA Civil Service Report Act of 1978, the merit system principles related to the recruitment of civil servants as follows:

1. Recruitment should be from qualified individuals from appropriate sources in an endeavor to achieve workforce from all segment of society, and selection and advancement should be determined solely on the basis of relative ability, knowledge, and skills, after fair and open competition which assures that all receive equal opportunity;
2. All employees and candidates for employment should receive and equitable treatment in all aspect of personnel management without

regard to political affiliation, race, color, religion, sex, marital status, age, or handicapped condition, and with proper regard for their privacy and constitutional rights (Buford, Jr. and Lindner, 2002:36).

However, sometimes merit system is difficult to be implemented. McCourt explained several obstacles which making difficult to implement merit system:

1. *Political patronage (clientelism) and nepotism.* Financial corruption, while common, is usually covert because it is widely disapproved of whereas in many countries the 'patron' can present himself or herself as a social altruist, discharge a noble obligation to political supporters, family members and others. This makes it harder to eradicate even by enforcing anti-patronage rules. Of course appointments on the basis of either kinship or money will have equally negative consequences for state performance.
2. *Discrimination.* Generally, the practices of discrimination in job environment are based on gender, race or other irrelevant personal factors. It is a damaging irony, for example, that government having gender issues at the heart of their policies may discriminate against women, consciously or unconsciously, when appointing their own staff. Appointment practices should be 'audited' to eliminate any kind of institutional discrimination.
3. *Definitions of merit.* A faulty definition of merit may facilitate corruption. Firstly, if merit is defined to mean merely 'able to do the job', and there are many candidates thus able. Selectors can exploit the resulting ambiguity to appoint their (barely able) relative or supporter in preference to another (outstandingly able) candidate. It will be harder for a patron to appoint a client into a job where knowledge and skill requirements are precisely specified than into one where they are left vague. This is a subtle but important to the government to make a clear definition and direction in the civil service management (2007: 4).

2.3. Good Governance

According to the World Bank (UN, 2006: 4), good governance entails sound public sector management (efficiency, effectiveness and economy), accountability, exchange and free flow of information (transparency), and a legal

framework for development (justice, respect for human rights and liberties). While the Overseas Development Administration of the United Kingdom of Great Britain and Northern Ireland (now the Department for International Development), defines good governance by focusing on four major components namely legitimacy (government should have the consent of the governed); accountability (ensuring transparency, being answerable for actions and media freedom); competence (effective policymaking, implementation and service delivery); and respect for law and protection of human rights (UN, 2006:4).

Surendra Munshi (UN, 2006:4) defined good governance “signifies a participative manner of governing that functions in a responsible, accountable and transparent manner based on the principles of efficiency, legitimacy and consensus for the purpose of promoting the rights of individual citizens and the public interest, thus indicating the exercise of political will for ensuring the material welfare of society and sustainable development with social justice”. Another definition came from Paul Hirst (UN, 2006: 4) good governance means “creating an effective political framework conducive to private economic action: stable regimes, the rule of law, efficient state administration adapted to the roles that Governments can actually perform and a strong civil society independent of the State”.

The Five Principles of Good Governance

In order to give guidance in the implementation of good governance, UNDP released good governance principles. According to the United Nations Development Program (UNDP) in “Governance and Sustainable Human Development,” (1997), good governance has five principles: legitimacy and voice, direction, performance, accountability, and fairness. Table 2.1 presents those five principles of good governance.

Table 2.1 The Five Principles of Good Governance

Five Principles of Good Governance	
The Five Good Governance Principles	The UNDP Principles and related UNDP text on which they are based
1. Legitimacy and Voice	<p>Participation – all men and women should have a voice in decision-making, either directly or through legitimate intermediate institutions that represent their intention.</p> <p>Such broad participation is built on freedom of association and speech, as well as capacities to participate constructively.</p> <p>Consensus orientation – good governance mediates differing interests to reach a broad consensus on what is in the best interest of the group and, where possible, on policies and procedures.</p>
2. Direction	<p>Strategic vision – leaders and the public have a broad and long-term perspective on good governance and human development, along with a sense of what is needed for such development. There is also an understanding of the historical, cultural and social complexities in which that perspective is grounded.</p>
3. Performance	<p>Responsiveness – institutions and processes try to serve all stakeholders.</p> <p>Effectiveness and efficiency – processes and institutions produce results that meet needs while making the best use of resources.</p>
4. Accountability	<p>Accountability – decision-makers in government, the private sector and civil society organizations are accountable to the public, as well as to institutional stakeholders. This accountability differs depending on the organizations and whether the decision is internal or external.</p> <p>Transparency – transparency is built on the free flow of information. Processes, institutions and information are directly accessible to those concerned with them, and enough information is provided to understand and monitor them.</p>
5. Fairness	<p>Equity – all men and women have opportunities to improve or maintain their wellbeing.</p> <p>Rule of Law – legal frameworks should be fair and enforced impartially, particularly the laws on human rights.</p>

Source: John Graham et al. 2003. *Principles for Good Governance in the 21st Century*. Policy Brief No. 1

2.4. Agency Theory

Accademically there is an agreement that in order to attain qualified civil servants, it needs a professional career system in public personnel administration. Although in the reality, this system is difficult to put into action. Merit principles and good governance in personnel recruitment are often contaminated by political interests.

Bureaucracy and civil servants are frequently exploited by the elected leaders (principal) for prolonging his reign or executing his regime's plans. It is what emphasized by principal agent theory or agency theory.

Agency theory used in the public administration formerly came from the early economic analyses of bureaucracy. Bureaucracy was defined by Tullock (1965), Downs (1967) and Niskanen (1971) in the context of maximizing or self-seeking individual or firm in a market by hoarding information (information asymmetry), seeking autonomy and shirking (Frederickson and Smith, 2003: 37). In other word, this theory emerged to respond the question why bureaucracy frequently become out of control or difficult to be controlled.

The framework of this theory studies the influence of principals, particularly Congress and the president, and agents or civil servants (Frederickson and Smith, 2003: 37). More over Wood and Waterman (Frederickson and Smith, 2003: 37) stated:

Agency theory is explicit in its assumption of the logic of politics-administration dichotomy. The assumption of course, is that the hierarchical relationship between elected leaders (principals) and civil servants or bureaucrats (agent) could be understood to be a series of contracts or transactions between a buyer of service and provider of service. In the public context, the elected "buyer" attempts to shape the service to his or her preferences by laws, regulations, executive orders, appropriations, hearings, and all manners of co-management. The bureaucratic "seller" of services consists of a mixture of professional education and expertise, responds to laws and attempts to serve their clients.

Agency theory aims to ensure the understanding of the relationship among time, politics, and bureaucracy. The ssumption expressed by Wood and Waterman implied that principals defined public service policies while bureaucracy implemented those services.

In respect to the Indonesian case, the relationship pattern between principals and agency (civil servants) tends to the spoil system. Principals formulate a series of decrees apparently aiming for the goodness of Indonesian

civil servants, but in fact, it is directed to perpetuate the power dominance and to meet the principals' interests. The promotion of non-permanent employees to be civil servants is a fact that the Indonesian government disregards professionalism, competencies, personnel formations, and organizational requirement.

2.5. Recruitment Based on the Act Number 8 Year 1974

The structure of regulation in Indonesia stated that Act is the highest regulation after the constitution. In terms of public personnel administration, the highest regulation is Act Number 8 Year 1974 on The Public Personnel Principles. It means that government regulation number 48 Year 2005 must comply to the Act Number 8 Year 1974.

The first aspect to be considered in the recruitment of civil servant based on the Act Number 8 Year 1974 is general requirements of civil servant, priority positions of civil servant, and method of selection (test method).

1. General Requirements of civil servants,

In order to apply as civil servants, all of candidates must meet the general requirements:

- a. Indonesian citizen;
- b. The minimum age when apply must be 18 and the maximum age 35 years old;

2. Priority of formations/positions which can be accepted as civil servant

Regarding to control of the growth of civil servants number which is stated in the principle of zero growth plus policy, the recruitment of civil servant is prioritized for:

- a. Teachers;
- b. Paramedics;
- c. Technical staffs.

3. Selection Method

To be a civil servant, non-permanent employees must follow such the selections: test of competency, test of psychology, administrative selection, discipline, integrated, medical test.

2.6. Recruitment Based on the Government Regulation Number 48 Year 2005

As stated in the introduction chapter, the promotion of non-permanent employee to be civil servants was aimed to appreciate the dedication of non-permanent employee. In order to make a comprehensive understanding, the researcher will explain Government Regulation Number 48 Year 2005 in terms of requirements of candidate, formation, and selection method.

1. General Requirements

In order to apply as civil servants, all of candidates must meet the general requirements:

- a. Non-permanent employees;
- b. The minimum age when apply must be 18 and the maximum age 46 years old;

2. Priority of formations/positions

In order to get qualified civil servants and to control the growth of civil servants number, Government Regulation Number 48 Year 2005 clarified the priority of non permanent employees who can be promoted as follows:

- a. Teachers;
- b. Paramedics;

c. Agricultural extension;

d. Technical staffs

3. Selection Method

To be a civil servant, non-permanent employees must follow the selections: discipline, integrated, medical test, and administrative selection.

2.7 Concluding Remark

Based on the previous description, it can be summarized that the recruitment of civil servants must in line with the principles of good governance, merit, zero growth plus, and agency theory.

1. Principle of good governance guides that the recruitment of civil servants must have a legal compliance with Act Number 8 Year 1978 on Public Personnel Principles and Government Regulation Number 98 Year 2000 on the Civil Servant Recruitment.
2. Principle of merit avoid the discrimination between non-permanent employees and general candidates. It means that all of Indonesian citizens have the same opportunity to be civil servant. In addition, this principle directs the government to get the best candidate in every position.
3. Zero growth plus principles is addressed to control the growth of civil servants number.
4. Agency theory is used to avoid the intervence of political interest in the recruitment of civil servant.

Related to the recruitment of civil servant on the Government Regulation Number 48 Year 2005, those concepts can be depicted in table 2.2.

Table 2.2 Conceptual Framework

No	Concepts	Criteria	Act Number 8 Year 1974	Government Regulation Number 48 Year 2005
1	The government will get qualified civil servants, if the recruitment of civil servants based on the principles of: 1. merit ;	General requirements for candidates of civil servants	1. Indonesian citizen; 2. The minimum age when apply must be 18 and the maximum age 35 years old;	1. Non-permanent employees; 2. The minimum age when apply must be 18 and the maximum age 46 years old;
2	2. good governance; 3. zero growth plus; 4. Agency theory Based on those	Formations/positions required	1. Teachers 2. Paramedics 3. Technical staffs	1. Teacher ; 2. Paramedics 3. Agricultural extension 4. Technical staffs.
3	principles, Indonesia will be able to control the growth number of civil servant.	Type of test	1. Test of competency 2. Test of psychology	Without test

Source: Formulated by Author

Note : Act Number 8 Year 1974 on Public Personnel Principles
Government Regulation Number 48 Year 2005 on the Promotion of Non-Permanent Employees to be Civil Servants

CHAPTER III

ANALYSIS OF SOCIAL SETTING

As stated in chapter I, the locus of research is Temanggung Regency, Indonesia. In order to give comprehensive understanding for readers, this chapter will describe the general description of Temanggung Regency, such as: a location and population. In the field of public administration, this part shows the vision and missions of Temanggung in carrying out public administration. Related to research focus, the researcher will describe the existing public personnel administration particularly the condition of civil servant (2011) and non-permanent employees before the implementation of Government Regulation Number 48 Year 2005.

3.1 General Description

Temanggung Regency is one of 29 Regencies and Municipalities in Central Java Provinces. It located in Java Island.

