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## **The role of the state apparatus in organisational capacity development: a case study in the Presidential Staff Office of the President of the Republic of Indonesia**

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**Abstract:** Capacity building is a means to help governments, communities, and individuals to develop their abilities and knowledge to achieve organisational goals. This study aims to describe and comprehensively analyse whether capacity building will be effective if: 1) the organisation's vision and mission are translated operationally and understood by all stakeholders in the organisation; 2) the policy system created has an adaptive ability to internal and external changes; 3) an efficient but effective organisational structure exists in supporting the implementation of main tasks and functions of the organisation; 4) there are improvements in managerial and leadership capabilities of personnel in certain positions; 5) there is development of human resources. The developmental model of the capacity building could be used to increase the effectiveness of the public policy formulation process, not only inside the Presidential Staff Office but also in the public institution and organisation.

**Keywords:** capacity building; Presidential Staff Office; state apparatus.

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## 1 Introduction

Capacity building is essentially an effort to use strategies and methods to develop organisational capabilities to create a better condition. The better condition is the increase in an organisational performance characterised by an increase in organisational efficiency, effectiveness, and responsiveness related to duties and functions. As stated by Grindle (1997), capacity building is intended to encompass a variety of strategies that have to do with increasing the efficiency, effectiveness, and responsiveness of government performance.

The relationship between capacity and organisational performance can also be found in Brown's statement; common to all characterisations of capacity building is the assumption that capacity is linked to performance. A need for capacity building is often identified when performance is inadequate or falters. Moreover, capacity building is only perceived as effective if it contributes to better performance (Brown, 2001). Thus, the character of capacity building is closely related to organisational performance. Capacity building is needed when organisational or individual performance decreases or weakens. Thus, capacity building can be measured by the extent of its effectiveness in improving organisational performance.

Soeprapto (2003) calls capacity building a means to help governments, communities, and individuals develop their abilities and knowledge to achieve organisational goals. This is in line with Rubenstein's (2008) argument that capacity building is an effort to use capabilities and actions to strengthen the organisation's ability to achieve its vision and mission. A need for capacity building is often identified when performance is inadequate or falters. Also as if it contributes to better performance.

The extent of the goals to be achieved and the development of a very dynamic modern organisation have led to capacity building in the organisation to include broad and comprehensive aspects. The World Bank details the scope of capacity building as:

- a human resource development, which includes training, recruitment, and termination of professional, managerial, and technical employees
- b organisation, which includes the arrangement of structures, processes, resources, and management styles
- c network, which includes coordination, organisational activities, network functions, and formal and informal interactions

- d organisational environment, which includes rules and laws that regulate public services, responsibilities and power between institutions, policies that become obstacles to the development task, and budget support
- e a wider range of other activities, including political, economic factors, as well as situations and conditions that affect organisational performance (Edralin, 1997).

Grindle (1977) also similarly explains this, namely that capacity building has three dimensions. The first is human resource development, which focuses on providing technical and professional personnel, which can be achieved through education and training, by providing adequate salaries or incentives, and by improving working conditions and recruitment. The second is organisational strengthening, which focuses on the management system to improve the performance in carrying out basic tasks and functions, which can be achieved through activities to regulate incentive systems, the use of labour, conducive leadership, the creation of organisational culture, as well as strong communication and managerial structures. The third is institutional reform, which focuses on rearranging the system and institutions and the macrostructure of the organisation, which can be achieved through enforcement in various political and economic fields, policy changes, and constitutional reforms.

The breadth of the concept of capacity building can also be learned from Indrajit (2002) which mentions the existence of nine elements in capacity building:

- 1 clear determination of the vision and mission of the organisation
- 2 improvement of the public policy system
- 3 improvement of the organisational structure
- 4 improvement of managerial and leadership abilities
- 5 development of internal and external accountability systems
- 6 improvement of the organisational culture
- 7 development of organisational human resources
- 8 development of networking
- 9 environmental development, utilisation, and adjustment.

The elements in capacity building are the focus of this research, in the context of the organisational performance of the Presidential Staff Office of the President of the Republic of Indonesia. Furthermore, this study aims to discover how to improve the developmental model of capacity building to increase the effectiveness of the public policy formulation process, not only inside the Presidential Staff Office, but also in the public institution and organisation.

