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RESEARCH ARTICLE

GOOD GOVERNANCE IN PUBLIC SERVICES: THE ROLE OF ORGANIZATIONAL CULTURE ON SUB-DISTRICTS PERFORMANCE

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ABSTRACT

This study is to investigate should who manage governing body to ensure and delivered of public services such as public interest to intend outcome at all times for society and services users. In this research focus on the Bandung Sub-District Office of 30, that is introduce and proportional sampling of 5 as service users on 2016. The method of this research is time order decision by Johnson and Onwugbuzie's, (2004). This approach is selected considering during the data are collected through interviewing related respondents to re-confirmation the data from questionnaires. By CIPFA 2013 has been considered as an important determinant of public service sector performance and applied of good governance concept. According to Contingency Theory and Goals Setting Theory in order to research findings indicated that; positively Pearson correlation among organizational culture, good governance and public service performance. And then, the result of regression analysis indicate that a positively and significant effect of the organizational culture and good governance on public service performance. This study should confirmed that if applied of good governance concept is on the tract would be delivered of public interest who manage of governing body to all times for citizens and services users where come bringing for all stakeholders in the country as well as. Governing body should achievement its intended outcomes for society and services users, and operates in an effective, efficient and ethical manner through each organization has its own benefit and public trust.

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INTRODUCTION

The concept of culture provides insights for the members and leaders of an organization in order understanding complex and hidden aspects of organizational life, and in addition, culture is a pattern of shared values and assumptions on how a notion have applied in a state organization/institution (Daft, 2007; Robbins and Coulter, 2009). Rosenbloom and Kravchuk (2005) argue that the government's public administration plays more significant role for the public than the legislative. Bandung sub-districts officer role based on Indonesia Act number 25/2004 on in order public sector services providing. Some times in the mass media highlight of public services provided indicate unsatisfactory image of the apparatus sub-district office un-expectation and hopeless of citizens and services users. That those can be justified which in applying of the good governance standard for public sector services to achieve organization's purpose and on outcomes for citizens and service users, receive a high quality service, and individual sub-district behaving in ways that uphold and exemplify effective governance, CIPFA suggestion should be done.

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This studied consist of four sections, start from introduction;

- Literature review and hypotheses development;
- Research methodology;
- Resulting based on regression analysis;
- Discussion and conclusion of finding research is the end section.

LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT

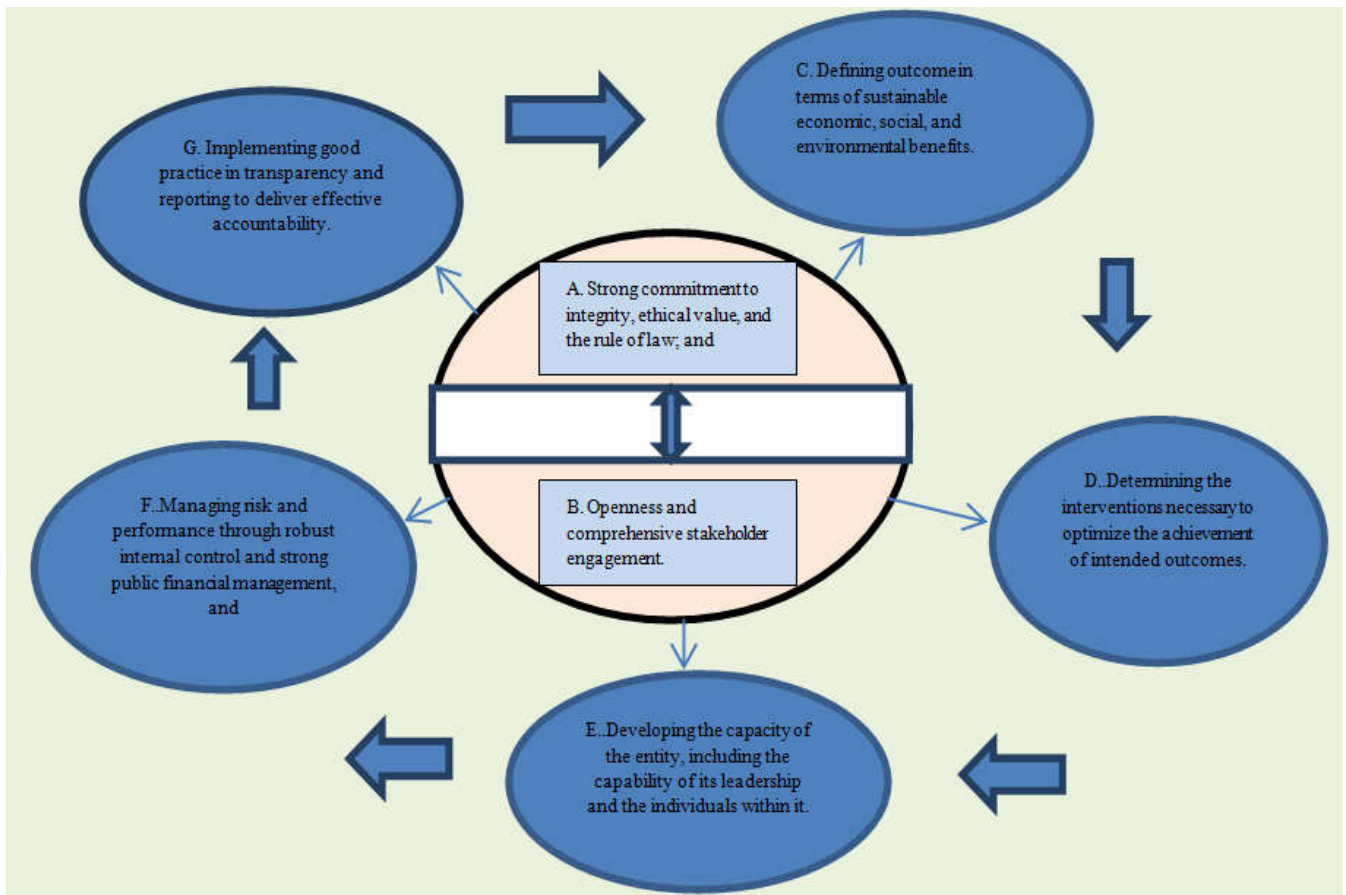
Framework for good governance, organizational culture, and public services performance