Based on population census in 2010, the number of population in Indonesia is 206,264,595 people, Central Java Province has 32,380,687 people (<http://www.bps.go.id/hasilSP2010/jateng/3300.pdf>, retrieved on May 28, 2011), and Temanggung Regency has 730,455 people in 2010 (Temanggung in Figures, 2012: 32). The spread of Temanggung population is presented in table 3.1:

**Table 3.1 The Number of Population per-District of
Temanggung Regency (2010)**

No	District	Width (km2)	Population
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>
1	Parakan	22.23	49,902
2	Kledung	32.21	26,310
3	Bansari	22.53	22,696
4	Bulu	43.04	44,021
5	Temanggung	33.39	79,912
6	Tlogomulyo	24.84	21,024
7	Tembarak	26.84	28,310
8	Selopampang	17.29	18,254
9	Kranggan	57.61	43,366
10	Pringsurat	57.27	46,110
11	Kaloran	63.92	43,394
12	Kandangan	78.36	47,423
13	Kedu	34.96	52,460
14	Ngadirejo	53.31	53,920
15	Jumo	29.32	27,936
16	Gemawang	67.11	29,701
17	Candiroto	59.94	31,960
18	Bejen	68.84	20,164
19	Tretep	33.65	19,530
20	Wonobooyo	43.98	24,062
Total		870.65	730,455

Source: Temanggung in Figures (2012:32)

Figure 3.1 Map of Indonesia



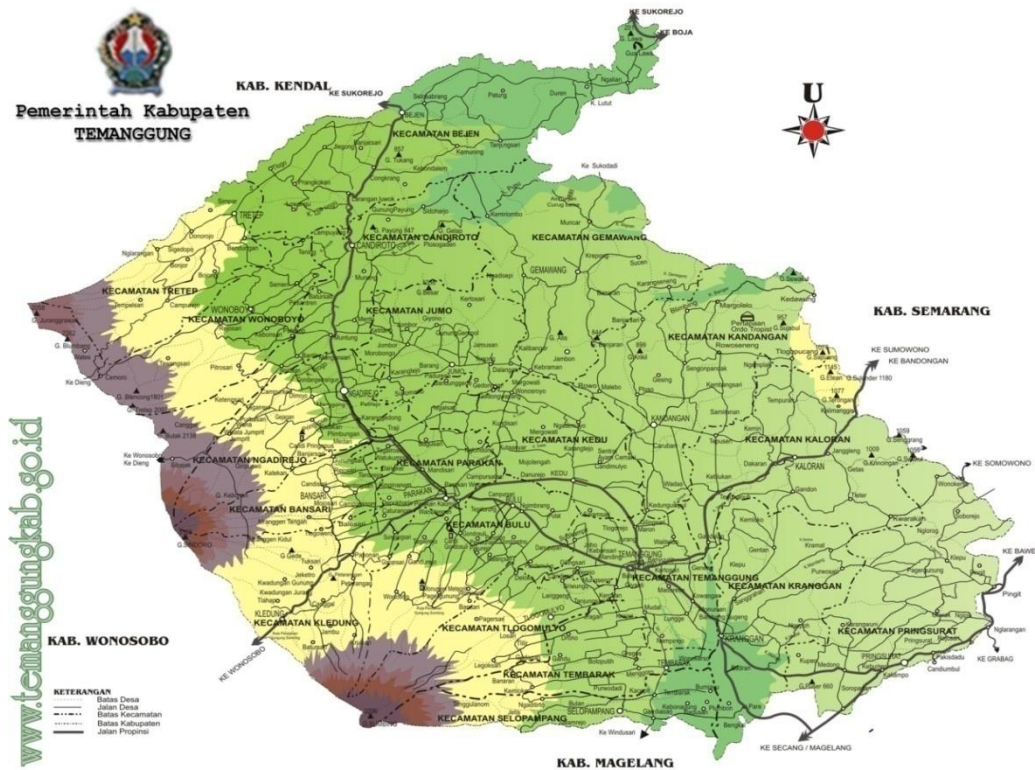
Source: <http://www.google.co.id/imglanding?imgurl>

Figure 3.2 Map of Central Java Province



Source: <http://www.google.co.id/imglanding?imgurl>

Figure 3.3 Map of Temanggung Regency



Source: <http://www.temanggungkab.go.id/profil.php?mnid=111>

The map as presented in Figure 3.2 shows that Temanggung has a strategic location which is inside Central Java Province and not far away from two capital provinces, i.e. Semarang and Yogyakarta. The distance between Temanggung and Semarang—the capital city of Central Java Province—is only 80 km, while the distance between Temanggung and Yogyakarta is only 60 km.

Geographically, Temanggung Regency is located between 7°14'-7°32'35" South Latitude and 110°23'-110°46'30" East Longitude. The direct neighbors regencies of Temanggung are Magelang Regency, Kendal Regency, Semarang Regency, and Wonosobo Regency. Administratively, Temanggung Regency is divided into 20 districts, and 289 villages. The area of Temanggung Regency is on 500-1,450 meters above sea level (Temanggung in Figures, 2012:2).

Temanggung Regency has two seasons that is rainy season (October-March), and dry season (April –September). There are two mountains in Temanggung, namely Mt. Sumbing (3.260 meters) and Mt. Sindoro (3.151 meters). It makes Temanggung Regency have a good weather with temperature 20-30 degree of Celsius (Temanggung in Figures, 2012: 4).

3.2 The Vision and Mission of Temanggung Regency

The vision of Temanggung Regency for 2008-2013 is: “ ***BERSATU UNTUK MAJU DAN SEJAHTERA***”, “**UNITE TO MOVE FORWARD AND PROSPERITY**”. The vision philosophically represents:

1. “**UNITE**”, It means to bring together all human resource potentials, bureaucrats, legislators, business world, and society in order to be able to manage natural resources properly based on well-established program, proper implementation, and strict monitoring in achieving progress;
2. “**ADVANCED**” society implies in the developing and orienting society condition toward the efforts of developing based on discipline demeanor, hard work, and passion to self-improvement of capability and capacity. The condition leads to the embodiment of “**PROSPEROUS**” of society;
3. “**PROSPERITY**” means the fulfillment of staple and spiritual needed for the society indicating by Human Development Index (IPM) improvement that is the economic improvement which is the society, fairness in educational development, excellent health service and human rights assurance.

Mission can be commonly defined as all efforts that will be implemented to bring up the vision into reality. Related to Temanggung Regency Government’s vision, the purposes of missions of 2008-2013 are:

1. Improving the religious quality by fostering and nurturing religious life, maintaining religious harmony and developing religious facilities;
2. Improving educational facilities and science and technological mastery to develop the quality of human resources;
3. Improving the quality of public health services;
4. Improving public service quality by eliminating corruption, collusion, and nepotism;
5. Empowering the society with all its economical potentials having support from natural resource and local potentials as well as fair development in local economic growth;
6. Improving ecological quality and preservation.

3.3. Personnel Administration

3.3.1. Civil Servant Condition

In delivering public service, it requires to recruit a competence of civil servants. Up to 2010, Temanggung Local Government has 9,119 civil servants.

The civil servants are spread out to all of agencies in Temanggung's Local Government. The spread of the civil servants based on the working unit can be seen in Table 3.2.

**Table 3.2 The Spread of Civil Servants in Temanggung Regency
Based on Working Units (2011)**

No.	Working Units	Sex		Total
		Male	Female	
1	2	3	4	5
1.	Local Secretariat	120	52	171
2.	Legislative Secretariat	21	13	34
3.	Local Planning and Development Agency	25	13	38
4.	Local Civil Service Agency	32	12	44
5.	Community Empowerment Agency	17	18	35
6.	Inspectorate	22	12	34
7.	Environmental Agency	15	16	31
8.	Local Hospital	112	244	356
9.	Family Planning and Women Empowerment Agency	64	61	125
10.	Extension Agency	72	41	113
11.	Population and Civil Registration Agency	19	20	39
12.	Health Agency	227	531	758
13.	Local Finance Agency	34	23	57
14.	Education Agency	2,560	2,874	5,434
15.	Transportation, Communication and Information Agency	63	8	71
16.	Trade and Cooperative Agency	124	31	155
17.	Agriculture, Forestry and Plantation Agency	65	24	89
18.	Social Agency	20	19	39
19.	Labor and Transmigration Agency	54	16	70
20.	Public Work Agency	302	45	347
21.	Husbandry and Fishery Agency	51	20	71
22.	Culture, Tourism, and Youth Agency	34	12	46
23.	Archive and Library Office	9	23	22
24.	National Unity and Political Office	14	4	18
25.	Civil Service Police	80	9	89
26.	Election Commission Secretariat	8	4	12
27.	Investment Office	8	4	12
28.	Food Security Office	7	9	16
29.	One Stop Service	10	6	16
30.	Sub-District Offices (20)	612	155	767
	TOTAL	4,801	4,318	9,119

Source: Temanggung in Figures (2012: 52-53)

The rank (class) and gender (sex) of civil servants can be depicted in the table 3.3.

Table 3.3 The Number of Civil Servants by Rank in Temanggung Regency (2011)

No	Rank	Sex		Total
		Male	Female	
1	2	3	4	5
1.	I	420	46	466
2.	II	1,308	1,057	2,365
3.	III	1,601	1,738	3,339
4.	IV	1,472	1,477	2,949
	TOTAL	4,801	4,318	9,119

Source: *Temanggung in Figures* (2012: 54)

3.3.2 Non-permanent Employee Condition

In achieving the intended vision and mission, Temanggung regency does not only need civil servants but also the existence of non-permanent employees.

Provisions related to non-permanent employees were arranged by the Temanggung Regent's Decree Number 800/96/2004 Year 2004. Based on the decree, non-permanent employees are identified as:

- As local apparatus, they must faith and loyal to *Pancasila* (Five State Principles) and UUD (State Constitution) 1945;
- Serving organizational units in local government;
- Does not be member of political party.

In performing their duties as non-permanent employees, they have to comply with obligations and prohibitions such as:

- The Obligations of Non-permanent Employees:

- 1) Be faithful and loyal to *Pancasila* (Five State Principles), UUD (State Constitution) 1945, and government;
 - 2) Protecting the unity and coalescence of the country;
 - 3) Obeying laws and implementing entrusted official duties with devotion, trust, awareness and responsibility;
 - 4) Protecting local and national secrets;
 - 5) Prioritizing official affairs upon personal interests;
 - 6) Taking vow as non-permanent employees.
- b. Prohibitions for Non-permanent Employees:
- 1) Committing mischievous acts harming the local government or country;
 - 2) Exploiting their power for personal or others' interests which harming the local government or country;
 - 3) Abusing their authority;
 - 4) Committing denigrating acts and bringing bad image for the local government or country.

The requirements of being non-permanent employees are:

- a. Indonesian citizens faithfully believe in God Almighty;
- b. Boasting good demeanors and never committing crimes or being involved in forbidden organizations;
- c. Having been confirmed by state doctors as healthy;
- d. Minimally 18 years old and maximally 35 years old;
- e. Passing the selecting and filtering process.

The non-permanent employee Formations are categorized as follows:

- a. Elementary school or on equal graduates started from A/1 class;

- b. Junior high school or on equal graduates started from A/2 class;
- c. Senior high school or on equal graduates started from B/1 class;
- d. Diploma III or on equal graduates started from B/2 class;
- e. Bachelor or on equal graduates started from C/1 class;
- f. Post-graduate school or on equal graduates started from C/2 class.

The classification of ranks based on job classes is presented in Table 3.4.

Table 3.4 The Ranks and Job Classes of Non Permanent Employee in Temanggung Regency

No	Rank	Job Class
1	2	3
1	Dasar Muda	A/1
2	Dasar Muda I	A/2
3	Dasar	A/3
4	Dasar I	A/4
5	Pelaksana Muda	B/1
6	Pelaksana Muda I	B/2
7	Pelaksana	B/3
8	Pelaksana I	B/4
9	Staf Muda	C/1
10	Staf Muda I	C/2
11	Staf	C/3
12	Staf I	C/3
13	Staf Madya	D/1
14	Staf Madya I	D/2
15	Staf Madya Utama	D/3
16	Staf Utama	D/4

Source: The Temanggung Regent's Decree No. 800/96/2004

All non-permanent employees based on their ranks and job classes have the right to receive remuneration from APBD as stipulated in The Temanggung Regent's Decree No. 800/96/2004. The amount of salary for each rank/job class is presented in Table 3.5.

Table 3.5 The Salary of Non-permanent Employee in Temanggung Regency (Rupiah)

No	Rank	Job Classes															
		A				B				C				D			
		1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
1	Dasar Muda	500,000															
2	Dasar Muda I		525,000														
3	Dasar			550,000													
4	Dasar I				575,000												
5	Pelaksana Muda					600,000											
6	Pelaksana Muda I						625,000										
7	Pelaksana							650,000									
8	Pelaksana I								675,000								
9	Staf Muda									700,000							
10	Staf Muda I										725,000						
11	Staf											750,000					
12	Staf I												775,000				
13	Staf Madya													800,000			
14	Staf Madya I														825,000		
15	Staf Madya Utama															850,000	
16	Staf Utama																875,000

Source: The Temanggung Regent's Decree No. 800/96/2004

In general, non-permanent employee's condition in Temanggung was as follows:

1. Based on the non-permanent employee types, there were 975 non-permanent employees;
2. Based on educational levels, the non-permanent employee condition was presented in Table 3.6.

Table 3.6 Non-permanent Employee Condition Based on Formation Types and Educational Level (2005)

No	Educational Level	Formations					Total
		Nurse	Laborer	Sanitarian	Strategic Staff	Administrative Staff	
1	Elementary	0	0	0	19	313	332
2	Junior High	0	0	0	10	103	113
3	Senior High	18	1	0	38	407	464
4	Diploma	13	0	3	3	18	37
5	Bachelor	0	0	0	2	27	29
TOTAL		31	1	3	72	868	975

Source: BKD of Temanggung Regency

Referring to Table 3.6, the majority of non-permanent employees in Temanggung regency (868 out of 975 people or around 89.03%) were administrative staff. This condition did not reflect good governance principles in which should be focused on implementing technical governmental duties instead of administrative duties.

CHAPTER IV

RESEARCH METHOD

In order to achieve a sound research, researcher has to use an appropriate research method. This chapter presents the research method employed in this research. It includes type of research, location, focus of research, data source, data collection process, design of analysis data, data validity, and research framework.

