

**Research article**

# The Role of Transformational Leaders in Implementing Change: A Case Study of Bureaucratic Simplification in the Central and Regional Governments of Indonesia

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**Abstract.**

The goal of this study was to look at how an effective leader can ensure that the process of change that occurs within the scope of the Indonesian Central and Local Government agencies as a result of the implementation of echelon III, IV and V shifting policies can be effectively managed. Data were collected through interviews, field observations and document analysis. The role of organizational members could not be separated from that of leaders in the organization in terms of how the leader can provide direction to their subordinates in anticipating the changes and developments that are required. The presence of a leader in an organization is thought to be very important because the leader plays a strategic role in achieving organizational goals. A good leader in an organization or company must be able to carry out his or her responsibilities in accordance with his or her organization's policies and rules.

**Keywords:** leader, organization, change

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**Published** 20 May 2022

**Publishing services provided by**  
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Selection and Peer-review under  
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## 1. Introduction

Changes in the organizational environment, both in the external and internal scope, are a necessity, from the past until now. These changes are often not only difficult, but can also threaten the survival of an organization or company. According to George and Jones (2002) changes in the organizational environment will result in pressure on the organization to make organizational changes.

Changes in an organization that are intended to achieve organizational goals more effectively and efficiently, always require the cooperation of all members of the organization. The important role of organizational members in realizing organizational goals can not be separated from their ability to adapt to change, and implement changes that occur in their organization. The ability of organizational members also cannot be


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separated from the role of leaders in the organization, in terms of how the leader can provide direction to his subordinates to anticipate changes and developments needed. The existence of a leader in an organization is felt to be very important, because the leader has a strategic role in achieving organizational goals. The leader of a good organization or company must be able to carry out his leadership in accordance with the policies and rules that have been determined and outlined in his organization.

Changes driven by new policies rolled out by the government in the Circular (SE) of the Minister of PAN and RB Number 392 of 2019 concerning Strategic and Concrete Steps to Simplify Bureaucracy, to transfer echelon III, V and V positions to functional positions ultimately lead to changes instead of only related to the method or way of working but also to the work culture in all government agencies, both at the central and regional levels. Various reactions emerged from civil servants in the central and local government circles regarding this policy, whether they rejected it or accepted it. In an effort to implement this policy of bureaucratic simplification, it is necessary to be very careful so as not to cause turmoil and rejection.

In the context of this change, the role of the leader becomes important in ensuring the process goes well and does not give rise to much resistance or resistance. Of the many challenges that leaders usually face, managing change is one of the most difficult.

According to Kreitner and Kinicki (2010), the leadership role, which is able to convey the company's vision and mission, has a positive ability to influence, and direct subordinates to achieve the company's vision and mission, and is able to provide enthusiasm and enthusiasm for work, is indeed very necessary in these times. new management changes and transitions. The involvement of a leader in changing company management requires his subordinates to not only do work as a responsibility, but also as a form of voluntary and organizational commitment in achieving the company's vision and mission.

Leadership becomes an important issue in organizational change situations, because leadership itself is a process that influences a number of people to achieve certain goals. Leadership and adapting to changes are the biggest challenges today for a leader. The role of a leader in human relations is closely related to the leadership style he displays. A leader is expected to display a leadership style in all situations depending on conditions and situations and to which subordinates.

Leaders who are able to convince their subordinates of the importance of change for an organization will certainly be able to increase the willingness or organizational commitment of their subordinates to make changes, even though change does not always give positive and pleasant results. So important and central is the position of a

leader in ensuring a change process goes well, urges the author to examine how the role of an effective leader in ensuring the process of change that occurs in the scope of central and local government agencies as an effect of the implementation of echelon III, IV and V shifting policies .

### **Change Leadership Towards Organizational Change**

The role of the leader is needed in an organization, especially its role in helping the organization in the change process. Many definitions of leadership, (Rauch & Behling, 1984) suggest that leadership is the process of influencing the activities of an organized group to achieve a goal. Richard L. Daf (2005) defines leadership (leadership) as an influence that relates between leaders and followers (followers). Meanwhile, according to Schein (1992), leadership is the ability to get out of the old culture to start a more adaptive change process. From the various definitions above, it can be concluded that leadership is a process of influencing others to change the old culture to a new culture in order to achieve organizational effectiveness and success.