Good governance sometimes call how well the function of governance delivering all things for citizens and services users. CIPFA (2004) said, the function of governance is to ensure that an organization of partnership fulfills its overall purpose, achieves its intended outcomes for citizens and services users, and operates in an effective, efficient and ethical manner. Each organization has its own purpose. There are also some general purpose that are fundamental to all public governance, including providing good quality services and achieving value for money. CIPFA (2013) introducing of seven (7) key

principles of good governance in the public sector and illustrates how the various principles for good governance in the public sector relate to each other, include are:

1. The function of good governance in the public sector is to ensure that entities act in the public interest at all times.
2. Acting in the public interest requires:
 - Strong commitment to integrity, ethical value, and the rule of law; and
 - Openness and comprehensive stakeholder engagement.
3. In addition to the requirements for acting in the public interest, achieving good governance in the public sector also requires:
 - Defining outcome in terms of sustainable economic, social, and environmental benefits.
 - Determining the interventions necessary to optimize the achievement of intended outcomes.
 - Developing the capacity of the entity, including the capability of its leadership and the individuals within it.
 - Managing risk and performance through robust internal control and strong public financial management, and
 - Implementing good practice in transparency and reporting to deliver effective accountability.
4. Figure 1 illustrates how the various principles for good governance in the public sector relate to each other.

employee (governing body) to ensure meeting within in the rule of law. The governing body should promote a culture where acting in the public interest at all times is the norm. It should do this by taking the lead in establishing and living up to specific values for the entity and its staff. These values should be easy to communicate and understand. They should be over and above minimum legal requirements and should build on established principles for behavior in public life, such as objectivity, selflessness, and honesty. These principles reflect public expectations about the conduct and behavior of entities, groups, and individuals who manage public service provision and spend public money. The governing body should stand as a role model (often referred to as the “tone-at-the-top”) by keeping these values at the forefront of its own thinking and behavior and use them to guide its decision making and other actions. The value can also be used to promote a culture of integrity and collaboration throughout the entity through a number of mechanisms. These include their definition and communication through codes of conduct, frequent staff consultation and communication, exemplary behavior, and performance assessment and reward processes. That are as the governing body or government organization through conduct of law, public services providing and introduce of culture and/or governing body of culture or organizational culture for to ensure should all times delivering of public interest.



Source: CIPFA (2013)

Figure 1. Relationship between the Principles of Good Governance in the Public Sector (Acting in the Public Interest at all Times)

IFAC, in CIPFA (2013) defines the public interest as “the net benefits derived for, and procedural rigor employed on behalf of, all society in relation to any action, decision or policy”. That’s mean in term of the all public interest will be delivers to all stakeholders and users of society. Public interest would how as well as must be delivering by an organization bodies and

Governing body should to ensure how manager of public services performance as should conducted. Good of conduct of seven key principles of good governance in the public sector is good governance of implementation in the governing body and its impact to good performance in the public services. Figure 2 illustrates how the various of good governance, organizational

culture, and public services performance relate to each other, path of in this research and its propose as a research model.