## **2 Theoretical review**

### *2.1 The substance of capacity building*

Capacity building is a process that can improve the ability of an organisation or a system, through a series of movements or multi-level changes within individuals, groups,

organisations, and systems, to strengthen an individual's and organisation's adjustment abilities to achieve the goals they aspire to, so they can be responsive to existing environmental changes (Brown, 2001; Grindle, 2007; Milen, 2001; Morrison, 2001).

According to Eade (1997), the concept of capacity building includes three important actors, namely individuals, organisations, and networks. Individuals do not merely refer to expertise, insight, and potential, but also individual efforts in carrying out organisational goals, in addition to creating aspects of personality in work. Organisational aspects are interpreted as improving performance and how organisations make ideal roles and functions. Networking is based on the development of individuals and organisations, not separated from the environment – an organisation interacts with the wider environment to survive and develop.

Capacity building is always related to organisational goals to increase effectiveness, efficiency, and responsiveness in carrying out duties and functions. As Brown and Farrelly (2007) notes, the same aspect of various definitions of capacity building is that it is always related to organisational performance.

Common to all characterisations of capacity building is the assumption that capacity is linked to performance. A need for capacity building is often identified when performance is inadequate or falters. Moreover, capacity building is only perceived as effective if it contributes to better performance. (Brown, 2001)

**Table 1** Dimensions and types in capacity building

<i>Dimension</i>	<i>Focus</i>	<i>Activities</i>
Human resources	<ul style="list-style-type: none"> <li>• Professionalism</li> <li>• Individual ability</li> </ul>	<ul style="list-style-type: none"> <li>• Education and training</li> <li>• Incentives</li> <li>• Work discipline</li> <li>• Recruitment</li> </ul>
Organisation	<ul style="list-style-type: none"> <li>• Organisational system</li> <li>• Organisational foundation</li> </ul>	<ul style="list-style-type: none"> <li>• Structure</li> <li>• Organisational culture</li> <li>• Rules</li> <li>• Leadership</li> <li>• Communication</li> </ul>
Institutional reform	<ul style="list-style-type: none"> <li>• Institutional system</li> <li>• Institutional basic rules</li> </ul>	<ul style="list-style-type: none"> <li>• Politics and economy relationship</li> <li>• Policy and changes</li> <li>• Regulation changes</li> </ul>

*Source:* Grindle (1997, p.9)

Grindle (1977) explains that capacity building has dimensions, focus, and types of activities, including:

- a human resource development, which focuses on providing technical and professional personnel through activities like education and real-world training, providing adequate salaries or incentives, and improving working conditions and recruitment
- b organisational strengthening, which focuses on the management system to improve performance in carrying out basic tasks and functions, which can be achieved through activities like incentive systems and complete personnel

- c institutional reform, which focuses on rearranging the system and institutions and the macro structure of the organisation, which can be achieved through the enforcement in various political and economic fields, policy changes, and constitutional reforms.

If the capacity building is a series of strategies aimed at increasing efficiency, effectiveness, and responsiveness, then it must focus on the dimensions of human resource development, organisational strengthening, and institutional reform, as presented in Table 1.

The results of the study by Grindle (1997) on capacity building in public organisations in developing countries including Morocco, Africa, Ghana, Bolivia, Thailand, and Sri Lanka confirm important factors that influence the success of public institutions (countries), as follows:

- a The action environment, which is based on economic, political, and social development as the activities of the government. Efforts to improve performance are influenced by actions, namely the economic, political, and legitimate structure of the government, and human resources in the government institution.
- b The public sector institutional context; this factor includes the rules and procedures established by the government, which the human resource department must implement and be responsible for the performance of the government and carry out tasks optimally.
- c The task network dimension; in this case, organisations involved in improving performance require a network between them, as improved performance is influenced by the existing network and coordination between the institutions involved in it. The network consists of related parties who have the same goals and levels of performance.
- d The organisational dimension; this refers to the development of the organisation and developing problems to be addressed. This dimension includes goals, structures, processes, resources, and leadership styles that can be used as a means of achieving goals. This factor generally affects the organisation's output and shapes the behaviour of people working in it.
- e The human resource dimension; this dimension focuses on the quality of human resources, from experience as well as individual and institutional education. In this case, human resources are required to have managerial as well as to be professional abilities, and to be fast and responsive in doing their job.

