Bureaucratic Reform, Towards the Performance of Country Civil Aparature through the Implementation of Good Governance

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Abstract: *The State Civil Apparatus (ASN) has a very important role in upholding a professional bureaucracy, creating conducive conditions and supporting the fulfillment of the need so that people are able to carry out other activities independently. Internal supervision is needed to realize good governance. Efforts to realize good governance are a priority of government policy. This research was conducted in the Magetan district and Ngawi District Inspectorate Office with the aim of knowing the effect of internal supervision on the implementation of good governance, knowing the effect of bureaucratic reform on the implementation of good governance, knowing the effect of internal supervision on ASN performance, knowing the effect of bureaucratic reform, ASN performance, knowing the influence of bureaucratic reform, on good governance. The sample in this study was taken using a data collection method called purposive sampling. The data obtained were analyzed using PLS (Partial Least Square) analysis techniques through Smart PLS software. The research findings show that (1) Internal Supervision has an influence on Good Governance; (2) Bureaucratic reforms have an influence on good governance; (3) Internal supervision has an influence on performance; (4) Bureaucratic reforms have no effect on performance and (5) Good governance has an influence on performance..*

Keywords: Internal Oversight, Bureaucratic Reform, ASN Performance, and Good Governance

1. Introduction

The main problem facing this global era is the lack of qualified and clean human resources to participate in the implementation of development, both nationally and internationally. Regarding the Human Resources (HR) bureaucracy in Indonesia, the international world up to now still considers it bad when compared to neighboring countries. The low quality (HR) in government institutions can also be indicated from the performance of Civil Servants [1].

Weaknesses of supervision in the implementation of development cause various irregularities that can harm the country and in turn hinder the process of achieving national development goals. If the performance of supervision is strong in the sense of going orderly and disciplined without leakage or deviation. Regulation of the Minister of State for Administrative Reform Number PER / 220 / M.PAN / 7/2008 [5] provides the following meanings:

The performance of the government is in the public spotlight at this time, because it has not revealed the results felt by the people. The people demand that the government be able to manage and carry out the duties of government properly, so that it can have an impact on people's welfare. To restore and restore public trust, of course, changes are needed in all fields, which of course can improve the quality of government performance itself. Performance accountability is needed as a responsibility for performance
Bureaucratic reform of the State Civil Apparatus (ASN) is needed to improve performance and create good governance, because reform is a process of systematic, integrated, comprehensive, aimed at realizing good governance.

The ASN performance evaluation aims to guarantee the objectivity of coaching (ASN) based on the achievement system and career system [5]. ASN performance appraisal is based on performance planning at the individual and unit or organizational level, taking into account the targets, achievements, results, and benefits achieved, as well as ASN behavior. ASN's performance assessment is carried out in an objective, measurable, accountable, participatory, and transparent manner. The results of the ASN performance appraisal are used to ensure objectivity in the development of the ASN, and serve as requirements for appointment and promotion, provision of allowances and sanctions, transfers, and promotions, as well as for attending education and training.

The substance of this performance measurement instrument consists of aspects that affect the quality of the implementation of the task and can be measured, which include:
1) Work achievement. Namely the work of employees in carrying out tasks both in quality and quantity of work.
2) Expertise (skill). Namely the technical capabilities possessed by employees in carrying out the tasks assigned to him
3) Behavior (attitude). Namely the attitude or behavior of employees attached to himself and carried in his duties. Behavior here includes honesty, responsibility, and discipline.

4) Leadership (leadership). Is an aspect of managerial ability and art in influencing others to coordinate work appropriately and quickly, including in terms of supervision [5]

Supervision is the process of observing the implementation of all organizational activities to ensure that all work that is being carried out goes according to a predetermined plan, According to [2] states that internal supervision includes the organizational structure and all means and regulations which has been established or the company to safeguard and secure its property, examine the accuracy and accuracy of administrative data, promote work efficiency and encourage compliance with policies set by top management, States that internal control is supervision carried out independently by each worker on the tasks assigned to him. [9]

The Reformation is a process of systematic, integrated, conference, aimed at realizing good governance. Bureaucracy according [8], revealed that bureaucracy is an institution that occupies a neutral organic position in the social structure and functions as a liaison between the state that manifests public interests and civil society that represent special interests in society, according to [10], said that the bureaucracy is the entire government apparatus, both civilian and military whose job is to assist the government and receive salaries from the government because of their status.