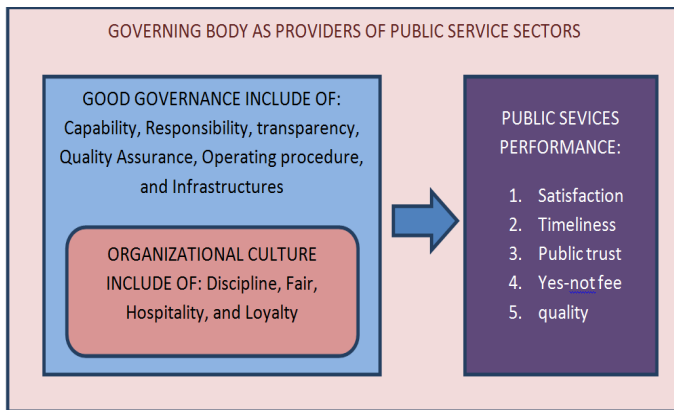


Figure 2. Good Governance in Public Services: The Role of Organizational Culture on Bandung Sub-districts Performance, as a Research Model

Relationship among Good Governance, Organizational Culture, and Public Services Performance

CIPFA (2013) has been illustrated how the various principles for good governance in the public sector relate to each other. That mean is good governance and culture was correlated within public sector services performance. For example strong commitment, openness, and culture though out achievement on the governing body to intended that outcome all times for public interest. Achieves its intended outcomes for citizens and services users, and operates in an effective and efficient. And then, Act Number of 25/2009 on Public Service defines public service as an activity or a series of activities conducted to fulfill the needs in accordance with the laws and regulations for every citizen and individual upon materials, services, and/or administrative services by public service providers. Therefore, we conclude, there is a positive relationship among good governance, organizational, and public sector services performance in order in governing bodied will be to serve public interest for society and all at times services users.

The Influence of Good Governance and Organizational Culture on Public Services Performance

Culture can be defined as a group of values, beliefs, perceptions, and basic norms shared in a community or an organization (Daft, 2007; Robbins and Coulter, 2009). When the values and norms are established and implemented in an organization, it is called organizational or institutional culture.

The concept of culture provides insights for the members and leaders to ensuring of an organization in understanding performance serving. CIPFA (2003) said, good governance has been focused on the organization's purpose and on outcome for citizens and service users, that is making sure that users receive a high quality service; being clear about the functions of the governing body; to be clear about the responsibility of non-executive and the executive, and making sure that those responsibilities are carried out; and to ensure about relationship between governor and the public, and engaging to become stakeholders and making accountability real. Yosinta (2016) argue that in order having influence of organizational culture on public sector performance management, a strong culture was found to be important in gaining high Key Performance

indicators and leadership style appeared to influence whether the public services performed to a high level, which seemed to be achieved through a balance between task focused and people focused. The case study of the New Zealand and public sector in order informed that culture having important to determinant of achievement high level public sector services that those outcome at all times for society and services users (Ken and Parry, 2003). Recent year in term faced through the literature review, finding an empirical research, and text books that above argue that those; many researcher was used of contingency theory developed by Hayes (1977), Otley (1980), and Fisher (1998) and goals-setting theory by Locke, et al. (1981) to its designing of research model through various field research conducted because, contingency factors are internal, interdependence and environmental change that those through point-out of the context to be design based on its to in order providing of information mechanism for decision making and policy setting, and for example, being clear applying of good governance should making sure and relevant to its all aspect in order governing body to achieve of public interest through citizens and services users there where call goal setting paradigms.

Hypotheses Development

Refer to the CIPFA 2013, previous research findings and research questions has been considered in order construction and hypotheses development in this study can be formulate are given below:

- H1: There is a positive and significant relationship between organizational culture and good governance
- H2: There is a positive and significant relationship between good governance and public services performance
- H3: There is a positive and significant relationship between organization culture and public services performance

MATERIALS AND METHODS

Respondents in this research suck as who had received public services at of 30 Sub-District Bandung Office as of the governing body. Questionnaires specifically designed using 5-Likert scale (Sekaran and Bougie, 2010) handed-out on 2016. Respondents are randomly selected of 158 respondents, intended outcomes for citizens and services users of 5 users on each sub-district office. The method of this research is time order decision by Johnson and Onwugbuzie's (2004) in Shauki (2016). This approach is selected considering during the data are collected through interviewing related respondents to re-confirmation the data from questionnaires. The data was analyzed using regression analysis (Cooper and Schindler, 2006; Hair, et. al., 2005; Sekaran and Bougie, 2010). The operational zed of research variables includes several indicators. In this research variables include are public service performance, good governance, and organizational culture. Public services performance such as satisfactions, timeliness, public trust, yes-not service fee, and quality of public services (Mahoney, et al., 1963; Public Service Act #25, 2009; and CIPFA, 2013). The good governance included capability, responsibility, transpance, quality assurance, standard operating procedure, and infrastructure (CIPFA, 2013; UNDP, 1997; and Public Service Act #25, 2009). The end, that is organizational culture based on discipline, fair services, hospitality, and loyalty (Daft, 2007; Robbins and Coulter, 2009).