4.1. Type of Research

In this evaluation report, the descriptive research method with qualitative approach is used. The reason of using descriptive research method is because the main objective of this study is to describe, illustrate in a systematic, factual and accurate statement of the facts and the relationship between phenomena, and in the end, provide recommendations to improve the existing condition. Miles and Huberman (1992: 1-2) stated that:

Qualitative data is a source of broad descriptive and sturdy, and includes an explanation of the processes that occur in the local scope. With qualitative data, we can follow and understand the flow of events in chronological order, assess the cause and effect within the scope of the local people's minds, and again, the qualitative data is more likely to be guiding us to obtain discoveries unforeseen and to form a new theoretical framework of data. It helps the researchers to go beyond the initial preconceptions and frameworks.

Representing the nature of descriptive research, the situation of the organization/institution will be explored first, in order to describe the situations or facts which can reveal the existence of an object and phenomenon, so it could be interpreted and drawn in a systematic form of writing to get a conclusion.

4.2. Location

In this study, researcher studies the implementation of Government Regulation Number 48 Year 2005 of Non-Permanent Employee Promotion to be civil servant. To give an example about this process and to describe the quality of non-permanent employees and salary that should be paid by local government, researcher chooses Temanggung Regency as location of research.

4.3. Focus of Research

The function of “focus” in research is to limit the study and to complete it by using essential and relevant field information. Moreover, the researcher will know that a certain data is relevant or not to be collected. According to Moleong (2004: 97) “basically, focus is the main problem based on the researcher experience or scholasticism through scientific literature or another literature”. Deciding the focuses of research, the researcher does not make a general and broad area of study. Therefore the primary focus of this research will be on the following:

1. The stakeholders involved in the implementation of Government Regulation Number 48 Year 2005 in Temanggung Regency;
2. The implementation proses of government regulation number 48 year 2005 in Temanggung Regency which conducted by BKD of Temanggung;
3. a The comparison between government regulation number 48 year 2005 and Act Number 8 Year 1974;
b The consistency of the implementation of government regulation Number 48 Year 2005 to its content and objective;
4. The implementation impacts of Government Regulation Number 48 Year 2005.

4.4 Data Source

In qualitative research, the data comes from the explanation and information which are given by informants, facts from field, and documents.

1. Informants

The informants are selected from local government officials who know about research focus. They are head of sections and staffs of BKD Temanggung. The number of informants could be added by using snow ball sampling method to gain completeness of data.

2. Facts

Facts got from events, situation, or phenomena which are related to focus of research.

3. Documents

The data from documents could be derived from websites, official government regulations, regent regulations, official letters, and other legal documents owned by local government.

4.5 Data Collection Process

In this research, the researcher collects and uses primary and secondary data. Primary data is data that is gathered by direct observation and through in depth interviews. Secondary data is gathered by collecting data from formal documents like regulatory documents, government policies and records related with topic of study. There are three steps done by researcher to collect the data:

a. Getting in

The first stage in collecting the data is in trying to get consent and consensus from the various units which would be researched on. The researcher approaches procedurally with regards to the desired outcomes of the

research and seek permission personally from the regent of the Temanggung Reency.

b. Getting along

Researcher also tries to develop a good working relationship with various informants. This is to enable a conducive and cooperative environment so that the researcher could gather the data easily.

c. Logging the data

Gathering the data is done by using three methods:

1. In depth interview

In depth interview process, researcher interviews some officers closely related with the implementation of Government Regulation Number 48 Year 2005 in Temanggung Regency.

2. Documentation

Researcher also gathers data from legal documents issued by the local government (e.g. local government act, official letter) and some data from websites.

4.6 Design of Data Analysis

The data analysis technique employed in this study is qualitative analysis methods, for that reason, the researcher conducts the research procedures which could produce descriptive data analysis, i.e. what is stated by the respondents in writing or verbally are researched and studied as a whole. In this case, the analysis is all about data and information related to the research. However, in a qualitative research, data analysis is done together or along with the process of collecting data. Therefore, qualitative researchers must remember that there is no standard guidance for analyzing the data. Moreover, according to Bogdan & Biklen, data analysis is a process to find and to regulate the transcript

of interview, notes from the field, and other materials researchers got, that are gathered to improve researcher's understanding about a phenomena and to help researchers to present their findings to others (Irawan, 2007: 70).

In this research, researcher uses the analysis of qualitative data stated by Miles and Huberman (1994:10-11) through the procedures: data collection, data reduction, data display, conclusion drawing/verification, as illustrated in figure 4.1. But before doing these three strands of activities, an analysis is conducted as a preliminary analysis of data collection. Thus the qualitative data analysis uses the following activities:

1. **Data Reduction.**

An electoral process focuses on an attention of simplification, and data transformation. In other words, data reduction refers to the process of selecting, focusing, simplifying, abstracting, and transforming the data that appear in written-up field notes or transcriptions. Data reduction occurs continuously throughout the life of any qualitatively oriented project.

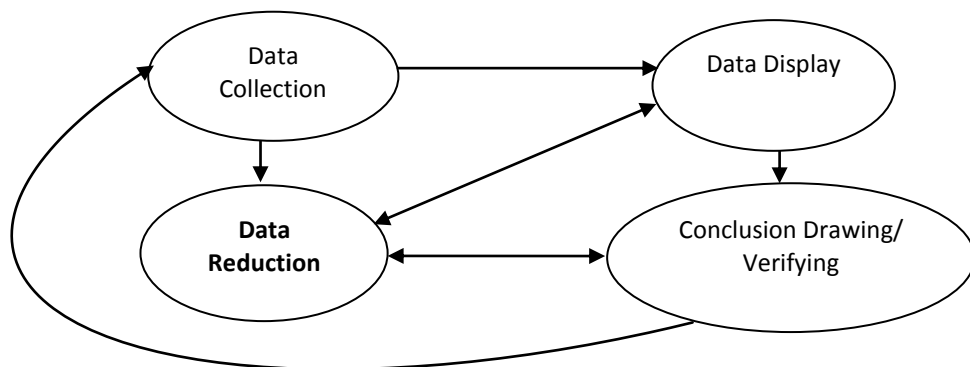
2. **Presentation of Data (Data Display).**

It could be defined as a collection of structured information which gives the possibility of conclusion's withdrawal and actions taken. Generically, a display is an organized, compressed assembly of information that permits conclusion drawing and action. Looking at displays helps us to understand what is happening and to do something – either analyze further or take action – based on that understanding. The displays include many types of matrices, graphs, charts, and network. All are designed to assemble organized information into 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 of analysis the display suggests may be useful.

3. Drawing conclusions or verifications.

It is a part of the intact configuration activities. The conclusions are verified during the last study. It means that the data emerged from previous activity will be tested for truth, to get the validity of data in term of strength and intelligence. From the start of data collection, the qualitative analyst is beginning to decide what things mean – is noting regularities, patterns, explanations, possible configurations, and causal flows. The competent researcher holds these conclusions lightly, maintaining openness skepticism, but the conclusions are still there, inchoate and vague at first, then increasingly explicit and grounded. Conclusions are also verified as the analyst proceeds.

Figure 4.1 Components of Data Analysis



Source: Milles and Hubberman (1994:12)

4.7 Data Validity

In order to get the validity of data, the researcher obtains the data from formal document such as Law No. 43/1999, Government Regulation Number 11 Year 2002 local government regulations and other formal documents. In performing in-depth interview, the informants are the appropriate officials directly deal with the issue, including Head of Sub-Division of Planning and Employee Formation and Head of Local Civil Service Agency. Therefore, validity of data can be reached.

The four criteria of data validity, namely credibility, transferability, dependability, and conformability are described below:

1. **Credibility**, refers to the acceptance of the readers and approval from respondents to the outcome of the research. Principally, implementing credibility will substitute the concept of internal validity from non qualitative. The actions which can be done to examine the credibility of the research include:
 - The data utilization derived from qualitative data which are taken from secondary data and primary data.
 - Primary data are collected by interviewing informants. Informants are selected with purposive approach. Interviews are done with some informants including officers of the Local Civil Service Agency Local Government.
2. **Transferability**, refers to the effort to generalize the research outcome to a wider population by considering the empirical problems which rely on the same perception of contributors and acceptors. With regard to the primary data, the collected data and information is defined by informants who are selected carefully via researcher's estimation or judgment, so that they will represent all population who are relevant with the research objectives.
3. **Dependability**, refers to the precision of data supported by the evidences which are taken from the locus of the research. To meet dependability, the research is completed by tracking the research activities which is documented via notes and collected arches from the research site.
4. **Confirmability**, refers to the objectivity of the research based on ethics as a tradition of qualitative research. It can be achieved by auditing and examining all components, processes, and outcomes of the research. Data conformability could use a method or procedure of gathering and recording

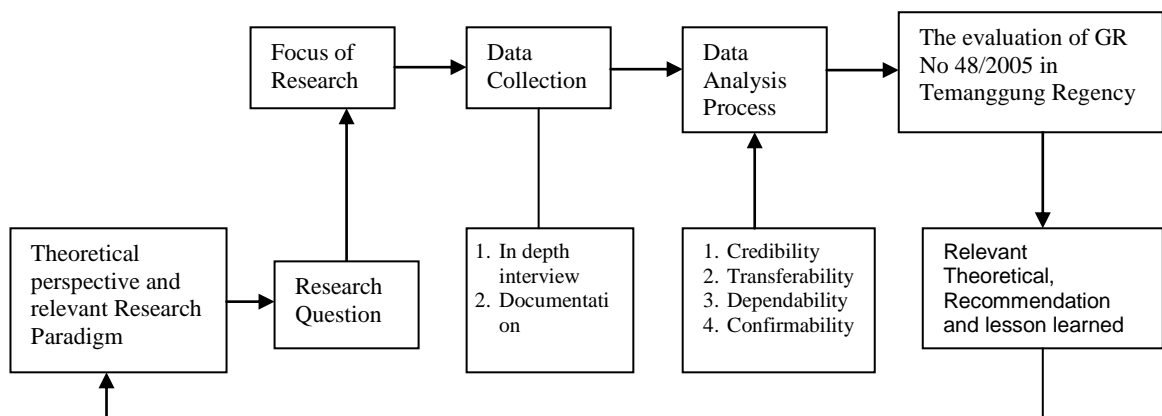
the data that has been supervised by supervisors. The supervisors must check and evaluate the conformability of data for a conclusion. For this purpose, the preparation of data from the field such as legal documents, official letters, and interview report have been collected by the researcher.

4.8 Research Framework

The field work was done in the month of March-April 2012 in Temanggung Regency, Central Java Province, Indonesia.

To sum up, the research method could be described into diagram of research framework as presented in figure 4.2.

Figure 4.2 Research Framework



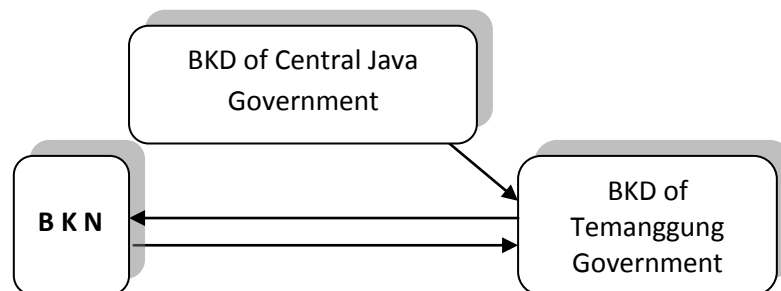
Source: the author

CHAPTER V

STAKEHOLDER

This chapter describes the stakeholders involved in the implementation of Government Regulation Number 48 Year 2005 in Teanggung Regency. The stakeholders include BKN, BKD of Centra Java Province, and BKD of Temanggung. Due to the main actor is BKD Temanggung, the reseacher describes more of BKD Temanggung in terms of bureacratic structure and human resources. With respect to the involvement of stakeholders, figure 5.1 presents the flow of coordination among stakeholders.

Figure 5.1 Diagram of Stakeholders in the Implementation of Government Regulation No. 48/2005 in Temanggung Regency



Source: formulated based on survey

5.1. BKN

BKN has a responsibility to public personnel administration in national level. In the context of non-permanent employee promotion to be civil servant, BKN on behalf of Central Government has full authority to establish the list of non-permanent employees who work for agencies both in central and local government. Regarding the authority, BKN has responsibility as follows:

1. Collecting the list of non-permanent employee which proposed by national agencies, provincial, and local governments,
2. Verifying and establishing a final list of non-permanent employee who has an opportunity to be promoted to be civil servant, and send it to national agencies, provincial, and local governments,
3. Determining hiring quotas based on the availability of job formation in national agencies, provincial, and local governments,
4. Verifying the requirements of non-permanent employees including certificate of education, letter of appointment as non-permanent, age, and tenure,
5. Issuing NIP (Identity Number of Civil Servant).

5.1 BKD of Central Java Province

The role of BKD is as a coordinator of the promotion process of non-permanent employee to be civil servant in level of province which involved 29 regencies and 6 cities in Central Java area.