1.1 Good Governance

In general there are five basic principles of good corporate governance according to the National Committee on Governance Policy (KNKG) [3], namely:
1) Transparency (openness of information), namely openness in carrying out the decision making process and openness in presenting material and relevant information about the company.
2) Accountability, namely the clarity of functions, structures, systems, and accountability of the company's organs so that the company's management is carried out effectively.
3) Responsibility (responsibility), i.e. conformity (compliance) in the management of a company to the principles of a healthy corporation and the applicable laws and regulations.
4) Independence (independence), which is a situation where the company is managed professionally without a conflict of interest and influence / pressure from the management that is not in accordance with the applicable laws and regulations and sound corporate principles.
5) Fairness (equality and fairness), i.e. fair and equal treatment in fulfilling stakeholder rights that arise based on agreements and applicable laws and regulations.

1.2 Research Purposes

The purpose of this study is to analyze (1) The Effect of Internal Oversight on Good Governance; (2) The Effect of Bureaucratic Reform on Good Governance; (3) Effect of Internal Oversight on Performance; (4) The Effect of Bureaucratic Reform on Performance and (5) The Effect of Good Governance on Performance.

1.3 Framework

Model Framework for Thinking Research research hypotheses:
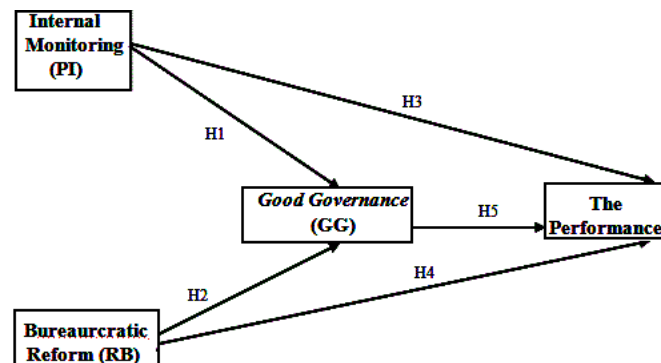

Figure 1: Modular Framework for Hypothesis Thinking

From the above framework, it can be explained that there are two independent variables of Internal Audit / Supervision (PI), Bureaucracy Reform (RB), intermediate variables (GG) Good Governance, dependent variable (KN) Performance of the State Civil Apparatus (KN).

Based on the above framework, the hypotheses of this research are as follows:
H1:   Internal Oversight has an effect on Good Governance.
H2:   Bureaucracy Reform has an influence on Good Governance.
H3:   Internal Control influences the ASN Performance.
H4:   Bureaucratic Reform has an influence on ASN Performance.
H5:   Good Governance influences ASN Performance.

2.   Research Methods

2.1   Research Design

The research design uses quantitative methods by conducting surveys. Data collection using a list of questions provided to respondents, provides questions with answers to five Likert scale options. Respondents are all auditors, inspectors, government supervisors and functional employees in the Inspectorate of Ngawi Regency and Magetan Regency.

2.2   Population and Sample

The population in this study were all Auditors, Inspectors, Functional Employees and Government Oversight (P2) in the Inspectorate of Ngawi Regency and Magetan Regency totaling 87 people.

2.3   Conceptual and Operational Definitions of Variables

The conceptual definition of the variables in this study are as follows:
a) ASN Performance

According [7] Employee performance is the willingness of a person or group of people to do an activity and perfect it in accordance with their responsibilities with the results as expected. State Civil Apparatus, hereinafter referred to as ASN, is a profession for civil servants and government employees with work agreements working for government agencies [6].

b) Internal monitoring

Internal Supervision is the entire process of auditing, reviewing, evaluating, monitoring, and other supervisory activities on the implementation of the tasks and functions of the organization in order to provide adequate assurance that the activities have been carried out in accordance with the benchmarks that have been set effectively and efficiently for the interests of the leadership in realizing good governance.

c) Bureaucratic Reform

Reform according to[8], which says that the Reformation is a process of systematic, integrated, conference, aimed at realizing good governance.

