

Understanding the Role of Good Forest Governance in Relationship between Transglobal Leadership and Forest Productivity in Indonesia

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Abstract

Public administration is truly required in the attempt of implementing effective and efficient public policies. One of the policies in the scope of forestry in Indonesia is HTR policy. This study aims at testing the relationship between transglobal leadership and forest productivity, by means of implementation of good governance (in this case is good forest governance). This study is located in area of Hutan Tanaman Rakyat (HTR) throughout Indonesia, distributed in 26 Provinces in Indonesia starting from Aceh to Papua. The variables of this research are: Transglobal Leadership's Intelligence, Transglobal Leadership's Behaviour, Good Forest Governance, and Forest Productivity. Data analysis technique used is Generalized Structural Component Analysis (GSCA). The result show that The intelligence of transglobal leadership indirectly influences forest productivity through mediation of transglobal leadership's behaviors and good forest governance. This indicates that only by intelligence, a transglobal leader is not enough to improve forest productivity, but also by good behaviors of transglobal leader, and by clean implementation of forest management (good forest governance principle). The behaviors of transglobal leadership indirectly influence forest productivity through mediation of good forest governance. This indicates that only by behaviors of a transglobal leader is not enough to improve forest productivity, but also by clean implementation of forest management (good forest governance principle).

Key words: Transglobal, Good Forest Governance, HTR, Forest Productivity

1. INTRODUCTION

This study aims at testing the relationship between transglobal leadership and forest productivity, by means of implementation of good governance (in this case is good forest governance). Prior to more comprehensive analysis, several theories of public administration are outlined. Public administration holds a very vital and strategic role for continuity of the life of the people and of the nation. All nation orders need to be regulated in a good, effective, and efficient administration framework, so that they can satisfy the required target. The strategic function of public administration as stated by Lepawsky and Siagian [1] suggest that in public administration, it is dominant to be applied both in local and central government. The wheel of government will run smoothly if the government is able to improve the organization, especially to build and develop an administration philosophy which can resolve public affairs. It is consistent with Siagian [1] who suggests that the strength of a nation and even the reciprocation of human civilization, and the survival of nations in the world are not due to war or catastrophe, but depending on the good or bad administration they have. Therefore, it is explicit and clear that administration is a very significant thing in the life of people and of nation.

Public administration is truly required in the attempt of implementing effective and efficient public policies. Public policy is the function of organization and management pillar which is the main focus in the science of public administration. In public administration, a nation is perceived as an organization and government is positioned as management. A nation is a static place so that it needs a driver in form of management. The meeting between nation and governmental elements will result a common provision, regulation or law so-called public policy. Public policy will be operated by state administration performed by governemental bureucracy. According to Dwiyanto [2] as the main focus, public policy in case of public service, is a highly logical implication for public policy is the main output of government. The role of government can be used as the base of a policy as principal instrument which can be employed to improve society's behavior in the attempt to search for solution in a public affair. Ripley [3] suggest that it is as an attempt of domestic policies which are: distributive policies, protecting regulation policies, competitive regulation policies, and redistributive policies.

Leadership Position and Paradigm of public administration according to Rasyid [4], are: 1) As a rolling process which is characterized by the dependence of governemnt and people on leadership capacity of a person; 2) As a governing process: a governing practice based on ethical consensus between government and society; 3) As an administering process which is characterized by the establishment of a legal system which is strong and comprehensive, by means of names of all administration working orderly and regularly. The role of a leader is very dominant in a public organization, the dominant role completely does not reduce, or even neglect the importance of the necessary role and must be played by the executives, but they must be guided, built, directed and driven in such a way so that they are eager and able to influence energy, time, and skills for public organization. One realization of public organization is in the case of forestry. The implementation of leadership can be perceived determining a success of an organization and good governance, if it is implemented in a forestry object, then one kind of success in the organization is forest productivity.