Milen (2001) conveys the same opinion, that there are three levels in capacity building, namely

- 1 system and policy levels
- 2 organisational and institutional levels
- 3 individual and human resource levels.

At the organisational level, the most important thing to consider is the aspect of reorganisation of the organisation, so it does not create an overlap of authority and tasks in the organisation.

Soeprapto (2003) mentions five factors that influence capacity building, namely

- 1 collective commitment
- 2 conducive leadership
- 3 participation
- 4 innovation
- 5 identification of strengths and weaknesses.

The five factors are explained in the description below.

- a Collective commitments occur when all actors involved in capacity building are committed to the activities for the success of the capacity building program. Collective commitment is the basic capital that must be continuously developed in the organisation, starting from the lower-level leaders to top management.
- b Conducive leadership strongly influences the success of the capacity building program initiation. The dynamics of public organisations require a dynamic leadership mechanism, due to limited human and financial resources. Conducive leadership provides broad opportunities to every element in the organisation to carry out capacity building, so that organisational goals can be achieved effectively and efficiently. The leadership characteristics required in capacity building include
  - openness
  - receptivity to new ideas
  - honesty
  - caring
  - dignity.
- c Participation is required, not only from the lower levels of staff, but also from leaders in the organisation. It is an important factor because without participation, it is impossible for capacity building to succeed effectively and efficiently. Initiatives to participate in capacity building programs must be built from the beginning through to the implementation of the program. Thus, each capacity building program planned and implemented will receive full support from all components within the organisation.
- d Innovation: Through innovation, various methods and strategies will be created in the capacity building process. Therefore, capacity building must provide space for the emergence of creativity and innovation from employees in the organisation, because the organisation is full of dynamics in accordance with the demands of public needs. Increasingly developing innovation in organisations also develops organisational capacity.
- e Identification of strengths and weaknesses is the basis for capacity building. Therefore, in the initial stage, an analysis of the strengths and weaknesses of existing and ongoing activities must be carried out, so that effective strategies can be implemented. Without prior knowledge of strengths and weaknesses, the organisation will find it difficult to carry out effective capacity building planning.

The implementation of the capacity building faces at least five inhibiting factors (Grindle, 1997):

- a Legal-procedural resistance: Legal-procedural resistance comes from parties that lack or do not support organisational capacity building programs for various reasons. Some of the main contributing factors to this include low motivation to innovate, low competitiveness, and unwillingness to accept change.
- b Leader resistance, especially supervisors: Resistance from supervisors generally comes from the fear of changes in leader positions in the organisation as a result of increasing staff skills and expertise. Leaders who are not ready to compete will tend to reject capacity building plans, especially if the capacity building is directed at structural changes in the organisation, which results in 'threatened' position of those who try to maintain the status quo in the organisation.
- c Staff resistance: Resistance or rejection can also come from staff as a result of the inability to bear the risk of changes that occur as a result of capacity building. Some staff, for example, assume that there is an increased workload as a result of capacity building even though the addition of the burden is not linearly correlated with the additional wages or incentives they receive. As a result, they act to reject the workload given, and this hampers the achievement of organisational goals.
- d Conceptual resistance: Resistance against the ideal of conceptual capacity building. However, through capacity building, there will be changes in the organisation as a result of new ideas and technologies and even new values. Therefore, staff who are not ready for changes will tend to reject the implementation of capacity building programs.
- e Misperceptions about capacity building: Misperceptions are also an inhibiting factor in the implementation of capacity building in organisations. Capacity building is seen to lead to self capacity building, that is the glorification of individual abilities without looking at other aspects; although cooperation, coordination, and efforts to build teamwork within the organisation also greatly determine the success of capacity building programs. This is a false perception that often occurs in organisations today, so a correct understanding of the purpose and objectives of a capacity building must be made, both to meet individual needs and achievement of organisational goals.