Bass and Riggio (2006) assert that historical researchers, politicians, scientists, and sociologists have long recognized leadership as a socially reciprocal relationship between leaders and followers. The role of a leader is crucial for the growth and survival of an organization. Kreitner and Kinicki (2010) add that leadership is a process of social influence that also seeks the voluntary participation of subordinates and the process of interaction between leaders and subordinates in an effort to achieve organizational goals. MacFarland (2008) mentions that there are three ways for a leader to influence his subordinates in an organization, namely through: (a) strategy creation and adjustment, (b) striving for execution of company strategy, and (c) optimizing human resource capacity.

Bass & Avolio (1990) suggested that the more appropriate leadership style to lead a company or organization in the process of change is transformational leadership style, when compared to transactional leadership.

Research on the dimensions of transformational leadership was initially conducted by Bass and Avolio (1987, in Emery and Barker, 2007), who explained that transformational leadership is a behavioral process consisting of three dimensions, namely:

1. Charisma: related to how followers act in accordance with what the leader wants and does. They place great trust in their leader's decisions as a shared mission, support the values the leader gives and adopt, and form a strong emotional bond with the leader.

2. Intellectual stimulation: in this case the transformational leader encourages his followers to question and change the old ways or approaches they use in their work so

that they are encouraged to think creatively and innovatively and do their work more optimally.

3. Individualized consideration: a transformational leader usually tends to show his attention to the individual needs of his followers and takes various approaches, such as mentoring his followers in increasing the perspective of their needs and goals.

In further research and development, Bass and Riggio (2006) added two more dimensions from the previous three dimensions of transformational leadership, but did not include charisma as a dimension of transformational leadership, namely:

1. Idealized influence: a transformational leader sets an example and acts as a positive role model in behavior, achievement, and commitment to followers. Leaders are admired, respected, and trusted by their followers. Subordinates tend to identify with their leader. Leaders are very concerned about the needs of their subordinates, take joint risks, only use their power when needed and do not use it for personal gain, provide a vision and sense of mission to their subordinates, and instill a sense of pride in their subordinates. Through such influence, subordinates will have respect, admiration, and trust in their leaders so that they will want to do the same as their leaders.

2. Inspirational motivation: leaders motivate and inspire their subordinates by communicating high expectations and hard and clear work challenges, using various symbols to focus efforts and actions, and expressing important goals in simple ways. The leader evokes a spirit of teamwork, enthusiasm and optimism among co-workers and subordinates.

From the explanation above, it can be concluded that a transformational leader usually tends to prioritize emotional relationships in interacting with his employees. In other words, the emotional connection that exists in this leadership is more personal, so that employee awareness will grow because the employee feels cared for and he will also support or trust his leader and himself. The values that have been embedded in an organization will greatly affect its employees in working and making decisions at work. Through an emotional relationship, a person who feels that his or her values are similar to the organizational values instilled by the leader will certainly find it easier to grow awareness that he or she is part of the organization.

### **Organizational Change**

In an effort to recognize and understand organizational change theoretically, the author collects several definitions and concepts of organizational change according to scientists. According to Michel Beer (2000) change is choosing a different action than before, it is the difference that produces a change. Furthermore, according to Winardi (2005) organizational change is the act of switching an organization from current

conditions to future conditions according to what is desired in order to increase its effectiveness.

From the several definitions of change above, the authors conclude that organizational change is a shift in actions taken to elements within an organization to increase organizational effectiveness towards a better direction than before. Change is part of human life and can also occur in a government organization.