One of the policies in the scope of forestry in Indonesia is HTR policy. Hutan Tanaman Rakyat or HTR is a planation built by a group of people in regard to improve potencies and quality of production forest by implementing silvi culture which assures the preservation of forest resources. Different problems arise in relation to HTR policy. First is in case of HTR permission process. According to General Director of BUK, Ministry of Forestry on June 2015, of 746.220 hectares, 194.465 hectares have just obtained permission from district head or it is only around 26.06% has obtained the permission. On the other hand, of 194.465 hectares which have obtained the permission, there are only 14.390 hectares are realized or 7.40%, so that in the average it shows permission percentage and realization of 16.73%. This shows an issue in forest management concerning leadership of a district head. The support of HTR development budget in Province, not in Regency, and time delay between legitimization of central government (ministry) with realization in a region which allows the success of leadership in a region (process before and after District Head Election causing leadership shift).

Second, in addition to good public governance, especially good forest governance, there are several problems in practices related to HTR program. Beside the issue of the support of HTR development budget exists in province level, delayed salary and supporting operational payment also occurs (Source: General Director of BUK, Ministry of Forestry). Second, the issue above roots in the low productivity of production

forest in plantation. This is perceived from the realization that it is only 26.06% which has obtained permission, whereas the rest of 73.94% has not had permission. Of them which has obtained permission, it is only 7.40% has been realized (cultivated), whereas 92.60% has not been realized [5].

In the first case, in relation to leadership role either it is the characteristic or the intelligence of transglobal leadership. The issue of leadership is quite hot in forest management in Indonesia. The latest case, misuse of district head's authorities occurs in the forest management in Indonesia. It is apparent that the hot issue arises due to the weak leadership. If it is analyzed more comprehensively, lack of moral aspect of the leaders is able to damage the organization success, in this case is forest productivity. On the other hand, the weak leadership has not owned thought in global, which is to understand legal, economical, governmental, and procedural environment where the leader has functioning role. Moreover, the fact above shows that a leader in managing the forest has not had a good business aspect, that is to understand components of each business success defining forest in the scope of individual business soul, not collective business soul, regarding that forest is ours. The traditional issue is that a regent gives permission issuing a Decree of HTR also shows the weak side of culture owned by a district head. The relationship of those is that intelligence cultural element is highly required by a leader in managing forest, which varies in this nation, and different colors of party should not obstruct the issue of permission.

The phenomenon above shows that the leader is currently weak in intelligence dimension, especially moral, cultural, business, and global. Theoretically, (Sharkey et al. [6]) mentioned that those three things have been contained in the type of transglobal leadership, which have not been owned by transactional leadership (Burns [7]), or transformational leadership (Bass [8]) which only perceives from transaction aspect or transformation system between a leader and subordinates, which is still local (have scale), which has not considered global aspect related to wider public interest. Therefore, it can be concluded that the Theory of Transglobal Leadership needs to be implemented in forest management in Indonesia. A district head with transglobal soul in the sense of having high level of intelligence either in cognitive, moral, business, culture, global, or emotion is more superior compared to several preceding leadership theories (transactional or transformational). By intelligence leadership (Transglobal Leadership) is expected to be able to improve the performance in forestry (in this case is forest productivity).

2. THEORETICAL BACKGROUND

Several theories in administration or other fields, have been quite strong illustrating the relationship between variables analyzed either explicitly or implicitly as follows: (1) Theory Bureaucracy Reformation (Mardiasmo [9]), Theory of Decentralization (Prasojo [10]; Rondenelli [11]), theory of Dynamic Governance (Hargadon [11]), Theory of Tansglobal (Sharkey [6]) which show the relationship between Intelligence and Behaviors of Tansglobal Leadership and Characteristics of Good Governance-Based Forest Management, (3) Theory of Transglobal (Sharkey [6]), Theory of Dynamic Governance (Hargadon [11]), Theory of Organizational performance (Cash and Fischer [12]) which show the relationship between Good Governance-Based Forest Management and Forest Productivity.