### 3 Research methods

This research uses a qualitative approach, which is based on the consideration that the study involves many and varied stakeholders. Therefore, the process is not only carried out by a group of certain policy makers, but also concerns the behavioural and cultural aspects of the relevant officials, whose task fields are relatively the same as the Presidential Staff Office. This study also adopted comprehensive approach strategy to explain all scientific findings (Dana and Dumez, 2015).

The focus of this study is on capacity building carried out at the Presidential Staff Office, which are seen from:

- a efforts to clearly define the vision and mission
- b efforts to improve the policy system

- c efforts to improve organisational structure
- d efforts to improve managerial and leadership abilities
- e efforts to develop internal and external accountability systems
- f efforts to develop human resources
- g efforts to develop network systems.

Data were collected through observation, in-depth interviews, and secondary data documentation. The collected data were tested for validity and reliability using credibility tests (internal validity), transferability (external validity), dependability (reliability), and conformability (objectivity). Then, the data was analysed using the interactive model method (Miles et al., 2014), with a data analysis component consisting of data collection, data condensation, data display, and conclusion drawing.

#### 4 Results and discussion

Capacity building efforts carried out at the Presidential Staff Office consist of efforts to determine a clear organisational vision and mission, to improve the policy system, to improve organisational structure, to improve managerial and leadership abilities, to develop internal and external accountability systems, to develop human resources, and to develop network systems.

##### *4.1 Efforts to clearly determine the vision and mission*

The office has sought to determine the organisation's vision and mission, through various activities, as follows:

- a The office staff should directly follow or adopt the vision and mission of the President because the duties and functions of the office are to provide support to the President and Vice President.
- b The vision is 'the realisation of Indonesia as a sovereign, independent state, with a strong character and the mutual cooperation as its basis', while its mission is to realise:
  - 1 national security to maintain sovereignty, to sustain economic independence by securing maritime resources, and to reflect the personality of Indonesia as an archipelago
  - 2 an advanced, sustainable, and democratic society based on a legal state
  - 3 a non-aligned foreign policy and to strengthen the identity as a maritime country
  - 4 the high, advanced, and prosperous quality of life of the Indonesian people
  - 5 a competitive nation
  - 6 Indonesia as a maritime country that is independent, advanced, and strong based on national interests
  - 7 people who have a personality in culture.

Furthermore, programs for the office must completely focus on the vision and mission. Strategy preparation involves all parts of the office, through coordination, so the program is expected to be carried out according to plans. However, occasionally problems related to communication occur between ministries during implementation.

The process of determining the vision and mission is part of the planning process of determining the direction of the organisation. The vision and mission are important in building organisational performance in the future. As a prologue in the planning process, Makmun (1996) states that planning includes the determination of the vision, mission, and objectives, subsequently realised in a program. Gaffar (1995) emphasises that vision must be comprehensive as it is an abstract thinking power that has certain strengths and can break through physical boundaries, time and place; while the mission is the responsibility and duty carried out. This is also in line with other views that planning begins with the determination of the vision, mission, goals, and objectives (Donnelly et al., 1987; Kuntjoro, 2006; Kufuor, 1993; Siagian, 1996).

The goals and objectives were decided in 2014. This expresses the President's desire, which is to realise Indonesia as a sovereign, independent state, with a strong character and the mutual cooperation as its basis; this means that the office is committed to the development of Indonesia in the future.

The formulation of the vision and mission is in accordance with what has been disclosed by Jansen et al. (2005), providing 12 criteria of effective vision and mission. There are seven most important criteria about the vision and mission, as follows. They must

- 1 be in accordance with the times and the struggle of the organisation
- 2 be able to describe the ideal organisation as expected by the people
- 3 be able to explain the direction and purpose of the organisation
- 4 be easy to understand, so as to be able to become a tactical and strategic guide
- 5 have the power of persuasion, expressing the hopes, aspirations, sentiments, and suffering of the stakeholders of the organisation
- 6 be able to express the uniqueness of the organisation and bring out the typical competencies of the organisation
- 7 be ambitious, meaning that it is able to show its true identity, progress, and an ideal future organisation, so as to be able to ask for emotional sacrifice and investment from all stakeholders of the organisation.

Based on the chart above, it can be seen that the role of vision, mission, principles, and objectives in formulating strategic planning has been fulfilled by the office, among others

- a vision and mission have become the initial foundation in formulating strategic planning
- b the purpose is the elaboration of the mission, something that will be achieved or produced within a predetermined period of time.