5.2 BKD of Temanggung Regency

This research is conducted in Temanggung Regency, so the researcher describes more detail about the role of BKD in these activities. Before moving on the depiction of BKD's role, it is better to explain more about *bureaucratic structure, functions, tasks, and human resources* of BKD Temanggung.

5.2.1 Bureaucratic Structure of BKD Temanggung

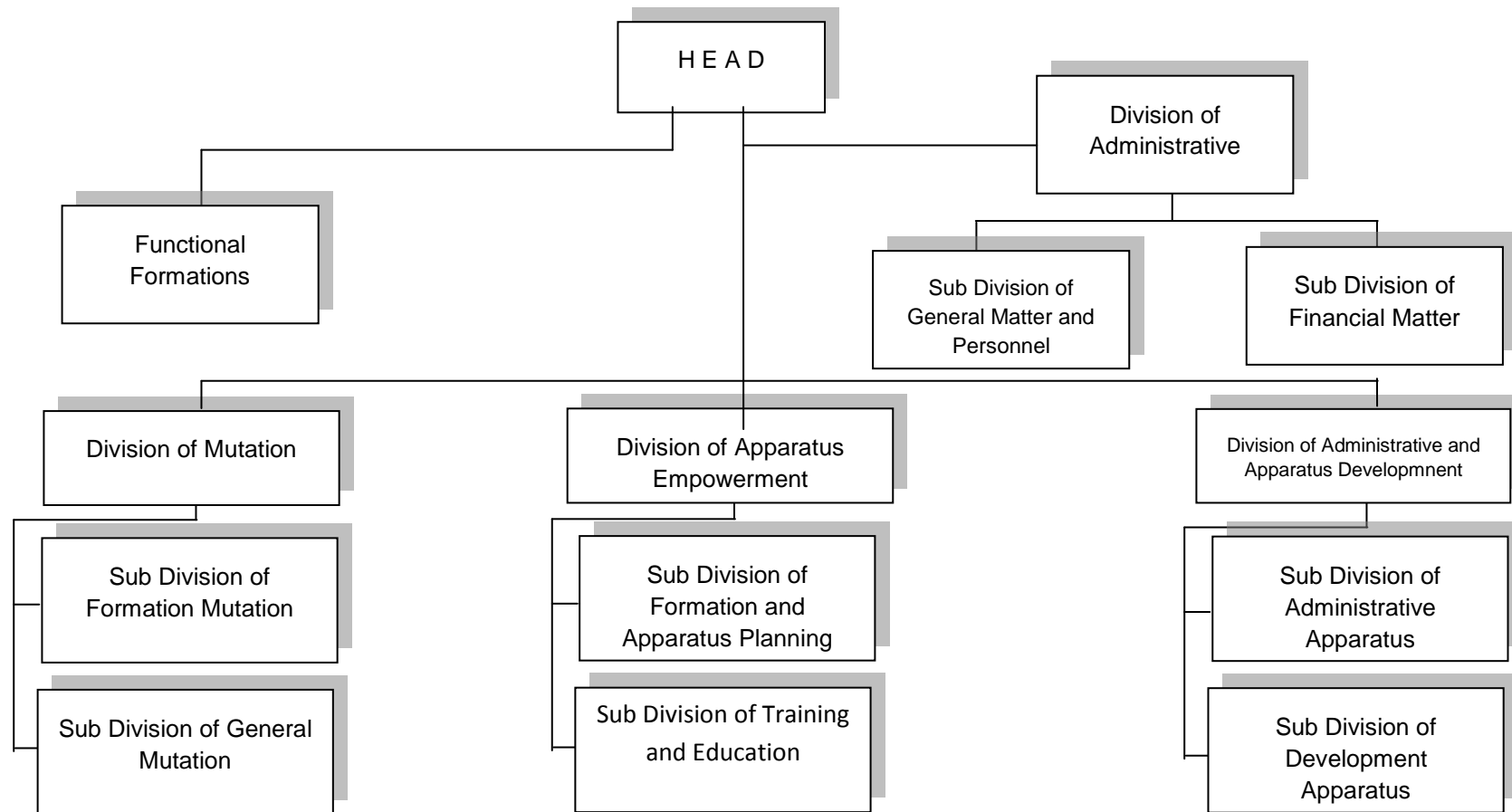
During the implementation process of promotion of the non-permanent employee to be civil servant between 2006 and 2010, BKD has changed the organizational structure, job description, and function.

When implementing the policy in the years of 2006 to 2008, the bureaucratic structure referred to the Local Government Regulation (*Peraturan Daerah/PERDA*) of Temanggung Regency Number 7 Year 2004 on the Local Civil Service Agency. In accordance to it, the organizational structure of BKD of Temanggung Regency is as follows:

- a. Head
- b. Division of Administrative, consists of:
 - 1. Sub-Division of General Affairs and Personnel
 - 2. Sub-Division of Financial Affairs
- c. Division of Mutation, consists of:
 - 1. Sub-Division of Formation Mutation
 - 2. Sub-Division of General Mutation
- d. Division of Apparatus Empowerment, consists of:
 - 1. Sub-Division of Formation and Apparatus Planning
 - 2. Sub-Division of Training and Education
- e. Division of Administrative and Apparatus Development, consists of:
 - 1. Sub-Division of Administrative of Apparatus
 - 2. Sub-Division of Apparatus Development
- f. Other functional Formations.

The organization chart of BKD of Temanggung Regency is presented in figure 5.2.

Figure 5.2 The Organization Structure of BKD of Temanggung Regency Based on Local Government Regulation No. 7 Year 2004



Source: Regulation of Temanggung Local Government No. 7 Tahun 2004

Hereby the major functions of BKD of Temanggung Regency based on the Decree of Temanggung Regent No 130.2/50/2004:

- a. BKD's main function is to hold the governmental task in personnel management in terms of personnel mutation; personnel empowerment; personnel administrative and development; and personnel education and training.
- b. In order to commit the duties as mentioned, the functions of BKD are:
 - 1) Implementing technical policy formulation in the local public personnel management;
 - 2) Supporting service implementation in the local public personnel management;
 - 3) Planning and programming, monitoring, evaluating and recording in the area of public personnel management;
 - 4) Formulating local regulation in the field of civil service based on the norms, standards, and legalized procedure;
 - 5) Planning and developing local civil service development;
 - 6) Preparing, promoting, mutating and laying off local civil servant (PNS Daerah) based on the norms, standards, and legalized procedure;
 - 7) Bureaucratic administration service based on the norms, standards, and legalized procedure;
 - 8) Preparing and determining local civil servant pension based on the norms, standards, and legalized procedure;
 - 9) Remuneration, allowance, and welfare based on the norms, standards, and legalized procedure;

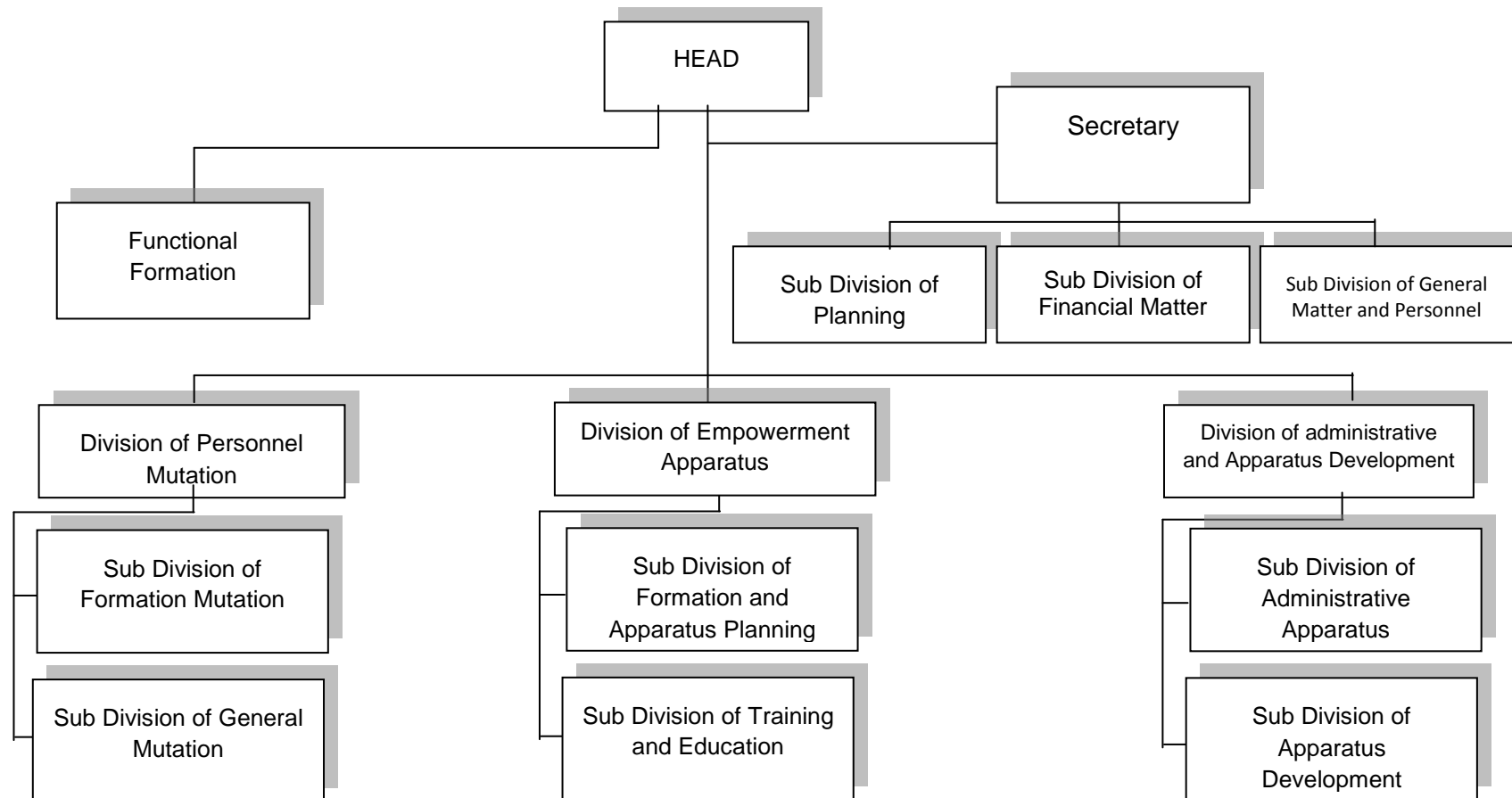
- 10) Performing administration of civil servants
- 11) Performing management Information System of civil servant
- 12) BKD administration.

In terms of civil servant recruitment process which covers also the promotion process from non-permanent employee to be civil servant, technically it is under the responsibility of Sub-Division of Formation and Apparatus Planning whose duties are: committing the official task in recruiting, listing, evaluating, formatting, developing, gathering and presenting data of civil servant, committing the mechanism and data upgrading, planning and formulating data, structuring the list of *DUK (Daftar Urut Kepangkatan/The list of Personnel Rank)*, and gathering the *DP3 (Daftar Penilaian Prestasi Pegawai/ The List of Assessment of Personnel Achievement)* design.

Moreover, in terms of promotion process of non-permanent employee to be civil servant by 2009 and 2010, the organization structure of BKD has changed based on the Government Regulation No 41/2007 about Regional Functionary Organization, which structure is:

- a. Head;
- b. Secretary;
- c. Division of Mutation;
- d. Division of Apparatus Empowerment;
- e. Division of Administrative and development of Apparatus;
- f. Functional Formation.

Figure 5.3 The Organization Chart of BKD of Temanggung Regency Based on Local Government Regulation No. 16 Year 2008



Source: Temanggung Local Government Regulation No. 16 Tahun 2008

In line with Regent Regulation No. 68/2008 about the Description of Major Task, Function, and Working Procedure of BKD of Temanggung Regency, BKD is responsible for planning and implementing local civil service policy.

To reinforce the major tasks, BKD has functions as follows:

- a. Formulating the technical policy on formation and provision, promotion, mutation, administrative development and local civil servants;
- b. Managing and implementing of local civil service policy;
- c. Executing supporting services in local governance tasks in educational sector and delivering trainings as well as managing the information system of local civil servant;
- d. Executing planning and monitoring program as well as evaluating and reporting in the public personnel management sector;
- e. Preparing and formulating government regulations in the civil service sector according to suitable norms, standards and procedures;
- f. Delivering personnel administrative services;
- g. BKD administration;
- h. Executing other tasks given by the Regent according to its major tasks and functions.

Deal with non-permanent employee promotion to be civil servant, the Division of Apparatus Empowerment plays as a leading sector especially in Sub-Division of Formation and Apparatus Planning in line with its responsibilities as follows

- a. Constructing the annual civil servant formation in Temanggung Regency;
- b. Proposing the annual civil servant formation in Temanggung Regency;
- c. Arranging the civil servant formation in Temanggung Regency;
- d. Executing civil servant recruitment in Temanggung Regency;
- e. Proposing civil servant's identity number;
- f. Implementing civil servant inauguration in Temanggung Regency;
- g. Establishing civil servant task orientation;
- h. Preparing regulations related to the functional Formation inauguration and laying-off;
- i. Managing DP3.