Several preceding studies in administration or other fields, have strongly illustrated the relationship between variables analyzed explicitly or implicitly as follows: (1) A study by Stephen Duthy and Bernadette Bolo [12], Forest Trends [13] which shows the relationship between Intelligence and Behaviors of Transglobal Leadership and Characteristics of Good Governance-Based Forest Management, (2) A study by Joseph Heath and Wayne Norman [14] which show the relationship between Intelligence and Behaviors of Transglobal leadership and Forest Productivity, and (3) A study by Raasay [15], Arun Agrawal, Ashwini Chhatre, and Rebecca Hardin [16], Paul R. Lachapelle, Patrick D. Smith and Stephen F. McCool [17], Rajesh Koirala, Kalpana Giri and Bharat Kr Pokharel [18], Bishnu Hari Poudyal, Govinda Paudel and Harisharan Luintel [19], Sango Mahanty, Jane Gronow, Mike Nurse and Yam Malla [20] which show the relationship between Good Governance-Based Forest Management and Forest Productivity.

Sharkey [6] analyzed theoretical problem concerning transactional or transformational leadership classified in local type of leadership. In initial development, leadership style emerges in form (version) of local which is not able to reach aspect globally. Therefore, Sharkey [6] constructs a more global type of leadership, or known as transglobal leadership. Transglobal leadership is a leadership which the influence going through boundaries of culture and nation, which are universal and give big contribution to humanity soul changing human civilization. Merit by transglobal leaders makes the people' life more interesting, more beautiful, more

prosperous, more dignified, or better. A transglobal leader takes their idea and adapts to new environment which is wider and more complex. A transglobal leader is more likely to support and help establish a unique approach toward work, whereas a local leader does great in stable operation and builds a team having similar thought which will reach the goal recurrently and reliably.

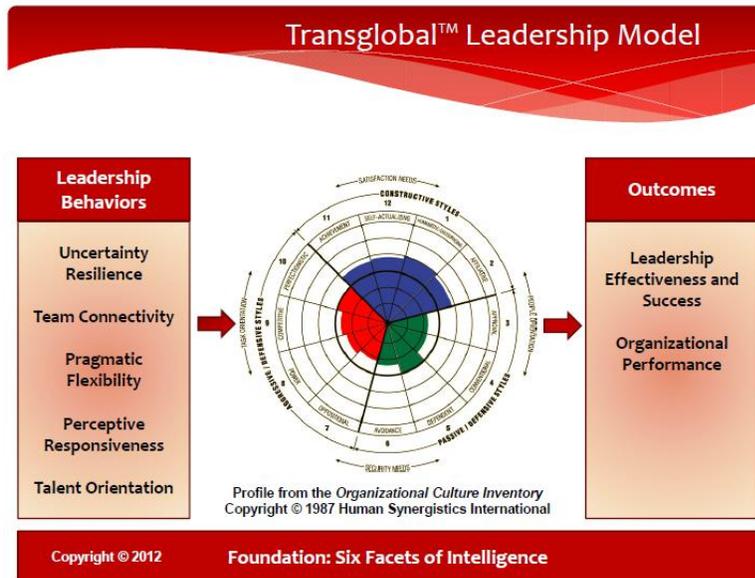


Figure 1: Transglobal Leadership Model

Figure 1 explains the link between behaviors of transglobal leadership and organization success (in this case is productivity). Sharkey [6] clarifies that transglobal leadership style has 5 characteristics which are uncertainty resilience, team connectivity, pragmatic flexibility, perspective responsiveness, and talent orientation are able to improve effectiveness and success of leadership which will go to outcome in form of organization performance. This illustrates theoretically strongly the evidence of the relationship between leadership and organization performance.

The demand of good governance implementation, it is not only formal juridical demand, but more than that is real evidence of the demand on improvement of service to society. This has given impact on the shift of public sector (government) management paradigm, which leads to government realization which is democratic, responsive, accountable, and the improvement of governmental organization performance in providing services to public. Substance of paradigm reformation of public service is the shift of public service implementation which is initially government-oriented as the provider into government as a servant focusing on compliance of public needs as the users. The significant consequence for government in response to the shift of this pattern of public service implementation is the government must listen to public voices by giving spaces for society's participation.