#### 4.2 *Efforts to improve policy systems*

Capacity building by the office to improve the policy system is carried out by:

- a reaffirming the position of the office, in addition to having the duties and functions of providing support to the President and Vice President, as well as exercising control in order to ensure that national priority programs are carried out in accordance with the vision and mission of the President, as well as implementing comprehensive problem-solving on national priority programs experiencing obstacles in implementation
- b establishing a task force, in accordance with the provisions of Article 38 paragraph (2) of the Republic of Indonesia Presidential Regulation Number 25 of 2015 concerning the Cabinet Secretariat
- c accommodating the political interests of the President through the separation of the concept of administering state power and government power.

The establishment of a state institution should be based on a constitutional system related to constitutional law and government administration. In addition, the establishment of state institutions and government institutions must support each other and must be based on the blueprint of plans for policies and strategies for medium and long-term national development as an effort to improve people's welfare. Thus, there must be an effort to build a better policy system that supports the implementation of the office tasks, as previously explained.

The results of research by Grindle (2007) on capacity building illustrate that the important dimensions of capacity building include

- 1 the environmental aspects
- 2 the institutional context of the public sector
- 3 the task network dimension
- 4 the organisational dimension
- 5 the human resource dimension.

Based on the results of this research, the efforts to develop the policy system in the office also covers the five sectors. Wherry (2012) argues that policy makers must have strong management capacity and leadership with good institutional performance and efficiency.

#### 4.3 *Efforts to improve organisational structure*

Capacity building in the Presidential Staff Office to improve organisational structure is carried out by:

- a the formation of an independent special staff of the President as part of the President's authority
- b the establishment of a legal umbrella as a regulation as well as the basis for its formation; this is adjusted to the position of the Presidential Staff Office as a non-structural institution.

In relation to efforts to improve the organisational structure of state institutions, Asshiddiqie (2006) affirms that state institutions can be distinguished by function and hierarchy. According to its function, state institutions are differentiated into primary constitutional organs and auxiliary state organs. According to the hierarchy, state institutions can be classified into the first-tier organ, the second-tier organ, and the third-tier organ. With that consideration, the Presidential Staff Office belongs to the second-tier organ which functions as a state auxiliary organ in the executive environment. The formation, alteration, or dissolution of the office is entirely under the authority of the President as the chief of the executive.

From the source of legitimacy, the Presidential Staff Office is a third-level state institution because its authority is purely determined by the President as the chief of the executive, that is, its formation is entirely sourced from the presidential policy. This means that the formation, change, or dissolution depends on the President's policy, even the appointment of its members is carried out with a presidential decree called *beschikking*.

#### *4.4 Efforts to improve managerial and leadership capability*

Capacity building to improve the managerial and leadership capability is carried out by:

- a having selective recruitment of personnel – they must be competent in resolving problems comprehensively and have the required managerial abilities, including the ability to carry out political communication with the ministry or with other state institutions
- b analysing data to support the decision-making process and management of political communication strategies and information dissemination
- c establishing an early warning system for the implementation of economic programs and national priorities along with managing strategic issues by working with relevant ministries.

The Presidential Staff Office can be said to be unique because employees come from the bureaucracy where they are chosen based on merit systems and from political appointments. This is because the Presidential Staff Office is made up of the State Secretariat and the Cabinet Secretariat as well as the Special Staff.

The Special Staff of the President is appointed based on the spoils system to deal with problems that are the main concern of the President. However, the spoils system is rather problematic as it tends to be influenced by politicians showing loyalty to the President, without being based on managerial competence and leadership as befits other bureaucratic positions. This is different from the Presidential Staff or those who are appointed based on the merit system – a system based on high competence and integrity in carrying out bureaucratic work. If the first group (the spoils system) is oriented to assist the President in carrying out obligations based on political considerations, then the staff in the second group (the merit system) tends to work professionally as civil servants and are non-partisan. This difference is clearly influential in the work environment and personal relationships of employees in the Presidential Staff Office.