There are at least 3 (three) actors of change who play a role in every change process, including:

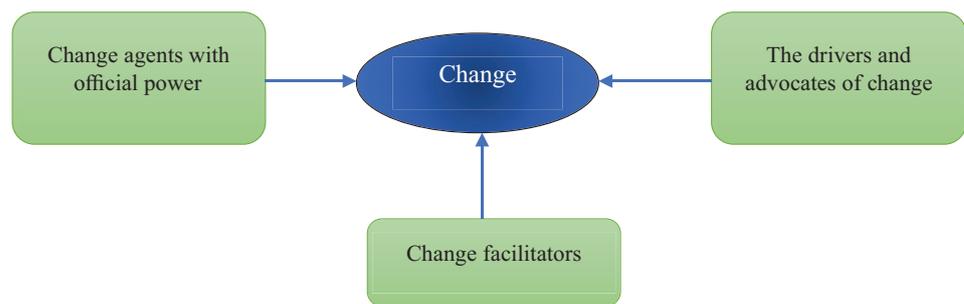


Figure 1: Actors of Change.

Of the three actors of change, there are things that must be done by leaders so that these actors, drivers, and facilitators can become a tool used to manage change for the organization. According to Robbins (2003) there are several things that can be done to complete the change, namely:

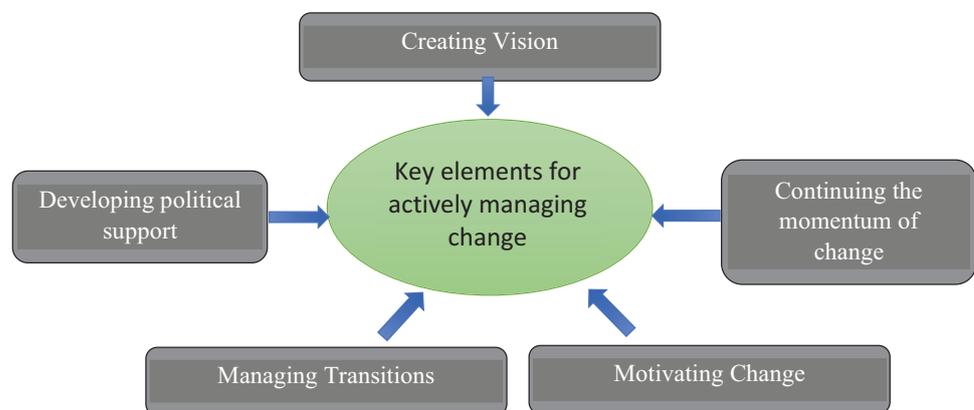
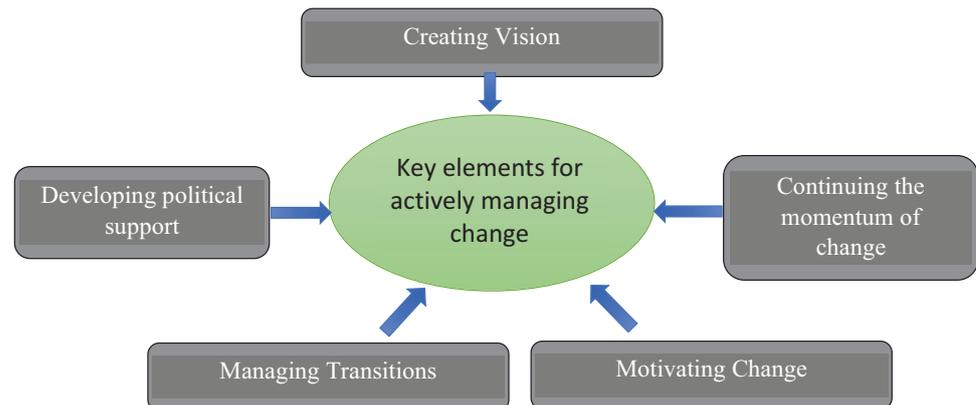


Figure 2: Completion of Changes.

In managing change in an organization, a leader must have the keys to these elements. According to Cummings and Worley (2005) there are five key elements to actively managing change, namely:

Organizational change can be conceptualized simply based on three types of change according to Grundy (1993). The first type is referred to as "smooth incremental change"



**Figure 3:** Key elements for managing change.

which is a change that takes place slowly and in a systematic and predictable way. The second type is referred to as “bumpy incremental change” which is characterized as a period of relative safety characterized by acceleration in the pace of change. The third type is “discontinuous change” which is defined as a very rapid change in strategy, structure or culture.