In the theory of Dynamic Governance (Hargadon [11]), to implement bureaucracy reformation and good governance, it is needed a leader who is able to think forward, think over, and think cross-limit. Those three types have been covered by intelligence of transglobal leadership which is cognitive, moral, emotion, culture, business and intelligence global. This shows clearly that dimensions and behaviors of transglobal leadership to implement good governance.

Furthermore, Mardiasmo [9] explained that theory of good governance showing the demand of organization system development especially good governance-based governmental institution with efficient, effective, open, fair, responsible and accountable principles. One of them is bureaucracy reformation directed to the attempts to prevent and accelerate for combating corruption, continuously, to create a good, clean, and prestigious government (good governance), clean government, and free from collusion, corruption, and nepotism.

Brackertz [21] proves that the success of a good public service highly depends on how big the capacity of facilities and infrastructures owned by an organization in providing the service. Meanwhile, to

measure the effectiveness of public service in fact can be measured by comparing the differences between expectations and perceived performance.

3. METHODOLOGY

This study employs survey method. According to Mc Millan and Schumacher [22], survey is used to study about attitude, belief, values, demography, behavior, opinion, habit, willingness, ideas, and other types of information. This study is located in area of Hutan Tanaman Rakyat (HTR) throughout Indonesia, distributed in 26 Provinces in Indonesia starting from Aceh to Papua. Population in this study is region/Regency implementing HTR development in Indonesia. Total population is 127 regions/regencies. This study takes all regions which are 127 regencies implementing HTR development in Indonesia. The variables of this research are: Transglobal Leadership's Intelligence, Transglobal Leadership's Behaviour, Good Forest Governance, and Forest Productivity. Instrument employed is questionnaire with closed questions using options with 5 point of Likert scale (strongly disagree to strongly agree). Analysis unit (respondent) is Head of Forestry Service and Head of Society Empowerment, Market, Cooperative, and SME (to be noted, each region has different office name). Data analysis technique used is Generalized Structural Component Analysis (GSCA).

4. RESULT AND DISCUSSION

Validity test is performed by using product moment from Pearson. If validity test is greater than 0.3, then the instrument is considered as valid. The result of validity test of each instrument can be seen in table 1 as follows:

Table 1. Result of Validity Test

Variable	Item	Correlated	Conclusion
Transglobal Leadership's Intelligence (X1)	X1.1	0.797	Valid
	X1.2	0.781	Valid
	X1.3	0.637	Valid
	X1.4	0.795	Valid
	X1.5	0.728	Valid
	X1.6	0.621	Valid
Transglobal Leadership's Behaviors (Y1)	Y1.1	0.814	Valid
	Y1.2	0.847	Valid
	Y1.3	0.840	Valid
	Y1.4	0.893	Valid
	Y1.5	0.842	Valid
Good Forest Governance (Y2)	Y2.1	0.705	Valid
	Y2.2	0.770	Valid
	Y2.3	0.743	Valid
	Y2.4	0.813	Valid
Forest Productivity (Y3)	Y3.1	0.739	Valid
	Y3.2	0.728	Valid
	Y3.3	0.711	Valid

According to table 1 above it can be seen that all indicators in all variables are considered as valid for they have correlation value > 0.30. Therefore, all indicators can be used in this study.

Table 2. Result of Reliability Test

Variables	Alpha Cronbach	Conclusion
Transglobal Leadership's intelligences	0.803	Reliable
Transglobal Leadership's Behaviors	0.834	Reliable
Good Forest Governance	0.747	Reliable
Forest Productivity	0.840	Reliable

In this study, reliability test employs alpha cronbach's coefficient. The test result is stated as reliable if the value is greater than 0.6 (Solimun [23]). The result of reliability test of each variable can be seen in table 2. Based on table 2. The value of alpha cronbach > 0.6 is obtained in all indicators. In definition, the instrument in this study is valid and reliable. Therefore, the indicators in this study can be used for further analysis by using Generalized Structure Component Analysis (GSCA).