#### 4.5 *Efforts to develop internal and external accountability systems*

Capacity building to develop internal and external accountability systems are carried out by:

- a making changes to the organisational structure within the office, so that it can carry out its functions, duties, and authority as a state institution that provides support to the President and Vice President
- b carrying out control and providing recommendations related to the policy, strategy, planning, implementation, and supervision in national priority programs, political communications, and management of strategic issues
- c carrying out political communication with the ministry or with other institutions, for example, Deputy III, which manages strategic issues for the government with a main focus on the economy, must communicate with the ministry in charge of the economy.

According to Bagir Manan, state officials are those whose working environments are state institutions as the state apparatus and their derivatives in the form of auxiliary state institutions. This is in accordance with the categorisation of state institutions according to Manan (2003), one of which is the auxiliary state institution that functions to support the functions of state apparatus. This institution is called the auxiliary organ or agency.

Based on Article 4 of the Presidential Regulation of the Republic of Indonesia Number 26 of 2015 concerning the Presidential Staff Office, the organisational structure of the office consists of

- 1 the Presidential Chief of Staff
- 2 the deputies
- 3 the professional staff.

The Presidential Chief of Staff, deputies, and professional staff can be civil servants or non-civil servants.

The development of the organisational capacity of the Presidential Staff Office to develop internal and external accountability systems also refers to Presidential Instruction Number 7 of 1999 concerning Performance Accountability of Government Agencies and the decision of the National Institute of Public Administration Number 589/IX/Y/1999 concerning guidelines for preparing Accountability Reports of Government Agencies, which have been improved by the Decree of the National Institute of Public Administration Number 239/IX/6/8/2003, the government (institutions under the auspices of the government) are required to implement a performance measurement system. Presidential Instruction Number 7 of 1999 states that performance accountability of government agencies is an embodiment of the obligation of a government agency to account for the success or failure of the implementation of its mission in achieving the goals and objectives that have been set through periodic accountability.

The current condition illustrates that the performance measurement system implemented in government agencies has not been well developed. This is likely due to the creation of Presidential Instruction Number 7 of 1999 as a regulation that demands the implementation of SAKIP, which has been thought of as a form of mimetic isomorphism or an attempt to imitate governments in other countries that are considered

to be more advanced. As stated by March and Olsen (1976), mimetic isomorphism will be carried out by an organisation when organisational technology is poorly understood; this mimetic isomorphism may have an adverse effect, as organisations may be trapped in the implementation of a work mechanism that is only limited to formal ceremonies, rather than being substance-oriented (Gudono, 2014; Tolbert and Zucker, 1983). This affects the implementation of a non-value-added performance measurement system and the existing pressure only raises pseudo-compliance or the implementation of rituals aimed at making the organisation appear compliant by the outside environment (Gudono, 2014).

Even so, Sihaloho and Halim (2005) consider that the intention to use a performance measurement system in most government agencies has been dominated by outside pressure (see also Gudono, 2014; Tolbert and Zucker, 1983). In some conditions, existing coercions direct the organisation to legitimised elements, such as standard operating procedures to achieve professionalism, and have the influence to direct attention to performance (Zucker, 1987).

Cavaluzzo and Ittner (2004) suggest that the factors influencing the successful implementation of a performance measurement system are divided into two categories, namely

- 1 technical factors, including difficulty determining the size of performance and the limitations of the information system
- 2 organisational factors, including management commitment, decision-making authority, and training.

Julnes and Holzer (2001) also suggest that organisational factors in the form of organisational responses that are open to change and the existence of incentives for employees to implement a new system also have a positive impact and are important to consider.

#### *4.6 Efforts to develop human resource*

Capacity building through human resource development is carried out by:

- a choosing qualified human resources who have the capacity, in accordance with the tasks of the deputy, to coordinate, integrate, and synchronise work programs; this is part of the effort to develop human resources because it is expected that after coordination, integration, and synchronisation, the institution will be more effective in the process of policy formulation
- b streamlining the same working pattern so all staff apply the principles of coordination, integration, harmonisation, and synchronisation.

Capacity building is a process of a series of movements or multi-level changes within individuals, groups, organisations, and systems in order to strengthen the adaptive abilities of individuals and organisations so they can be responsive to existing environmental changes (Brown, 2001; Yeremias, 2000; Morrison, 2001). Therefore, in an effort to strengthen institutions, it can refer to the development of human resource capabilities, which includes

- 1 the preparation of strategic plans and policy formulations
- 2 the organisational design
- 3 the management approach
- 4 the morale and work ethic
- 5 accountability.