## 2. method

This study used descriptive qualitative method. According to Sugiyono (2013:15) qualitative research is a research on descriptive research and tends to use analysis. Meanwhile Moleong (2007:3) also suggests that qualitative methodology is a research procedure that produces descriptive data in the form of written or spoken words from people and observable behavior. Kirk and Miller (in Moloeng, 2007:4) also assert that qualitative research procedures produce descriptive data in the form of written or spoken words from people or observable behavior. This study uses a qualitative method because the researcher/author considers the problems studied are quite complex and dynamic so that the data obtained from the informants is captured by a more natural method, namely direct interviews with the sources so that natural answers are obtained.

Data collection techniques in this study were carried out in several ways to collect complete data in order to objectively answer the problems found when conducting research. In-depth interview techniques and direct observation or observation are those used by researchers/writers using the help of interview guidelines to facilitate and focus the questions posed to the selected informants in this study. In this study, the researcher/author tries to determine the number of informants purposively with several criteria, which are determined by the following criteria: (a) their relevant expertise and experience regarding the object of this research; (b) the subject’s full/active involvement

in the environment or activities that are of concern to the researcher/writer; (c) Ease of access for researchers/writers. The key informants determined in this study were: Riau Provincial Government Officials, Yogyakarta City Government Officials and RB Ministry Officials. The locus of research is the Central Ministry (Kemenpan RB), and the Regional Government (Riau Province and Yogyakarta City).

In analyzing the data, the researcher uses descriptive analysis method, which is a technique of analyzing data by describing or describing the data that has been collected as it is, which is obtained from the results of interviews, field notes, and documentation, by organizing the data into categories, describing it into units. -units, synthesize, arrange into patterns, choose what is important and what will be studied, and make conclusions so that they are easily understood by themselves and others.

### 3. RESULTS AND DISCUSSION

#### 3.1. Result of Analysis with Head of Organizational Bureau of Riau Province - Regional Government

The coordinating function in consequence is budget and facilities. And this simplification of the bureaucracy is normative (implementing the rules that have been passed down in the implementation of central government policies). Letter from the Ministry of Home Affairs on the problems faced in the regions (cutting positions). Have made working groups and experiences that are carried out in accordance with what will be carried out. His positions include functional positions and skills positions.

The stages of simplifying the bureaucracy in the Riau provincial government 2021, include:

- a) Making SK team Simplification of the bureaucracy
- b) Identifying and organizing administrative positions that are transferred to functional positions
- c) Submit identification results to the Ministry of Home Affairs
- d) Approval of the identification results of Administrative Positions to Functional Positions
- e) Administration of appointments and inauguration.

The role of leadership is how to link each regulation at the center and in the regions. And the Governor is very responsive and plays an active role in regulations as well as in group communication in each region. The role of the Governor is also very important in changing the mindset. Problems in implementation in Riau province are regulatory

objections from the center (unclear regulation). The socialization has been carried out by the Head of the Personnel Sub-section through the Anjab group. Uniform default template from the center so that it can be executed (to replace structural names). Must pay attention to things that are crucial from the objective side in transforming positions, for example in terms of education.

Proposals and suggestions for Simplification of Bureaucracy from the Riau Provincial Government, namely:

1) In principle, the Provincial, District/City Governments agree to simplify the Bureaucracy as long as it is equipped with regulations, technical instructions or a Bureaucratic Simplification template prepared by the Ministry of Home Affairs as a guideline for implementation in the regions.

2) Which work units will be equalized as Functional Positions in the Provincial, Regency/City Governments.

3) Certainty in determining the level of office that will be carried out in simplifying the bureaucracy.