Table 3. Linearity Assumption

Relationship	P-value	Conclusion
Transglobal Leadership's intelligences → Transglobal Leadership's Behaviors	0.005	Linear
Transglobal Leadership's intelligences → Good Forest Governance	0.001	Linear
Transglobal Leadership's intelligences → Forest Productivity	0.031	Linear
Transglobal Leadership's Behaviors → Good Forest Governance	0.022	Linear
Transglobal Leadership's Behaviors → Forest Productivity	0.040	Linear
Good Forest Governance → Forest Productivity	0.001	Linear

The reason using GSCA is that the causal relationship formulated in this study uses non-simple model which has multiple roles such as Forest Productivity. Linearity assumption is an assumption which requires all relationships are linear. The test result of relationship between variables in Table 3 shows all existing models are significantly linear, for sig (p-value) of linear model is smaller than 0.05, so that the linearity assumption is satisfied. Thus, the relationship between variables in this study is linear, so that GSCA can be employed. In further section, there will be structural model testing in GSCA, on the other hand, the test of relationship between variables.

Table 4. Result of Structural Model

Relationship	Coefficient (β)	P-value
Direct Effect (Output GSCA)		
Transglobal Leadership's intelligences → Transglobal Leadership's Behaviors	0.434	0.001*
Transglobal Leadership's intelligences → Good Forest Governance	0.335	0.021*
Transglobal Leadership's intelligences → Forest Productivity	0.103	0.211**
Transglobal Leadership's Behaviors → Good Forest Governance	0.313	0.023*
Transglobal Leadership's Behaviors → Forest Productivity	0.111	0.191**
Good Forest Governance → Forest Productivity	0.455	0.001*
Indirect Effect (Output GSCA with Sobel Test)		
Transglobal Leadership's intelligences → Transglobal Leadership's Behaviors → Forest Productivity	0.048	0.231**
Transglobal Leadership's intelligences → Good Forest Governance → Forest Productivity	0.152	0.029*
Transglobal Leadership's intelligences → Transglobal Leadership's Behaviors → Good Forest Governance → Forest Productivity	0.061	0.045*
Transglobal Leadership's Behaviors → Good Forest Governance → Forest Productivity	0.142	0.031*

* Significant (P < 0.05), ** Not-Significant (P > 0.05)

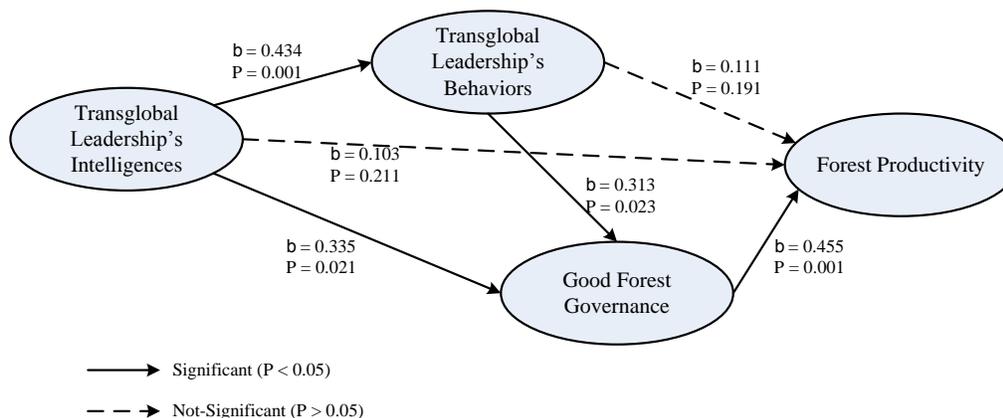


Figure 2. Result of Structural Model

The result of GSCA analysis seen in Figure 2 shows that the intelligence of transglobal leadership directly influences behaviors of transglobal leadership and good forest governance; however, it does not directly influence forest productivity. On the other hand, intelligence of transglobal leadership indirectly influences forest productivity through mediation of transglobal leadership's behaviors and good forest governance. This indicates that only by intelligence, a transglobal leader is not enough to improve forest productivity, but also by good behaviors of transglobal leader, and by clean implementation of forest management (good forest governance principle).