Table 1: Definition of Variable Operations

No.	Variable	Dimension	Indikator	Butir Item
1	Internal Oversight (PI)	Oversight Planning (PP1)	Planning work programs and activities	Pi1
			Develop work program plans and activities with reference to the object of supervision	Pi2
			Conduct planning by compiling a map of supervision	Pi3
			In compiling a work program and activity plan, it includes the limitations of the functions and authorities granted by the law	Pi4
		Implementation of Supervision (PP2)	Ensuring work results are consistent with the goals and objectives	Pi5
			Carry out special inspection	Pi6
			Internal supervision in accordance with the duties and functions	Pi7
			Review the final report on the performance of local government	Pi8
		Penyusunan Laporan Hasil Pengawasan (PLHP)	Preparation of Supervision Reports (PLHP) Conducting reports on the results of supervision	Pi9
			Prepare reports on the results of monitoring	Pi10
			Evaluate follow-up findings of supervision results	Pi11
2	Bureaucratic Reform (RB)	Structural Change (PS)	Ensuring good coordination	Rb1
			Guaranteeing a clear system of accountability	Rb2
			Ensuring an even distribution of tasks and workloads	Rb3
			Able to support controlling the implementation	Rb4
			Work Has been adequately supported by competent and committed personnel	Rb5
			Encourage innovation and breakthroughs that support the performance	Rb6
			Supported by a solid team and works well	Rb7
			reciprocal communication	RB8
			Auditors always provide fast services	RB9
		Bureaucratic Repositioning (RB)	Transparent and in accordance with procedures	Rb10
			Free of corruption and collusion	Rb11
			Knowing the service standards owned	Rb12
			Implement these service standards consistently	Rb13
			In carrying out its duties always stick to the efficiency	Rb14
			In carrying out their duties, always uphold the professionalism	Rb15
			In carrying out their duties, always transparent	Rb16
3	Good Governance (GG)	Governance (P)	Know clearly the duties, functions and authorities	Gg1
			Always convey the use of finance to the public through the DPRD	GG2
			Always crack down on employees who violate discipline	Gg3
			Always crack down on employees / leaders who abuse their authority	Gg4
		Equality (K)	Always act fairly with employees	Gg5
			Does not differentiate gender in the placement of officials	Gg6
		Community (M)	Considering community aspirations in formulating a policy related to their authority	Gg7
			The community is important to listen to and follow up	Gg8
			Carry out prevention to all work units of the regional apparatus to prevent acts of corruption and collusion	Gg9
			Always provide a policy related to the results of auditors that have been implemented to be followed up as they should	Gg10
4	ASN Performance (KN)	Work Targets (SK)	Always carry out their duties and responsibilities in accordance with the quantity charged by the leadership	KN1
			Carry out the duties and responsibilities both	KN2
			Costs used in completing the work can be reduced to a minimum	KN3
			Having good competence, so that their tasks and responsibilities can be completed in accordance with the direction of the leadership	KN4
		Work Behavior (PK)	The services provided are always good	KN5
			Always have a high work commitment in carrying out their duties	KN6
			Prioritizing the interests of the office above the personal and family interests	KN7

		High work motivation in carrying out their duties			KN8
		Leadership in the Inspectorate can run well and is able to create a conducive and harmonious working environment and environment			KN9

d) Good governance

Good governance is good governance in a business that is based on professional ethics in trying / working. Good Governance is also intended as a managerial ability to manage the resources and affairs of a country in ways that are open, transparent, accountable, equitable, and responsive on community needs [11].

2.4 While the operational definition of variables is the average score of answers received by respondents after filling out the questionnaire. Distribution of items used as shown in table 1.

2.5 Test Instruments

a) The instrument test is done with the Validity Test to measure the validity of the questionnaire [4]. Testing Criteria:
- Valid, if r arithmetic ≥ r table
- Invalid, if r count <r table

b) Reliability Test
Reliability is a tool to measure the questionnaire which is an indicator of the variable [4]. The reliability coefficient calculation technique used here is by using Cronbach's Alpha. If $\alpha \geq 0.6$ data is appropriate to be used for research.

Validity and reliability tests were analyzed computationally using the SPSS program.

2.6 Data Collection Techniques and Sources.

In this study, researchers used data collection techniques in accordance with the descriptive survey method, that one way to collect data was by distributing questionnaires to 87 respondent employees in the Inspectorate of Ngawi and Magetan Regencies.

2.7 Analysis Method

In this study data analysis uses the Partial Least Square (PLS) approach. PLS is a Structural Equation Modeling (SEM) equation model based on components or variants. According to [4], PLS is an alternative approach that shifts from a covariant-based SEM approach to variant-based.