The existing bureaucratic structure of BKD of Temanggung is able to support the promotion of non-permanent employees to be civil servants with coordination and cooperation facilitation in Temanggung Regency. The prevailing problems are usually caused by unclear and inconsistent of central policies.

5.2.2 Human Resources of BKD Temanggung

In implementing public policy, human resource factor plays a crucial role to achieve goals, and the implementation of Government Regulation Number 48 Year 2005 requires appropriate human resources (civil servants) in terms of competency and quantity.

As previously mentioned, in promotion process of non-permanent employees to be civil servants, bureaucratic structure undergoes a major change on its foundation from *PERDA No. 7/2004* to *PERDA No. 8/2008*.

The names of BKD's officials based on the BKD organizational structure are presented in Table 5.1 and 5.2.

Table 5.1 The Name List of BKD Officials Based on PERDA No. 7/2004

NO	NAME	POSITION
1	M. HUSNI, S.Sos	Head
2	Drs. SUTIKNO	Head of Administration Division
3	T. MARHAEN SUHARDONO, SH	Head of Administration and Apparatus Development Div.
4	Drs. ROMADHON	Head of Mutation Division
5	Drs. WIDODO SUDARWANTO	Head of Apparatus Empowerment
6	IMBUH	Head of Sub-Div. of General Matter and Personnel
7	Dra. ISTIYANI	Head of Sub-Div. of Financial Matter
7	HERMAN SANTOSO, SIP	Head of Sub-Div. of Formation Mutation
8	NURHIDAYAT, S.Sos	Head of Sub-Div. of General Mutation
9	TUSI INDRESWARI, S.Psi	Head of Sub-Div. of Formation and Apparatus Planning
10	AGUS RIWANTORO, BA	Head of Sub-Div. of Administration
11	WAHYU TRIJANTO	Head of Sub-Div. of Apparatus Development
12	SRI HARIYANTO, S.Sos, MM	Head of Sub-Div. of Training and Education

Source : BKD of Temanggung

Table 5.2 The List of the Name of BKD Officials Based on PERDA No. 8/2008

NO	NAME	POSITION
1	Drs. SUTIKNO	Head
2	MUJUWAIDI, SH	Secretary
3	Drs. ACHMAD NASIR	Head of Administration and Apparatus Development Div
4	Drs. SUTOTO	Head of Mutation Division
5	SRI HARIYANTO, S.Sos, MM	Head of Apparatus Empowerment
6	AGUS RIWANTORO, BA	Head of Sub-Div. of General Matter and Personnel
7	SUHARTONO, S.Sos,MM	Head of Sub-Div. of Formation Mutation
8	KUSPRIYANTO,SIP	Head of Sub-Div. of General Mutation
9	TUSI INDRESWARI, S.Psi	Head of Sub-Div. of Formation and Apparatus Planning
10	MUJIYONO,S.AP	Head of Sub-Div. of Administration
11	MOKHAMAD ZAR'AN, SH	Head of Sub-Div. of Apparatus Development
12	ARIS GUNAWAN, S.IP, MA	Head of Sub-Div. of Training and Education
13	SUTRISNO, SE, M.Kom	Head of Sub-Div. of Planning
14	SIH UTAMI, SE	Head of Sub-Div. of Financial Matter

Source: BKD of Temanggung

In general, BKD's human resources was able to promote non-permanent employees to be civil servants. As mentioned by the head of BKD:

Most civil servants in BKD of Temanggung Regency have sufficient experiences in civil servant's recruitment. Thus, they are able to effectively cooperate in implementing this policy (interviewed on March 11, 2012).

Based on the data and interview, it can be concluded that BKD's human resources is supporting factor in the implementation of Government Regulation Number 48 Year 2005 in Temanggung regency.

As commonly, in the implementation of Government Regulation Number 48 Year 2005, Temanggung's Local Government created a board of committee which was consisting of Steering Committee and Technical Committee of Civil Servant's Recruitment from the Non-Permanent Employee.

The duties of the steering committee were more on macro-level, while the technical committee duties were more on the technical stuffs. The duties of the steering committee were following:

1. Coordinating the preparations needed to simplify the activities from the planning stage;
2. Preparing the module and announcing the acceptance from the Non-permanent employee ;
3. Proposing or initiating the NIP letter of contemplation to BKN.

Meanwhile, the structure of steering committee was as follows:

Table 5.3 The Structure of Steering Committee

No	Governmental Position	Position in Committee
1	Head of Temanggung Local Government	Chief
2	Local Secretary	Co-Chief
3	Head of BKD	Secretary
4	Head of Education and Culture Department	Member
5	Head of Health Department	Member
6	Inspector	Member

Source: BKD of Temanggung Regency

In assisting the duties of the steering committee, the local government of Temanggung assigned the technical committee.

The technical committee took responsibilities of:

1. Preparing and drafting module of civil servant;
2. Accepting, observing, assessing the administrative qualification and accuracy of non-permanent employee;
3. Drawing the list of civil servants to propose letter of consideration of NIP to BKN.

Table 5.4 Structure of Technical Committee

No	Degree	Position in committee
1	Head of BKD	Supervisor
2	Head of Division of Apparatus Empowerment	Head of Technical Section
3	Head of Division of Administrative and Apparatus Development	Enrollment Coordinator
4	Head of Sub-Division of Administrative Apparatus	Member
5	Head of Sub-Division of Apparatus Development	Member
6	Two Staffs of BKD	Member
7	Head of Sub Division of Formation and Apparatus Planning	Coordinator of Verification of Education and Health Staff Document
8	8 Staffs of BKD	Member
9	Head of Sub Division of Education and Training	Coordinator of Verification of Strategic and Administrative Staff
19	Head of Sub-Division General Matter and Personnel	Member
20	Head of Subdivision of Financial	Member
21	9 Staffs of BKD	Member

Source: BKD of Temanggung Regency

To sum up, it can be stated that BKD of Temanggung Regency was a leading sector in the implementation of Government Regulation Number 48 Year 2005. BKD has adequate human resources to implement the policy of non permanent employee to be civil servant.

CHAPTER VI
THE IMPLEMENTATION OF GOVERNMENT REGULATION NUMBER 48
YEAR 2005

This chapter presents the research results in terms of implementation of governance regulation number 48 year 2005 on the promotion of non-permanent employee to be civil servant in Temanggung Regency. There were several stages such as data gathering, promotion process during 2005-2009, mechanism of proposing identity number of civil servant, and general obstacles.

6.1 Data Gathering of Non-permanent Employees

Data gathering process for the non-permanent employees was conducted by BKD of Temanggung based on Decree of BKN No. 21/2005 on November 14, 2005 on The Guide of Data Gathering and Non-permanent Employee Process Year 2005.

The result of the data gathering was accredited by BKN in the Decree of Ministry of State Apparatus Empowerment No B/2426/M.PAN/10/2006 dated October 13, 2006 about Nominative List of Non-permanent Employees 2005. As stated, it was recorded 920.702 non-permanent employees including central and local (province and regency/city).

Meanwhile, it was noted 1,618 non-permanent employees in Temanggung regency whose salary paid by APBN and APBD. This group was well-known as The First Category of Non-permanent Employees. Furthermore, there were 429 non-permanent employees whose salary did not paid by APBN and APBD and this group was called as The Second Category of Non-permanent Employees.

The First Category has a priority to be promoted as civil servants during 2005-2009 while The Second Category would be promoted if the entire of The First Category have been promoted to be civil servant before 2010.

In accordance with Decree of Ministry of State Apparatus Empowerment, the composition of non-permanent employees based on the survey of 2005 is presented in Table 6.1.

**Table 6.1 The Number of The First Category of Non-permanent Employees
Based on the Formation and Degree of Education**

No	Education	Formation					Total
		Teacher	Paramedics	Agricultural extension	Strategic Staff	Administrative Staff	
1	Elementary	0	0	0	19	313	332
2	Junior High	0	0	0	10	103	113
3	Senior High	239	19	0	38	407	703
4	DIPLOMA	35	116	0	3	18	172
5	Bachelor	207	10	0	56	25	298
	Total	481	145	0	126	866	1618

Source: BKD of Temanggung Regency (2005)

The composition listed in Table 6.1 is the first category of non-permanent employees. The number is derived from the non-permanent employees whose personnel administration authority is under the authority of municipal/regency, provincial, and central government.

The composition of non-permanent employees under the authority control in personnel administration is presented in Table 6.2.

Table 6.2 The Number of The First Category of Non-permanent Employee in Temanggung Regency Listed as Under the Authority Control

No	Formation	Personnel Administration Authority			Total
		Regency Government	Provincial Government	Central Government	
1	Teacher	0	0	481	481
2	Agricultural Extension	0	0	0	0
3	Paramedics	35	0	110	145
4	Strategic Staff	74	52	0	126
5	Administrative Staff	866	0	0	866
	Total	975	52	591	1618

Source: BKD of Temanggung Regency (2005)

Even though table 6.2 presents only 973 non-permanent employees under the authority control of Temanggung's Local Government, but in terms of promotion the non-permanent employee to be civil servant, all of non-permanent employees were accommodated by allocation of civil servant's formation of Temanggung Regency.

In line with the survey conducted in 2005, besides the first category of non-permanent employee, there was the second category of employee, whose composition is presented in Table 6.3.

Table 6.3 The Number of The Second Category of Non-permanent Employee in Temanggung Regency Listed Based on the Formation and Degree of Education

No	Education	Formation					Total
		Teacher	Paramedics	Agricultural extension	Strategic Staff	Administrative Staff	
1	Elementary	0	0	0	0	27	27
2	Junior High	0	0	0	0	88	88
3	Senior High	10	5	0	0	165	180
4	DIPLOMA	11	22	0	0	16	49
5	Bachelor	73	1	0	0	11	85
	Total	94	28	0	0	307	429

Source : BKD of Temanggung Regency (2005)

From the data gathered, it can be concluded that the majority of non-permanent employee was administrative staff which is 60.13% for The First Category and 71.56% for The Second one. Meanwhile, none of the non-permanent employee work as the agricultural extension recorded in the database.

If consider the academic background, the number of non-permanent employee who has undergraduate qualification (S-1) did not much compared to those who graduated from Diploma or any other lower degree. Table 6.2 and 6.3 show that the percentage of under graduate (S1 degree) non-permanent employee was 18.41 % for the first category and 19.81 % for the second one. It is ironic scheme when considering the result of survey conducted by BAPPENAS, which mentioned that the weakness of civil servant productivity came from the low level of academic background. In other words, the composition of non-permanent employee are still far from the reform spirit in terms of human resource development.

6.2 Promotion Process

As stated earlier, the execution of the promotion stage of non-permanent employee was conducted from 2005 to 2009. The processes of promotion by years are described as follows:

1. 2005

In 2005, the local government of Temanggung was granted the quota of civil servants from non-permanent employees for 401 formations. The number of allocation was related to the Decree of Ministry of State Apparatus Empowerment No. B/113/M.PAN/2005 dated on November 30, 2005 on the additional agreement of civil servant in 2005.

The formation of civil servant's recruitment in 2005 can be seen in the table 6.4.

Table 6.4 Civil servant Allocation of Temanggung Regency Year 2005

No	Formation	Education					Total
		Elementary	Junior High	Senior High	DIPLOMA	Bachelor	
1	Teacher	0	0	117	8	71	196
2	Paramedic	0	0	20	84	4	108
3	Strategic Staff	0	31	31	3	18	83
4	Administrative Staff	0	0	5	5	4	14
	Total	0	31	173	100	97	401

Source: BKD of Temanggung Regency

In this period, there were two formations without any candidates: administrative staff and swimming trainer. Administrative staff did not have any candidates because of double name case, while the swimming trainer was quiet. Thus, a total number of non-permanent employee's promotion was 399 persons.

Besides the major formation offered in 2005, the local government of Temanggung conducted the selection of canceled non-permanent employees, the substitution for vacant formation, and for critical age (aged) selection. Thus, there were 4 periods of promotion in 2005.

1. The first submission based on the ordered number : 399 persons of application in BKD's List
2. The submission of the cancelled of non-permanent : 50 persons employee
3. The submission for vacant formation : 4 persons
4. The submission for critical (aged) age applicant : 10 people

The results of submission in 2005 as follows:

1. There were 27 non-permanent employees of part time teachers that could not be promoted to be civil servant due to less than a year occupation in December, 31 2005.
2. There were 5 persons who could not be promoted to be civil servants because they were included in the second category of non-permanent employee.
3. One candidate was quite.

In the period of 2005 was found to be the toughest one in terms of submission of non-permanent employee to be civil servant, since BKD of Temanggung Regency must pay more attention to the cancelled of non-permanent employees and on critical age of non-permanent employees besides considering about the available of 401 major formations.

A definition of cancelled and critical age of non-permanent employees can be read below:

- a. *The cancelled of non-permanent employee* was defined as those who have accepted based on the announcement of *Diponegoro University* via online. They were selected and accepted based on the score of the competency test. The decision on the age, the tenure and the qualification become more important, making some of their name were not included in the official announcement.