The behaviors of transglobal leaders directly influence good forest governance; however, it does not directly influence forest productivity. On the other hand, the behaviors of transglobal leadership indirectly

influence forest productivity through mediation of good forest governance. This indicates that only by behaviors of a transglobal leader is not enough to improve forest productivity, but also by clean implementation of forest management (good forest governance principle).

The result of this study is consistent with the theory of Dynamic Governance (Hargadon [11]), to implement bureaucracy reformation and good governance, it is needed a leader who is able to think forward, think over, and think cross-limit. Those three types have been covered by intelligence of transglobal leadership which is cognitive, moral, emotion, culture, business and intelligence global. This shows clearly that dimensions and behaviors of transglobal leadership to implement good governance. Also the theory of good governance by Mardiasmo [9] explained that theory of good governance showing the demand of organization system development especially good governance-based governmental institution with efficient, effective, open, fair, responsible and accountable principles.

The result of this study is also consistent with the preceding studies by Stephen Duthy and Bernadette Bolo [12], Forest Trends [13] show the relationship between leadership and good governance, and Raasay [15], Arun Agrawal, Ashwini Chhatre, and Rebecca Hardin [16], Paul R. Lachapelle, Patrick D. Smith and Stephen F. McCool [17], Rajesh Koirala, Kalpana Giri and Bharat Kr Pokharel [18], Bishnu Hari Poudyal, Govinda Paudel and Harisharan Luintel [19], Sango Mahanty, Jane Gronow, Mike Nurse and Yam Malla [20] shows the relationship between good governance and productivity.

District head in this case involves a regent, must have high intelligence level including IQ, emotional intelligence, moral intelligence, business intelligence, cultural intelligence, and global intelligence must be put forward (Sharkey et al., 2012). A leader having the intelligences supported by two things such as behaviors showing uncertainty resilience, team connectivity, pragmatic flexibility, perceptive responsiveness, and talent orientation, and subordinates (governmental executives) is able to implement good forest governance which openness, accountability, equity, and participation can be seen, will be able to improve forest productivity, especially in Hutan Tanaman Rakyat (HTR) policy. HTR policy is Governmental policy aiming at alleviating poverty (pro-poor), creating job vacancy (pro-job) and improving growth quality through proportional investment between economic agents (pro-growth). HTR policy provides more access for people in forest resource management. Governmental Regulation No. 6 of 2007 about Forest Governance, Management Plan and Forest Utilization, particularly articles 40 and 41 regulates about the areal designation for HTR, access to financial institutions, and basic pricing for HTR woods to protect and provide market access to people. Therefore, HTR policy is also an attempt of people economical empowerment to alleviate poverty through wider access to law, financial institutions and market.

5. CONCLUSION AND RECCOMENDATION

The conclusion of this research are: (1) The intelligence of transglobal leadership indirectly influences forest productivity through mediation of transglobal leadership's behaviors and good forest governance. This indicates that only by intelligence, a transglobal leader is not enough to improve forest productivity, but also by good behaviors of transglobal leader, and by clean implementation of forest management (good forest governance principle). (2) The behaviors of transglobal leadership indirectly influence forest productivity through mediation of good forest governance. This indicates that only by behaviors of a transglobal leader is not enough to improve forest productivity, but also by clean implementation of forest management (good forest governance principle).

Recomendation of this study is to improve forest productivity, a leader (a regent) having intelligences such as moral, cultural, business, and global is required. A leader with a quite good intelligence is able to show good behavior. Therefore, the issue of giving permission by regent concerning HTR can be overcome. A leader who is open and having cultural intelligence, must perceive that this HTR is absolutely to be operated and gives permission process fast, regarding this program is pro-public.

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