3. Results and Discussion

3.1 Respondents

Based on the results of data collection in the field obtained a description of the position of the respondent. Distribution of items used as shown in table 2

Table 2: Number of respondents based on position

		Frequency	Percent	Valid	Cumulative

				Percent	Percent
Valid	Inspector	2	2.3	2.3	2.3
	Government Oversight	17	19.5	19.5	21.8
	Intermediate Auditors	26	29.9	29.9	51.7
	Young Auditors	25	28.7	28.7	80.5
	General Functional	17	19.5	19.5	100
	Total	87	100	100	

Source: Results of data processing with SPSS, 2019

Based on the above table, it can be seen that from respondents totaling 87 people, as many as 2 people or 2.3% as Inspectors, as many as 17 people or 19.5% as Government Supervisors, as many as 26 people or 29.9% as Intermediate Auditors, as many as 25 people or 28.7% as Young Auditors and as many as 17 people or 19.5% as General Functional.

3.2 Path Analysis

a) Structural Model Testing (Inner Model)
In assessing a model with PLS it starts by looking at the R-square for each latent dependent variable. R-square Value Table is the result of R-square estimation using SmartPLS. Distribution of items used as shown in table 3

Table 3: Value *R-square*

	R Square	R Square Adjusted
Good Governance	0,631	0,622
ASN performance	0,686	0,675

In this study, using 2 variables that are influenced by other variables, namely good governance (GG) variables that are influenced by internal supervision (PI), ASN performance variables (KN) influenced by Bureaucracy Reform (RB) and attitudes towards implementing good governance (GG)). The R-square Value Table shows the R-square value for the GG variable obtained at 0.631, for the ASN Performance variable (KN) obtained at 0.686. These results indicate that 63.1% of the variables of good governance (GG) can be influenced by Internal Oversight (PI) and Bureaucratic Reform (RB), while the ASN Performance variable (KN), 68.6% is influenced by Internal Oversight (PI), Reform Bureaucracy (RB)

Besides using R-square and goodness of fit models, it is also measured by using Q-Square predictive relevance for structural models.
$$Q^2 = 1 – (1-R_1^2) \times (1-R_2^2)$$
$$= 1 – (1-(0,631)) \times (1-(0,686))$$
$$= 1 – (0,369) \times (0,314)$$
$$= 1 – (0,055)$$

where R_1^2 and R_2^2 are R-square endogenous variables. The calculation of goodness of fit model is as follows

Based on the above calculation, 94.5 percent correlates the good governance variables explained by ASN performance variables, Internal Oversight and Bureaucratic Reform, while the remaining 5.5% percent is explained by variables not included in the model.

b) Hypothesis testing

Path Analysis provides estimation output for testing structural models.Distribution of items used as shown in table 4

Table 4: Path Analysis

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
GG – KN	0,232	0,210	0,101	2,304	0,022
PI – GG	-0,346	-0,295	0,147	2,359	0,019
PI – KN	0,462	0,444	0,106	4,354	0,000
RB – GG	1,048	1,013	0,114	9,187	0,000
RB – KN	0,233	0,266	0,153	1,525	0,128

$Q2 = 1 - (1-R12)(1-R22)$
$= 0,945$ atau $94,5\%$

In PLS statistical testing every hypothesized relationship is done using simulations. In this case the bootstrap method is performed on the sample. Bootstrapping test results from PLS analysis are as follows:

1) Testing Hypothesis I (Internal Control influences Good Governance). The results of testing the first hypothesis indicate that the path coefficient value of the influence of Internal Oversight (PI) on Good Governance (GG) of -0,346 with a t value of 2.359 and p values of 0.019. Because the value of t arithmetic (2.359) is greater than t table (1.988) and p value (0.019) is smaller than α (0.05), then Ha is accepted and Ho is rejected. This means that Internal Control has a positive and significant effect on Good Governance.

2) Testing Hypothesis II (Bureaucratic Reform gives effect to Good Governance). The results of testing the first hypothesis showed that the path coefficient value of the Bureaucratic Reform (RB) to Good Governance (GG) was 1.048 with a t value of 9,187 and a p value of 0,000. Because the value of t arithmetic (9,187) is greater than t table (1,988) and p value (0,000) is smaller than α (0.05), Ha is accepted and Ho is rejected. This means that bureaucratic reform has a positive and significant effect on good governance.