### **3.2. Results of Analysis with the Head of the Yogyakarta City Personnel and Human Resources Development Agency - Regional Government**

Socialization is still being carried out formally and implicitly already know. Considerations to become a Functional Position are take home pay and career development and Functional Positions consist of Career Positions and Professional Positions. Yogyakarta was appointed as a pilot project and became the strengths and weaknesses for the organization, one of which was a burden for the organization. Regarding simplification efforts, it has started through the Mayor's decision in the form of a Regional Regulation on Organizational or Institutional Changes.

This simplification policy is indeed necessary, but what is the need for it? So in making decisions about this policy must be careful. And will definitely experience a decrease in revenue due to regulatory changes, etc. So it must feel the interest and competence (assessment center). Regional affairs are very heterogeneous, while central affairs are very homogeneous (so that differences in affairs are very decisive). Must prepare how many Functional Positions must be prepared (currently 87 Functional Positions to accommodate 800 structural echelon IV people).

The decision of the Yogyakarta Provincial Government in implementing the simplification of its employee bureaucracy:

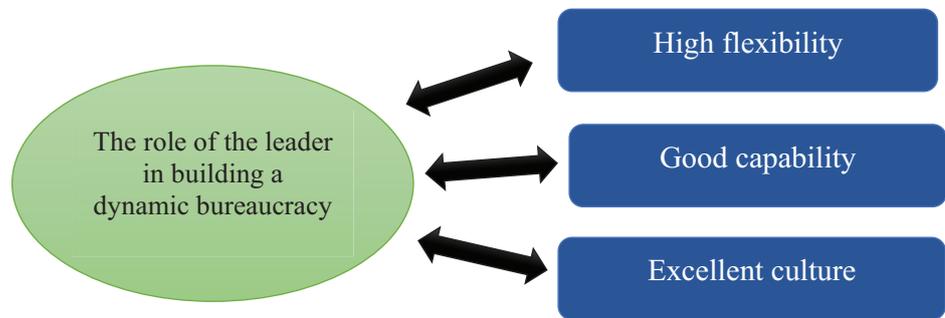
- a) Will do this gradually (as long as it is available and according to interests and talents).
- b) Simplification in Yogyakarta is only up to echelon IV
- c) Analyzing what kind of performance or measure and only then can it be followed up
- d) Will conduct a competency test at echelon IV and re-test at echelon III
- e) This policy must still be carried out, but must still be carried out with caution and satisfy all parties.
- f) Identifying and multiplying existing Functional Positions and adapting to the needs of Yogyakarta.
- g) Must form a Job Analysis (Anjab) and reorganize.
- h) The stages include forming a team, identifying and simulating.
- i) The readiness of the central government in implementing the readiness of its agencies and supervisors.

### **3.3. Results of Analysis with the Assistant Deputy for Career Management and Human Resources Talent of the Ministry of Administrative and Bureaucratic Reform -- Central Government**

Simplification of bureaucracy for local government and central government. The Presidential Instruction must be implemented immediately, but the instruments need to be prepared. If the central government has implemented the President's instructions on simplifying the bureaucracy (about 40 thousand positions). If the local government becomes the domain of the Ministry of Home Affairs. And substantially everything is in order, it's just a matter of management. How to get the Minister of Pan Rb to delegate authority to the Ministry of Home Affairs, one of which is in the determination of positions (KemenpanRB recommendations).