In accordance of Government Regulation Number 48 Year 2005, promotion was based on the order of age and tenure, meanwhile, the announcement of *Diponegoro University* disobeyed age and tenure, it only based on score of administration.

- b. The critical age of non-permanent employee was defined as those who have the age 46 but their tenure has not reached 10 years in 31 December 2005.

Principally, the vacant major formation would be urgently shifted by the next non-permanent employee. For example; when the non-permanent employee number 1 was not accepted, then the candidate number 2 would be directly proposed to join the submission of civil servant.

In conclusion, there was only one formation without candidate: swimming trainer.

2. 2006

The second period of non-permanent employee promotion to be civil servant was conducted in 2006. In this period, Temanggung Regency was granted an allocation of formations around 557 as referred to decree of Minister of State Apparatus Empowerment No: B/2409/M.PAN/10/2006 dated October 12, 2006 about the Agreement on the Additional Allocation of civil servant Year 2006.

The civil servant formation allocation can be seen in table 6.5.

Table 6.5 Civil Servant Allocation of Temanggung Regency Year 2006

No	Formation	Education					Total
		Elementary	Junior High	Senior High	DIPLOMA	Bachelor	
1	Teacher	0	0	75	24	83	182
2	Paramedic	0	0	33	0	3	36
3	Strategic Staff	14	7	18	1	6	46
4	Administrative Staff	101	41	148	1	2	293
	Total	115	48	274	26	94	557

Source: BKD of Temanggung Regency

In general, the submission of non-permanent employee in 2006 was running better than the previous years. Out of 557 non-permanent employees proposed to promote to be civil servants, only one of them who could not meet the requirement. The non-permanent employee concerned came from elementary school's teacher whose salary did not paid by APBN/APBD and was replaced by the administrative staff.

3. 2007

The third (3rd) period of promotion process from non-permanent employee to be civil servant was committed in 2007, Temanggung Regency was granted 249 formations as referred to Decree of Minister of State Apparatus Empowerment No. B/22.1F/M.PAN/9/2007 dated on September 6, 2007 about the Principle Agreement on Additional Allocation of civil servant and the Decree of Head of National Civil Service Agency No. K.26-30/V.143-4/30 dated on October 1, 2007 non Normative Data of Non-permanent Employee who was proposed to fulfill the 2007 Period. The formations allocation is presented in table 6.6.

Table 6.6 Civil Servant Allocation of Temanggung Regency Year 2007

No	Formation	Education					Total
		Elementary	Junior High	Senior High	DIPLOMA	Bachelor	
1	Teacher	0	0	49	1	60	110
2	Paramedic	0	0	0	1	1	2
3	Strategic Staff	0	0	1	0	15	16
4	Administrative Staff	57	25	35	1	3	121
	Total	57	25	85	3	79	249

Source: BKD of Temanggung Regency

In Addition to the submission process of 249 non-permanent employees as described, the Decree of Minister of State Apparatus Empowerment No. B/2708/M.PAN/11/2007 dated November 19, 2007 on Amendment of Additional Allocation of civil servant from the General Applicant into Non-permanent Employee. The additional allocation of non-permanent employees in Temanggung Regency for 2007 became 296.

**Table 6.7 Civil Servant Additional Allocation of Temanggung Regency
Year 2007**

No	Formation	Education					Total
		Elementary	Junior High	Senior High	DIPLOMA	Bachelor	
1	Teacher	0	0	0	0	2	2
2	Paramedic	0	0	0	0	0	0
3	Strategic Staff	0	0	0	0	16	16
4	Administrative Staff	11	10	6	0	0	27
	Total	11	10	6	0	18	47

Source: BKD of Temanggung Regency

In accordance with submission process in 2007, there were 4 non-permanent employees failed to get NIP, due to:

- a. One vocational school teacher passed away.
- b. One administrative staff and teacher were quiet.
- c. Two administrative staffs did not meet the requirement because:
 - (1). One candidate got his last educational certificate on August 13, 2007 while Government Regulation Number 48 Year 2005 was issued by November 11, 2005.
 - (2). One candidate who did not meet the requirement because of different name between his educational certificate and BKN's database.

In the end, all of vacant formations were replaced by the administrative staffs.

4. 2008

During this 4th period of promotion process from non-permanent employee to be civil servant, Temanggung Regency was granted 133 formations. This was based on the Decree of Minister of State Apparatus Empowerment No. B/336F/M.PAN/9/2008 dated August 14, 2008 on the Principle Agreement on Additional Allocation of civil servant.

Table 6.8 Allocation of Temanggung Regency Year 2008

No	Formation	Education					Total
		Elementary	Junior High	Senior High	DIPLOMA	Bachelor	
1	Teacher	0	0	0	0	0	0
2	Paramedic	0	0	0	0	0	0
3	Strategic Staff	0	0	0	0	0	0
4	Administrative Staff	85	9	28	1	9	133
	Total	85	9	28	1	9	133

Source: BKD of Temanggung Regency

All of non-permanent employees proposed to fulfill the vacant formation, there were 2 candidates who lost their chance. One was notified to quiet due to disciplinary sanction; another one quiet by his own request. Thus, the vacant Formation was filled by the administrative staff.

5. 2009

The last period of non-permanent employee promotion to be civil servant was in 2009, in this period, Temanggung regency got 224 formations, related to the Decree of Minister of State Apparatus Empowerment No. No.303.F/M.PAN/7/2009 dated August 14, 2008 on the Principle Agreement on civil servant Allocation.

Table 6.9 Civil Servant Allocation of Temanggung Regency Year 2009

No	Formation	Education					Total
		Elementary	Junior High	Senior High	DIPLOMA	Bachelor	
1	Teacher	0	0	0	0	0	0
2	Paramedic	0	0	0	0	0	0
3	Strategic Staff	0	0	0	0	0	0
4	Administrative Staff	36	17	159	5	3	224
	Total	36	17	159	5	3	224

Source: BKD of Temanggung Regency

This period was found to be the well-running time, where all non-permanent employees proposed could be promoted to be civil servants.

Furthermore, Temanggung Regency proposed for:

1. Cancelled non-permanent employees: from 50 cancelled non-permanent employees, 32 employees could be promoted to be civil servant as they were classified into the first category and the rest of them were uncertain unless they were included in the second category;
2. Part time teacher, previously 50 teachers were not included in the BKN's database. It occurred because they had less tenure than 1 year when Government Regulation Number 48 Year 2005 was issued on November 11, 2005. The Decree of Minister of State Apparatus Empowerment No R/08/M.PAN/3/2006 said that all these part –time teachers could be promoted to be civil servant.
3. Critical age of non-permanent employees was supposed to promote based on the tenure and their age. Meanwhile, the Decree of Head BKN Number K 26-30/V.117-3/99 dated on July 31, 2007 stated that the non-permanent employees who were already in the age of 46, but

having less than 10 years tenure, would be promoted by using the formation of 2005. There were 10 non-permanent employees (classified into critical age) in Temanggung Regency who had been promoted to be civil servant.

To sum up, during the submission process of non-permanent employee promotion to be civil servant for periods of 2005-2009, there were several non-permanent employees who could not be promoted to be civil servants due to several reasons:

1. One Non-permanent employee was failed to meet the requirement even he/she was considered into the second category.
2. Two candidates were failed because their educational certificates did not meet the qualification.
3. One candidate passed away.
4. Two candidates were quiet by themselves.
5. One non-permanent employee was fired as a non-permanent employee.

5.3 Mechanism of Proposing NIP

The next step committed by BKD of Temanggung Regency was proposing NIP towards BKN of Regional Office in Jogjakarta. The mechanisms taken were: The regional government officer proposed the determination of NIP in several steps:

1. The reference letter of NIP was directed into Regional Head I of BKN Jogjakarta;
2. The name of candidate and NIRTH (*Nomor Induk Registrasi Tenaga Honorer/Non-permanent Employee Identity Number*) of non-

permanent employees who would be promoted to be civil servant were classified based on the level of rank and formation and signed by Local Secretary or Head of BKD on behalf of Head of Regency;

3. The copy of formation decree issued by Minister of State Apparatus Empowerment and Formation Letter issued by Head of Regency were enclosed;
4. The form of NIP was copied into four pieces, photo and NIRTH were attached;
5. The justification form of NIP was attached by :
 - a. A curriculum vita with handwriting, using capital letter and attaching photo size 3x4,
 - b. Official-signed and legalized certificate by the concerned officer.
 - c. Copy of the first to the last Letter of Appointment as non-permanent employee which was signed by Head of Local Government,
 - d. A Declaration Letter which signed by head of agency and legalize by Head of Local Government. The declaration letter should declare:
 - (1).The recent formation was recorded as non-permanent employee.
 - (2).Having a discipline and high integrity.
 - e. Particularly for the doctor who will work at *PUSKESMAS* in remote area must attach:
 - (1).Declaration Letter to clarify they were able to be placed in *PUSKESMAS* at remote area minimum 5 years;

- (2).The Governor/Regent/Mayor decree on the stipulation of PUSKESMAS in remote area.
- f. SKCK (*Surat Catatan Kepolisian/Police clearance Recommendation*).
- g. Letter of health notification (medical report) does not consuming drugs from the assigned doctor.
- h. Letter of Statement:
 - (1). Does not have any crime record,
 - (2). Does not have any fired as civil servant,
 - (3). Ready to be assign in any region in Indonesia,
 - (4). Does not hold civil servant status yet,
 - (5). Does not involve in political party.

5.3 General Obstacles

The Deputy of Bureau Control BKN, Drs. S. Kuspriyomurdono stated that several problems in promoting the Non-permanent employee to be civil servant in the meeting of Working Control of civil servant in Yogyakarta in 2009, which were:

1. Less than a year tenure of non-permanent employee;
2. The salary of non-permanent employee did not paid by APBN/APBD;
3. The limited duration of SK (Letter of Appointment as Non-permanent Employee);
4. The Letter of Appointment as non-permanent employees was not signed by Governor/Regent/Mayor;
5. The over-age (more than 46 years) of non-permanent employee by January 1, 2006;

6. The fictive letter of SK for non-permanent employee;
7. The fake certificate of non-permanent employee;
8. The different data base recorded such as: name, date of birth, and tenure.

Meanwhile, the major problem occurred in Temanggung Regency was similar to such problems mentioned earlier. As Tusi Indreswari, a Head of Sub Division of Formation and Apparatus Planning, BKD of Temanggung Regency pointed out that:

The major problem in non-permanent employee promotion to be civil servant was the less competency of non-permanent employees derived to be difficult when it came to submission process. Some of them were unable to write and read. In addition, there were the different names of non-permanent employees in their educational certificate and letter of appointment. This kind of problems related to the administrative staffs. Besides, the data gathering of the second category of non-permanent employee make trouble BKD's officers. The second category of non-permanent employees kept asking they would be promoted to be civil servants, though the fact said that the policy was under the central government as policy maker. (Interviewed on March 15, 2012).

According to the statement of Drs. S. Kuspriyomurdono, it can be concluded that almost all problems about the implementation of Government Regulation No. 48/2009 on Non-permanent Employees to be civil servants were alike in all regions.

CHAPTER VII

DISCUSSION

This chapter discusses and analyzes the implementation process in terms of the comparison between Government Regulation Number 48 Year 2005 and Act Number 8 Year 1974 and the consistency of Government Regulation Number 48 Year 2005 to its implementation.

7.1 The Comparison between Government Regulation Number 48/2005 and Act Number 8 Year 1974

The highest regulation of public personnel administration in Indonesia is Act Number 8 Year 1974 on Public Personnel Principles. Thus all the activities of public personnel administration including recruitment of Civil Servant must be strictly based on this regulation. Consequently, Government Regulation Number 48 Year 2005 should be in line with Act number 8 Year 1974.

Based on the article 15 Act Number 8 Year 1974, the first thing to be considered before notifying the civil servant recruitment is the decision to classify the staff formation based on position and job description.

But, in fact, the case of non-permanent employee promotion to be civil servant did not apply to the guidance of Act Number 8 Year 1974. The promotion based on the Government Regulation Number 48 Year 2005 was based only on the age and tenure of non-permanent employees. It means that a formation was created based on the existence of non-permanent employee. As mentioned by Head of BKD:

It is not appropriate, a formation should be created based on the organizational requirements and competency, while non-permanent

employees promotion only based on the criteria of age and not considered their competence (interviewed on March 14, 2012).

A similar argument also stated by Tusi Indreswari, Head of Sub Division of Formation and Apparatus Planning:

The policy of non-permanent employee promotion to be civil servants could not be avoided because it was central government's policy. We should realize that the competence of non-permanent employees is far from the ideal criteria...perhaps, it's not up to 30% of them are skillful (interviewed on March 15, 2012).

Based on the facts and interviews above, it can be concluded that Government Regulation Number 48 Year 2005 is not consistent with article 15 Act Number 8 Year 1974 which: the number and rank composition of civil servant required are determined by a formation. It means that a formation should be created before registering non-permanent employees.