3) Hypothesis III Testing (Internal Control influences the ASN Performance). The results of the first hypothesis testing showed that the path coefficient value of Internal Control (PI) on ASN Performance (KN) was 0.462 with a t value of 4.354 and a p value of 0.000. Because the value of t arithmetic (4.354) is greater than t table (1.988) and p value (0,000) is smaller than α (0.05), Ha is accepted and Ho is rejected. This means that Internal Control (PI) has positive and significant effect on ASN (KN) performance.

4) Testing Hypothesis IV (Bureaucratic Reform does not influence ASN Performance). The results of testing the first hypothesis showed that the path coefficient value of the Bureaucratic Reform (RB) on ASN Performance (KN) was 0.233 with a t value of 1.525 and a p value of 0.128. Because the value of t arithmetic (1.525) is smaller than t table (1.988) and p value (0.128) is greater than α (0.05), then Ha is rejected and Ho is shouted. This means that bureaucratic reform has no positive and significant effect on ASN performance.

5) Testing Hypothesis V (Good Governance influences ASN Performance). The results of the first hypothesis testing showed that the value of the path coefficient of Good Governance (GG) influence on ASN Performance (KN) of 0.232 with a t value of 2.304 and p values of 0.022. Because the value of t arithmetic (2.304) is greater than t table (1.988) and p value (0.022) is smaller than α (0.05), Ha is accepted and Ho is rejected. This means that Good Governance has a positive and significant effect on ASN Performance.

4. Discussion

Internal Oversight influences Good Governance
Supervision is basically directed entirely to avoid the possibility of diversion or deviation from the objectives to be achieved. Through supervision is expected to help implement policies that have been set to achieve the planned objectives effectively and efficiently. Even through supervision there is an activity that is closely related to the determination or evaluation of the extent to which the implementation of work has been carried out. Supervision can also detect the extent to which the leader's policies are carried out and the extent of irregularities that occur in the implementation of the work.

Bureaucratic Reform has an influence on Good Governance
This means that bureaucratic reform has a positive and significant effect on good governance. The results of this study are in line with research by [11] with the title Influence of Internal Oversight, Bureaucratic Reform, on the Performance of State Civil Apparatuses through the Implementation of Good Governance. The results showed that bureaucratic reform has a positive and significant relationship to good governance.

Internal Oversight has an impact on ASN Performance
Research findings indicate that internal control has a significant positive effect on local government performance. The greater the internal supervision, the higher the performance of local governments.

Bureaucratic Reform has no influence on ASN Performance. Bureaucratic reform in the scope of Magetan Regency and Ngawi Regency has not been made a maximum effort that is systematic, integrated and comprehensive, in realizing good governance. Efforts that need to be done in bureaucratic reform in Magetan and Ngawi districts in achieving maximum performance are fundamental changes to the system of governance, especially concerning institutional aspects (organization), management (business processes) and human resources of the State civil apparatus.

Other reform actions that are also strategic for improving performance are creating a clean government consisting of

three main agenda items, namely: a. Creating a government that is clean from the practices of Corruption, Collusion, Cronyism and Nepotism; b. Discipline of receiving and using public funds, so that they no longer prioritize the pattern of deficit funding and eliminate the existence of non-budgetary public funds; c. Strengthening the system of supervision and public accountability of the state apparatus.

Good Governance influences ASN Performance
The results of hypothesis testing indicate that Good Governance has a positive and significant effect on ASN performance. Magetan Regency and Ngawi Regency have implemented development management, which is also called development administration, which places the role of the central government which is the agent of change of a developing society in developing countries properly

4. Conclusion

Based on the analysis and discussion in the previous section, the following conclusions can be drawn:

1) The results of testing the first hypothesis show an insignificant relationship between Internal Oversight and Good Governance. This means that high Internal Oversight will not directly affect the implementation of Good Governance.
2) The results of testing the second hypothesis indicate a direct and positive relationship between bureaucratic reform and good governance. This means that bureaucratic reform has a strong impact on the implementation of good governance.
3) The results of testing the third hypothesis indicate a direct and positive relationship between Internal Oversight and ASN Performance. This means that the implementation of Internal Control will increasingly encourage the improvement of ASN performance.
4) The fourth hypothesis testing results show an insignificant relationship between Bureaucratic Reform and ASN Performance. This means that the Bureaucracy Reform that has been pushed has not directly affected the results of the ASN Performance.
5) The results of testing the fifth hypothesis indicate a direct and positive relationship between Good Governance and ASN Performance. This means that the implementation of Good Governance improves ASN performance.

5. Acknowledgments

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