Individual development includes

- 1 the ability to do work according to work demands
- 2 the ability to face the future
- 3 fostering motives to work according to work demands
- 4 personality development at work.

The concept is in line with Grindle (2007) that capacity building is an effort intended to develop a variety of strategies to improve efficiency, effectiveness, and responsiveness of good and true government performance. Efficiency aspects are related to time management and resources needed to achieve a goal, effectiveness is in the form of appropriateness of business carried out for the desired results, and responsiveness refers to how to synchronise needs and abilities to achieve goals.

#### *4.7 Efforts to develop networking*

The development of network systems by the Presidential Staff Office is carried out by:

- a monitoring, evaluating, and coordinating policy, which focuses on legislation and results of cabinet meetings to formulate regulations and/or decisions of the President
- b managing the preparation and follow-up of cabinet sessions where the office carries out the functions of planning, organising, coordinating, and directing government policies and programs.

According to the study by Grindle (1997) on capacity building in public organisations in developing countries, one of the factors that influences the success of public organisations is network assignments (the task network dimension). In this case, a network between institutions is required to improve performance. Improved performance is influenced by the existing network and coordination between the institutions involved in it.

Through the internal network and existing external networks, the Presidential Staff Office can compile the government agenda in the framework of public policy preparation more easily; as is known that one of the processes in the formulation of public policy is the preparation of the government agenda (Indiahono, 2009). Therefore, to equalise the perception that a problem is an important public issue and must become part of the government agenda, coordination with other ministries or institutions is needed in the external network that has been formed through efforts to develop the capacity of the Presidential Staff Office.

## 5 Conclusions and recommendation

Capacity building efforts at the Presidential Staff Office are carried out through:

- a the determination of a clear organisational vision and mission; where the vision and mission of the Presidential Staff Office are determined by following or adopting the vision and mission of the President directly because the duties and functions of the office are to provide support to the President and Vice President in implementing control of national priority programs and political communication, as well as managing strategic issues, solving problems comprehensively, and accelerating the implementation and monitoring of national priority programs and other tasks given by the President
- b the improvement of the policy system, which is carried out through efforts to reaffirm the position of the office as an institution that has the task and function of providing support to the President and Vice President, and exercising control functions in order to ensure that national priority programs are carried out in accordance with the vision and mission of the President
- c the improvement of the organisational structure, which is carried out through strengthening the legal umbrella that becomes a regulation as well as the basis for establishing its organisational structure
- d the improvement of managerial and leadership abilities, which is carried out through selective recruitment of personnel, who have the competence to carry out comprehensive problem-solving functions
- e the development of internal and external accountability systems, which are carried out by implementing control and giving input on policies, strategies, planning, implementation, and supervision of the national priority programs, political communication, and management of strategic issues
- f the development of human resources, which is carried out by selecting qualified human resources that have the capacity, in accordance with the tasks of the deputy, to coordinate, integrate, and synchronise work programs
- g network system development, by implementing network system development internally through cabinet management in a broad and in a narrow sense; in a broad sense, the office carries out the function of cabinet management by monitoring, evaluation, and policy coordination, while in a narrow sense, the manages the preparation and follow-up of cabinet sessions where the office carries out the functions of planning, organising, coordinating, and directing government policies and programs.

### 5.1 Suggestion

The Presidential Staff Office suggests making improvements in the preparation of strategic planning so the objectives set have strong relevance to the mission and vision formulated. In addition, the formulation of the strategy should analyse, in-depth, the strengths and weaknesses of the organisation as well as the opportunities and threats

faced by the organisation (SWOT analysis), so the strategic objectives formulated better describe what the organisation needs.

### 5.2 Limitation of the study

This paper provides a description of the case study of the Presidential Staff Offices at the State Palace as a research object, by providing an overview of the method and procedures for conducting research which includes when case studies can be used, the depth of research, data collection, data validity, and data analysis. The state palace is a very strict remote area, with sensitive data and information regarding state secrets that should not be published or are considered to be off the record. This served as a limitation in this study

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