Further, in line with the principle of fairness as criteria of good governance, the promotion process of non-permanent employee is still questioning. As stated in the article 16, clause 2 that every Indonesian citizen has equal rights to be a civil servant if he/she meets the requirement.

Yet, Government Regulation Number 48 Year 2005 stated that it is not all Indonesian citizens could apply to be civil servant. Only those non-permanent employees who have a chance to apply as civil servant, though the competency of non-permanent employee itself remain arguable. The argument about inappropriateness policy of non-permanent employee promotion to be a civil servant stated by Head of BKD:

In my opinion, non-permanent employee promotion to be a civil servant is not a good policy because previously non-permanent employees did not follow the selection procedure. It tended to open the chance of corruption, collusion, and nepotism. Besides, the appointment of non-permanent employees reflected more political interest than technical consideration,

so that the competency of non-permanent employees did not match with the formation and organizational requirement (Interviewed on March 15, 2012).

Tusi Indreswari as Head of Sub Division of Formation and Apparatus

Planning also has the same perception such as:

Every public policy goal should be addressed to the public interest. But in terms of non-permanent employee promotion to be a civil servant, it was few people got benefit: non-permanent employees as the object of policy while the rest of society who had not chance to be a civil servant could do nothing (interviewed on March 16, 2012).

Based on the facts and interview above, it can be said that non-permanent employee promotion to be a civil servant is not in line with the fairness and good governance principles such as direct vision in human resources management and development.

As it has been overlooked from the requirement to be a civil servant, the promotion of non-permanent employee remains out of track with Act Number 8 Year 1974. As of article 17, Act Number 8 Year 1974, it was mentioned that the recruitment process of civil servant was in line with the professionalism principle and working performance competence, and the career rank as well as based on other objective requirements without alienating gender, ethnic, religion, tribe or group.

Based on the article 17, it can be stated that the civil service agency and civil servant recruitment in Indonesia have applied the principle of merit. In order to gain the professional staff, the selection must open to all citizens who met the qualifications.

The qualifications defined as those related to such competences on academic education fulfillment, since not all citizens have an opportunity for being non-permanent employee. Related to this, E.E. Mangindaan, Minister of

State Apparatus Empowerment and Bureaucracy Reform stated an interesting statement as follows:

....non-permanent employee promotion to be a civil servant did not have any benefit for government. The recruitment of non-permanent employee did not base on the competency but their relations with the Head of Local Government. Please, investigate their competency...they became the non-permanent employees because of the Head of Local Government accommodated their relatives who need a job; the Head of Local Government did not pay attention to the organizational requirement and governmental financial capacity.
(<http://www.jpnn.com/read/2011/03/08/86114/Menpan-Mengaku-Lelah-Urusi-Honoror-> retrieved on March 31, 2012).

In fact, Act Number 8 Year 1974 has coordinated the principle of merit in public personnel management of Indonesia in terms of civil servant recruitment. The merit principle of civil servant recruitment is more obvious in the article 7 of Act Number 8 Year 1974 stating that all civil servants must pass the tests of: *competency and psycho test*.

By the written-test based selection through competency and psycho test, the opportunity for all Indonesian citizens, and the chance to gain the best civil servant in each formation would be greater. But Government Regulation Number 48 Year 2005 did not accommodate the provisions which stated by Act Number 8 Year 1974. In spite of the article 4 of Government Regulation Number 48 Year 2005 states that non-permanent employee promotion to be a civil servant is committed through the administrative selection, discipline, integrated, and test medical, all are just a camouflage.

On the other words, it can be said that the non-permanent employee promotion to be a civil servant remains in contrast to the merit and fairness principle for all of Indonesian citizen.

The inconsistency between Government Regulation Number 48 Year 2005 and Act Number 8 Year 1974 is on the matter of age limitation to be a civil servant. In accordance with Act Number 8 Year 1974, to apply civil servants, all candidates must meet the several qualifications:

1. Indonesian citizen;
2. The minimum age when apply must be 18 and the maximum age 35 years old.

The basic different of requirements to be civil servants between Government Regulation Number 48 Year 2005 and Act Number 8 Year 1974 are on point 1 and 2.

Point one have been discussed previously, while point 2 stated maximum age for applying civil servant is 35 years old. However the maximum age of non permanent employee is 46 years old.

In terms of non-permanent employee promotion to be a civil servant in Temanggung, there were around 18 non-permanent employees whose age almost 46 years by January 1 , 2005 (those who were born in 1960). It was commonly called as *critical age of non-permanent employee*. All of them were administrative staff who should not be promoted to be civil servant. They were merely just graduated from elementary to high school level. The detail data as follows: 12 employees were elementary school graduated; 2 employees were junior high graduated; and 4 employees were high-school graduated.

From the explanation, it can be stated that in the matter of restriction age, Government Regulation No. 48 Year 2005 is very contradictive to the Act Number 8 Year 974

The next step is to find out why the Government Regulation Number 48 Year 2005 did not comply with Act Number 8 Year 1978. As explained in literature review, it needs the equal relationship based on the motivation to delivery best public services to the citizen in connection between elected principal (president, governor, regent, and mayor) as political officials and civil servants. In addition, the decree of compliance of civil servants is not to the elected principle but to the laws.

However, the policy has broken the ideal relationship between principal leader and civil servant as explained by agency theory. The compliance of the non-permanent employees will not to the laws but to the principal leaders. Consequently, they will be more easily directed to vote on behalf of the rulers in the general election.

Implicitly, in line with the statement of Minister of State Apparatus Empowerment and Bureaucracy Reform, and Head of BKD Temanggung that the recruitment of non-permanent was not based on the competency but the relations with Head of Local Government and the recruitment did not follow the selection procedure. It reflected more political interest than technical consideration, so the quality and competency of non-permanent was not based on formation and organizational requirement.

To sum up, it can be said that it has never been a certain and clear vision from government in development and management of human resource (civil servant). Moreover, It can be concluded that the implementation of Government Regulation Number 48 Year 2005 has no legal-consistence towards Act Number 8 Year 1974 on the Public Personnel Principles.

7.2 The Consistency of Government Regulation Number 48 Year 2005 to Its Implementation

As mentioned in the implementation process, there have been 429 non-permanent employees who could not be promoted to be civil servants. They are considered as the second category of non-permanent employee, who worked in governmental institution yet, they were not appointed by the concerned officer (Head of Temanggung Local Government) and whose salary did not paid by APBN/APBD.

7.2.1 The Consistency between Implementation of Government Regulation Number 48 Year 2005 and Its Contents

In order to analyze the reason, it demands such knowledge about the definition of non-permanent employee. As referred to Government Regulation Number 48 Year 2005 chapter 1 (1), the definition of Non-permanent employee is:

“Non-permanent employee is he or she who is appointed by the authority officer or other concerned officers within the government to commit certain duty for governmental institution or whose salary is under the consideration of APBN/APBD “.

The definition applied the word or determiner to separate every criteria of non-permanent employee so every non-permanent employee is able to meet the criteria is categorized as non-permanent employee. It can be concluded that non-permanent employee is:

- 1) One who is appointed by an authorized officer or;
- 2) One who is appointed by other concerned officers in the government to do a mandate of certain duty;
- 3) One whose salary is arranged under the APBN;
- 4) One whose salary is arranged under the APBD.

In accordance with Government Regulation Number 48 Year 2005 article 3 (1) the priorities of non-permanent employees to get promote are:

- 1) Teachers;
- 2) Paramedics;
- 3) Agricultural Extensions;
- 4) Technical staffs who urgently required by government.

The next priority that can be promoted to be civil servants based on article 6 is a non-permanent employees whose salary paid by APBN/APBD, while the non-permanent whose salary paid by other sources, can be promoted to be civil servants after all of the first category has been promoted to be civil servants before 2009.

In terms of different treatment between the first and the second category of non-permanent employees, Sutikno, Head of Local Civil Service Agency (BKD) has an interesting statement as follows:

... Not all of non-permanent employees especially who paid by other sources can be promoted to be civil servants. Government Regulation Number 48 Year 2005 mentions that Non-permanent employees whose salary paid by other sources, out of APBN/APBD, can be promoted to be civil servants, it means that government can or cannot promoted them to be civil servants, it depends on political will of central government. In fact, central government just wants to promote the first category (interviewed on March 14, 2012).

The statement of Head of Local Service Agency based on the decree of article 6 (1) of Government Regulation Number 48 Year 2005 as follows:

The promotion process of non-permanent employee to be civil servant has been conducted step by step since 2005 and it is expected to be accomplished by 2009, with the priority of non-permanent employee whose salary was paid by APBN/APBD.

Further it is also stated in the clause 2, that:

As clause 1 states that: if the first category of non-permanent employees who were promoted to be civil servants before 2009, the second category of non-permanent employees will be promoted to be civil servants”

The word “*can*” implies that the government is free to promote or not the second category to be civil servants. The fact shows that the promotion process from non-permanent employee to be civil servants was merely based on the source of salary of non-permanent employee itself and the tenure.

The impact is the second category of non-permanent employee keeps pursuing and encouraging their claim in order to promote to be civil servant. This phenomenon provokes the Minister of State Apparatus Empowerment and Bureaucracy Reform, E.E. Mangindaan to issue this following statement:

Honestly, I found myself exhausted in taking care of this case (non-permanent employee-related matters). Ever since I was a Head of Commission 2 of DPR RI, during my 5 years tenure, I had been involved in such matter. Now when I am a Minister, this kind of problem came friendly into my concern (official meeting with commission 3 of DPR RI, March 3, 2011 on <http://www.jpnn.com/read/2011/03/08/86114/Menpan-Mengaku-Lelah-Urusi-Honoror>, retrieved on Dec 1, 2011)

Right now, the promotion process of the second category of non-permanent employee to be civil servants become a dilemma, if it is not implemented, the protest or claim would be continuously exaggerated, while appointing them will become additional burden for government . As Finance Minister, Agus Martowardoyo states:

The number of civil servant in Indonesia recently are abundant and becomes the problems for budgetary particularly in terms of providing the salary, pension and insurance

(<http://www.antaranews.com/berita/264141/menkeu-jumlah-pns-cukup-tinggi-beratkan-anggaran-pemerintah>, retrieved on Dec 1, 2011).

As a matter of fact, this could be prevented if Government Regulation Number 48 Year 2005 has clear definition on what non-permanent employee is.

7.2.2 The Consistency Between the Implementation of Government Regulation Number 48 Year 2005 and Its Objective

The most important thing in the success of public policy implementation is its consistency with the defined objectives. In terms of Government Regulation Number 48 Year 2005, the consistency of objective will be reviewed based on the content of the regulation itself, good governance, and merit principles.

Actually, the problem is in the inconsistency of the public policy itself. As mentioned in chapter I that more than 50% of civil servants in Indonesia are considered less productive, efficient and effective in performing their duties.

Moving from the fact, in 2004, the government (Ministry of State Apparatus Empowerment) issued the bureaucracy reform policy within the personnel management, which was *the zero growth plus*. Related to the principle, the recruitment of new civil servants must be directed to replace civil servants who get their pension, except for teachers, paramedics, and other specific-skilled staffs.

Based on Government Regulation Number 48 Year 2005 chapter 3 clause 1, the priority of recruitment is:

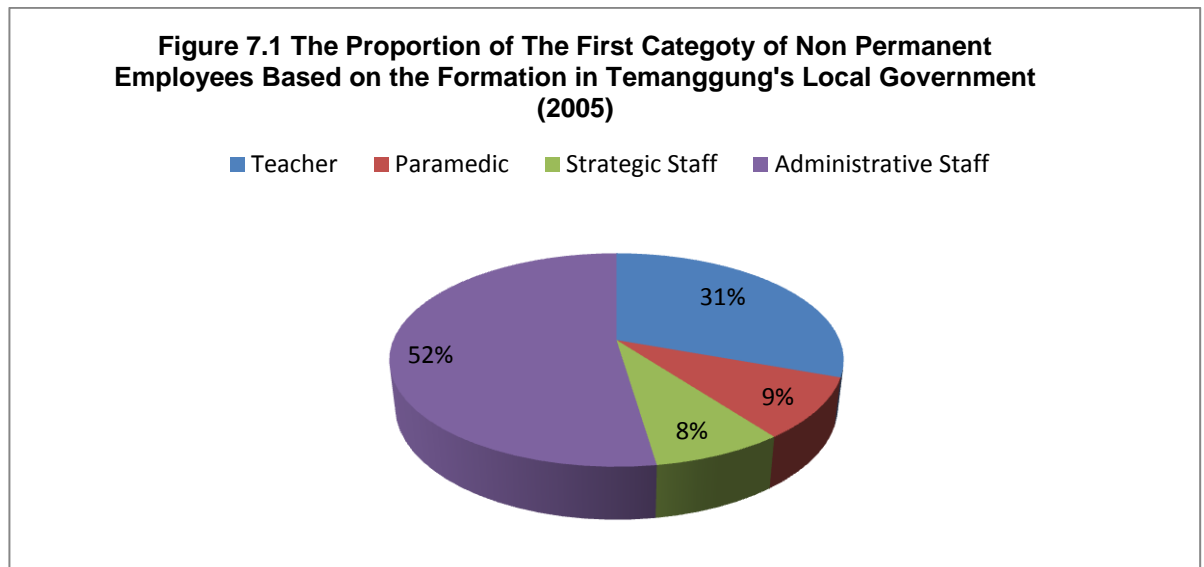
- 1) Teachers;
- 2) Paramedics;
- 3) Agricultural extensions;
- 4) Technical staffs.