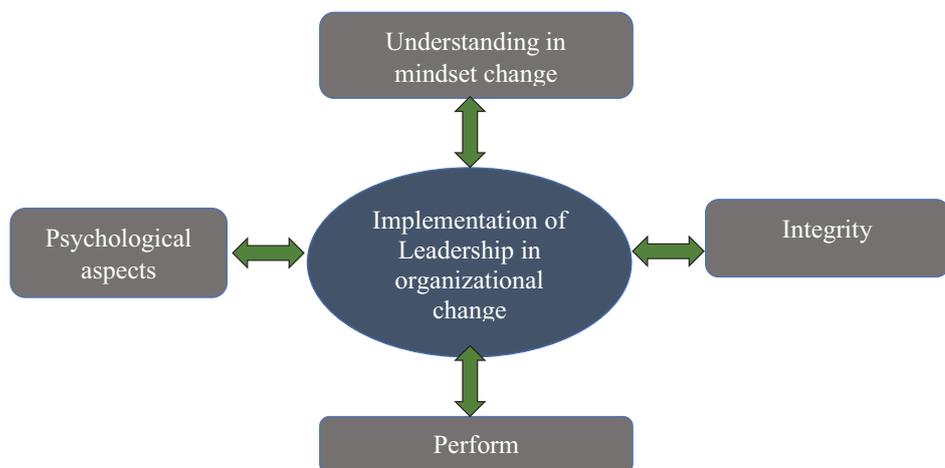
Solutions to problems that arise and lead to demotivation, confusion in the work process and the fulfillment of the performance of officials who are transferred to functional officials have been sought by the KemenpanRB as an example of a policy of providing additional roles as coordinators and sub-coordinators to create a balance in terms of income and facilities obtained and the policy of 25% Credit Score incentive for new Functional Positions is also given to the transferred structural officer (JA). In addition to this, the steps taken at the KemenpanRB in the initial process of implementing this policy are to organize the organization and identify the appropriate type of functional

position to later be transferred from the existing structural administrator and supervisory positions to make it easier for the official to collect his Functional Position Credit Score. This policy has been implemented at the KemenpanRB and so far it can be said that the implementation process of this policy can run well and smoothly.



**Figure 4:** The role of leaders in building a dynamic bureaucracy.

In implementing this policy, it is necessary to build an attitude or mindset that this is a momentum that should be considered as an attitude from the State to facilitate career development and ASN competencies, not to reduce what is currently available or obtained. Indeed, with the career development policy implemented through the transformation of JA to JF, there needs to be an effort from ASN to improve competence, especially with the process and demands of a new job or position that emphasizes expertise or competence.



**Figure 5:** Implementation of Leadership in organizational change.

## 4. CONCLUSIONS

### 4.1. Conclusion

The coordinating function in consequence is budget and facilities. The role of leadership is how to link each regulation at the center and in the regions. Problems in implementation in the regions are regulatory objections from the center (unclear regulations). The leader's decision is in the form of a Regional Regulation decision regarding Organizational or Institutional Changes. Readiness of the central government in implementing the readiness of agencies and their coaches

The role of transformational leaders in carrying out changes and career development from an Administrator (JA) position to a Functional Position (JF) has been carried out and with good intentions and intentions. In implementing this policy, it is necessary to build an attitude or mindset that this is a momentum that should be considered as an attitude from the State to facilitate career development and ASN competencies, not to reduce what is currently available or obtained.

Substantial simplification of the bureaucracy, not only limited to structure, but also aspects of work culture and innovation. The role of the leader in building a dynamic bureaucracy, among others: High flexibility, good capability, and superior culture. The steps taken in the initial process of implementing this policy are to organize the organization and identify the appropriate type of functional position to later be transferred from the existing structural administrator and supervisory positions so as to facilitate the official later in collecting Credit Scores in his Functional Position. The steps in implementing change, namely: a) Understanding in changing mindsets, b) Integrity, c) Psychological aspects, and d) Must perform.

## 5. Recommendation

After analyzing the interviews and observations, several recommendations can be made as follows:

- a) There needs to be an increase in competence, especially with the process and demands of a new job or position that emphasizes expertise or competence
- b) There is a need for organizational structuring and identifying what positions are achieved
- c) It is necessary to strengthen organizational communication

d) The role of academics is very much needed in providing strategic recommendations in implementing policies that will be smoother and easier later in the Ministries, Institutions and Local Governments

## 6. Acknowledgment

We wish to gratefully acknowledge the main supporter of this research, Rector the NIPA of School Polytechnic Administration Jakarta, Nurliah Nurdin, and our colleague to support our participation on The Third International Conference on Governance, Public Administration, and Social Science (ICoGPASS). All authors contributed substantially to the methods, intellectual content of the review, and writing and finalisation of the manuscript. All authors read and approved the final manuscript.

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