RESULTS

Descriptive Analysis

The first descriptive statistic test was conducted to obtain information Bandung sub-district of the mean and standard deviation for confirmation of the data within indicators on each research variable are given in Table 1. The validity and reliability tested in this study was applied and result are valid and reliable of the indicators has been considered based on criteria in order by Nunnally (1978), and Kaiser and Rice (1974). The data was compliance with the Kaiser-Meyer-Olkin Measure of Sampling Adequacy (KMO) and Bartlett's Test of Sphericity. The value of Cronbach's Alpha and Hotelling's T-Square following below are high and significant on each variables. The construct information of the variable show that inter-correlation from the test indicate that all variables are positively correlated and significant in term of any on each variable are given in Table 2.

Table 1. Descriptive Statistics

| Variables | Mean | Min | Max | Range | Variance | Standard Deviation | N of Items |
|----------------------------|-------|-------|-------|-------|----------|--------------------|------------|
| Public Service Performance | 3,234 | 2,937 | 3,538 | 0,601 | 0,060 | 2,561 | 4 |
| Good Governance | 3,487 | 3,405 | 3,570 | 0,165 | 0,650 | 3,483 | 6 |
| Organizational Culture | 3,570 | 3,456 | 3,772 | 0,316 | 0,210 | 2,409 | 4 |

Table 2. Pearson Correlation Among Variables

| Variables | Y | X1 | X2 | Cronbach's Alpha | Hotelling's T-Squared | N of Items |
|------------------------------|---|----------|-----------------|------------------|-----------------------|------------|
| Public Service Performance-Y | 1 | | | 0,794 | 74,663*** | 158 |
| Good Governance-X1 | | ,721***1 | | 0,816 | 74,663*** | 158 |
| Organizational Culture-X2 | | | ,577***,751***1 | 0,794 | 74,663*** | 158 |

Note: ***, **, * level of statistical significance is equal to 1%, 5% and 10%, respectively.

Table 3. The findings of the hierarchical regression analysis

| Dependent variable: Public Service Performance | | | |
|------------------------------------------------------|----------------------------------|------------|-----------|
| Independent variables | Unstandardized beta coefficients | | |
| | Model 1 | Model 2 | Model 3 |
| Organizational Culture => Good Governance | 1,085*** | | |
| Good Governance => Public Service Performance | | 0,530*** | |
| Organizational Culture => Public Service Performance | | | 0,613*** |
| R Square | 0,564*** | 0,520*** | 0,333*** |
| Adjusted R Square | 0,561*** | 0,517*** | 0,328*** |
| R Square Change | 0,564*** | 0,520*** | 0,333*** |
| F Change | 201,398*** | 169,293*** | 77,776*** |
| Durbin-Watson | 2,096*** | 1,988*** | 2,073*** |

Note: ***, **, * level of statistical significance is equal to 1%, 5% and 10%, respectively.

Regression Analysis

The findings of the hierarchical regression analysis testing the influence of organizational culture such as discipline, fair services, hospitality, and loyalty on the good governance is indicated that positively and significant (model 1). We concluded should H1 has been confirm. Good governance including of capability, responsibility, transparency, quality assurance, standard operating procedure, and infrastructure on the public service performance is indicate that positively influence and significant (model 2). Therefore, H2 is acceptance. Then, the end funding show that positively and significant influence (model 3) of organizational culture on the public service performance, surprising H3 has been confirm too. Based on result from regression analysis was conducted in term are given in Table 3. Based on table 3, in this study can be present of the regression analysis results of investigate should how manage good governance and depend on the organizational culture context can be effect on public service

performance, intended to outcome that all times for society and users.

DISCUSSION AND CONCLUSION

Finding of research indicate that having significant relationship among variables of the organizational culture, good governance and public services performance, and organizational culture influence on good governance; good governance influence on public services performance; and organizational culture influence on public services performance. These findings have expectation and consistence on the previous research. Relevant which in, CIPFA and other previous research have stated that through should applied of good governance standard will be achieve of organization's effectiveness, outcome for citizens and service users, making sure that users receive a high quality service, and sure that those responsibilities are carried out and accountability real. Capabilities officers, responsibility, information disclosure,

procedure, and having infrastructure should be the sub-district officer in operation in order achieved intended outcome at all times to citizens and service users will optimum public services through-out governing body have efficient and effectiveness and that those organization's become more successfully. On behalf of the degree of officer discipline, fair services apply, hospitality management systems, and loyalty carried out to in term impact to serving citizens and service users. For the closing statement and conclusion of the finding research have surprising through capability and responsibility of sub-district officer have been important to determinant of who manage and how to achieve public sector service performance is rigor for to detect good governance and governing body should effectiveness and good job. For example, Bandung sub-district public services and high quality performance.

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