The fact shows something different as based on the BKN's listing. There were two kinds of new non-permanent employees which were administrative and strategic staffs. Meanwhile, if the government remains consistent to the essence on Government Regulation Number 48 Year 2005, the administrative and strategic staffs were not supposed to come up. Obviously, the promotion process of administrative staff to be civil servants is contrary to the Government Regulation Number 48 Year 2005, article 3 (1).

In the article 3 (1), it is mentioned about the technical staff definition which is truly required by the government. The article said that: *“Technical staff is an operational technical whose skill specialization (IT Specialist, Accountant, etc,) he/she is not administrative staff”*.

Based on the statement and the principle of zero growth plus, the administrative staff could not be promoted to be civil servants. But, the facts say different: the largest number of non-permanent employees who were promoted to be civil servants was the administrative staffs. In the Temanggung's Local Government, there are 824 administrative staffs (52.3%). it is the greatest number if compared to the strategic staffs (7.9%), teachers (30.52%), paramedics (9.2%) and the agricultural extension (0%).

The proportion of non-permanent employees can be seen clearly in figure 7.1.



Source: BKD of Temanggung Regency

Even though the promotion processes contrary to Government Regulation Number 48 Year 2005, the local government could not do anything. The Head of BKD states:

In terms of non-permanent employee promotion to be civil servant, the local government plays merely as a major actor and under the control of central government policy. Even in fact, Government Regulation Number 48 Year 2005 is not in line with Law Number 43 Year 1999 in terms of age, selection, and etc (interviewed on March 14, 2012)

Based on the interviews and the facts, it can be interpreted that the implementation of Government Regulation Number 48 Year 2005 was not consistent with its content.

The conclusion of this chapter is the Government Regulation Number 48 Year 2005 was not followed the Act Number 8 Year 1974 in terms of:

1. The general requirements of civil servants;
2. The priority of positions which can be promoted to be civil servants;

3. Types of test;

In addition, the implementation of Government Regulation of Number 48 Year 2005 was not in line (consistent) with its content and objectives, such as:

1. The different definition of Non Permanent Employee;
2. The types of formations/positions which can be promoted to be civil servants.

The difference between them can be seen more clearly in table 7.1 and table 7.2.

Table 7.1 The Contradiction between Government Regulation Number 48 Year 2005 and Act Number 8 Year 1974

Regulation	Objectives	The Priority of Formation Which Can be Promoted	Types of Test
Act No. 8/1974	a. All Indonesian citizen b. Minimum age when apply must be 18 and maximum age 35	a. Teachers b. Paramedics c. Technical staffs	Test of competency and psychology
GR No. 48/2005	a. Only Non-permanent Employees b. Minimum age when apply must be 18 and maximum age 46	a. Teachers b. Paramedics c. Agricultural extensions d. Technical staffs	Without test

Source: formulated by Author

Table 7.2 The Contradiction between Government Regulation Number 48 Year 2005 and Its Implementation

Definition of Non Permanent Employee on GR No 48/2005	Definition in the Impementation
All Non-permanent employee who work for government agencies	Only non-permanent employees who paid by APBN/APBD
The Types of Formations in GR No 48/2005	The Types in the Implementation
Teachers, paramedics, <i>agricultural extension, technical staffs</i>	Teachers, paramedics, <i>administrative staffs and strategic staffs</i>

Source: formulated by Author

CHAPTER VIII

IMPACTS

Every policy, program, and project always has impacts: direct or indirect, positive or negative, intended or unintended. This chapter will presents some impacts due to the implementation of Government Regulation Number 48 Year 2005 in national and local levels.

8. The Implementation Impacts of Government Regulation Number 48 Year 2005

The implementation impacts of Government Regulation Number 48 Year 2005 such as:

- a. The number of civil servants is abundance and the government needs to control its growth by an early pension scheme;

In the internal of Directorate of Treasury, Ministry of Finance, it is proposed the *early pension program* for staffs whose age between 50-55 years old. It means that 937.147 or 20.38 percent of civil servant who have age more than 50 years old will be offered this program.

<http://economy.okezone.com/read/2011/06/23/20/471986/937-147-pns-siap-siap-kehilangan-pekerjaan>, retrieved on March 4, 2012).

The civil servant condition is something silly just like a comedy show. During 2006-2010, the government was promoting 920,074 of non-permanent employees who have less skill to be civil servant. Nevertheless after the policy over, the government is concerned about the high number of civil servant and he proposed the early pension for 937,147 civil servants.

- b. In Temanggung regency, the majority of non-permanent employees who promoted to be civil servants were administrative staff, consisting 824 candidates (52.3%). It was the greatest number if compared to the strategic staff (7.9%), teacher (30.52%), paramedic (9.2%) and the agricultural extension (0%). This phenomena make Temanggung's Local Government needs more than 500 teachers for elementary school but it's difficult to complete because of limited budget. It was mentioned by The Regent of Temanggung as follows:

Now, Temanggung's Local Government needs more than 500 elementary school teachers but it's difficult to complete because of limited budget.
(<http://www.mediaindonesia.com/read/2011/06/08/232262/289/101/Temanggung-Kekurangan-500-Guru-SD> , retrieved on April 27, 2012).

A similar argument also stated by Head of BKD as follows:

The Temanggung Local Government's financial condition is not ideal because more than 60% of local budget spent for salary of civil servants, while the non-permanent employees who promoted to be civil servants have no competence to meet the organizational requirement. It is reflected by most of the agencies ask for additional civil servants.....the point is the non-permanent employees especially administrative staffs were not capable to do the job. (Interviewed on March 14, 2012).

- c. The growth number of civil servants make a burden of the budget

As we know, if the growth of civil servants without considering the formations, workload, and local financial capacity, it will give negative impacts in terms of local budget. Recently, 294 of 491 regencies/cities in Indonesia allocate more than 50% of their budget for personnel expenditure, even some of them spending more than 60 and 11 of them allocate more than 70%

(<http://www.suaramerdeka.com/v1/index.php/read/cetak/2012/04/20/183884/Anggaran-Abaikan-Kepentingan-Publik>, retrieved on May 5, 2012). The regencies/cities which spend more than 70% of their budget (2011) for personnel expenditure as follows:

Table 8.1 Regencies/Cities with the Biggest Personnel Expenditure in Indonesia (2011)

NO.	LOCAL GOVERNMENT	PROVINCE	%
1	LANGSA	Nanggroe Aceh Darussalam	76.7
2	KUNINGAN	West Java	74.0
3	AMBON	Maluku	73.4
4	NGAWI	East Java	73.0
5	BANTUL	Djokjakarta Special Province	71.9
6	BIREUEN	Nanggroe Aceh Darussalam	71.8
7	KLATEN	Central Java	71.6
8	ACEH BARAT	Nanggroe Aceh Darussalam	70.9
9	GORONTALO	Gorontalo	70.3
10	KARANGANYAR	Central Java	70.1
11	PADANG SIDEMPUAN	North Sumatera	70.0

Source: <http://finance.detik.com/read/2012/04/08/173021/1887258/4/payah-11-pemda-kuras-70-anggaran-hanya-untuk-gaji-pns?f990101mainnews>

While in the context of Temanggung Regency, during 2005-2011 the personnel expenditure always more than 50% as depicted by table 5.14.

Table 8.2 Percentage of Personnel Expenditure of Temanggung Regency (2005-2011)

Year	Personnel Expenditure	Revenue	Percentage
2005	177,625,263,041	291,371,529,778	60.96
2006	196,876,190,000	301,995,374,000	65.19
2007	216,546,863,828	318,717,723,434	67.94
2008	238,201,550,221	336,120,432,277	70.87
2009	301,888,658,477	526,972,977,744	57.29
2010	379,607,121,524	544,116,666,544	69.77
2011	485,105,503,083	813,852,226,042	59.61

Source: Local Planning and Development Agency of Temanggung (2012)

According to the explanation and tables (table 7.3 and 7.4), it could be said that the composition of local budget had not ideal yet. According ADB the ideal amount of budget allocation for public spending is between 70-80% of total budget. If we are looking at the majority of local government in Indonesia, it is so ironic because the personnel expenditure is bigger than public spending. Even, Forum Indonesia for Budget Transparency (FITRA) pointed out that in general, regencies/cities which spend more than 50% of local budget for personnel expenditure will go corrupt because their public spending is only 9-14. (<http://finance.detik.com/read/2012/04/08/173021/1887258/4/payah-11-pemda-kuras-70-anggarannya-hanya-untuk-gaji-pns?f990101mainnews>, retrieved on May 5, 2012).

In the most regencies/cities in Indonesia, budgets are not ideal at least due to two factors: the increasing of salary of civil servants every year since 2007 and recruitment of civil servants without considering the financial condition of local budget. One example is the recruitment more than 900,000 of non-permanent employees to be civil servant (22.5% of total civil servants in Indonesia) while their competency is questionable.

CHAPTER IX

CONCLUSIONS AND RECOMMENDATIONS

This chapter concludes the study in terms of implementation process and evaluation results. In order to improve the competence of civil servants in Indonesia, the researcher also recommends that all stakeholders should consider the requirement of organization and financial ability in recruiting new civil servants. In the end of this report, it can be drawn lesson learned for all parties involving as well as interested in the public personnel administration particularly in recruitment of civil servants.

9.1 Conclusions

1. There were three stakeholders in the implementation of Government Regulation Number 48 Year 2005 on Non-Permanent Employee Promotion to be Civil Servant in Temanggung Regency: BKN, BKD of Central Java, and BKD of Temanggung Regency;
- 2 BKD of Temanggung implemented Government Regulation Number 48 Year 2005 as follows:
 - a. Data Gathering:
 - 1) Based on the data gathering, it is enlisted: 1,618 people of the first category and 429 people of the second category of non-permanent employees,
 - 2) The majority of non-permanent employees were administrative staffs which consist of 60.13% for the first category and 71.56% for the second one.

b. Five periods of non-permanent employee's promotion had been carried out since 2005 to 2009.

- 1) In 2005, Temanggung's Local Government promoted 401 people;
- 2) In 2006, Temanggung's Local Government promoted 557 people;
- 3) In 2007, Temanggung's Local Government promoted 296 people;
- 4) In 2008 Temanggung's Local Government promoted 133 people;
- 5) In 2009 Temanggung's Local Government promoted 229 people.

In addition to the main annual formation, the government of Temanggung Regency has also proposed draft submissions for:

- 1) 32 canceled non-permanent employees from the first category;
- 2) 50 part time teachers;
- 3) 10 non-permanent employees categorized as critical age.

There was some of the first category of non-permanent employees who could not be promoted to be civil servants due to:

- 1) 1 non-permanent employee failed to meet the requirement because of his status categorized as the second category;
- 2) 2 non-permanent employees failed to meet the requirement due to their degree certificate illegibility;
- 3) 1 non-permanent employee passed away.
- 4) 2 non-permanent employees resigned.
- 5) 1 non-permanent employee had been fired.

There were 429 people of the second category of non-permanent employees who could not be promoted to be civil servants.

c. Proposing Identity Number of Civil Servant

3. From discussion in Chapter VII, it can be concluded that:
 - a. Government Regulation Number 48 Year 2005 was not consistent with Indonesian legal basis of civil service (Act Number 8 Year 974)
 - b. Government Regulation Number 48 Year 2005 did not have clear objectives particularly on the definition of non-permanent employee. It was raising two category of non-permanent employees: the first category who paid by APBN/APBD and the second category who paid by Non-APBN/APBD;
 - c. Government Regulation Number 48 Year 2005 was not consistent with the content and objectives. It made two positions/formations were disappeared: *Agricultural Extension and Technical Staff*, on the other hand two formations were disappeared: *Administrative Staff and Strategic Staff*.
4. The implementation of Government Regulation Number 48 Year 2005 generated some negative impacts such as:
 - a. The number of civil servants is abundance and the government needs to control its growth by an early pension scheme;
 - b. Recently, Temanggung's Local Government needs more than 500 teachers for elementary school but it's difficult to complete because of limited budget.

9.2 Recommendation

1. Theoritically:

- a. Before recruiting civil servants, government should arrange a job analysis, zero growth plus, and considers the financial ability; hence government organization will get the qualified personnel based on the requirement of organization;
- b. In order to recruit the best civil servants in vacant formation/position, the recruitment of civil servants must consider the principles of good governance, merit system, and avoid a political interest of the ruler.

2. Practically:

- b. In the recruitment of civil servant, all stakeholders must obey the highest regulation (Act Number 8 Year 1974 on the Public Personnel Principles);
- c. In the implementation process, all stakeholders (BKN, BKD of Central Java, and BKD of Temanggung) must consistent with the content and objective of Government Regulation Number 48 Year 2005.

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