

¹SUSTAINABILITY OF STRATEGIC MANAGEMENT PRACTICE IN GOVERNMENT ORGANIZATION

CASE STUDY IN INDONESIA

Achmad Nurmandi and Cristhophe Behren

**Department of Government Affairs and Administration, Universitas Muhammadiyah
Yogyakarta**

And Center of Good Governance, Indonesia-Germany.

Since 1998, the Indonesian government had introduced an approach for Strategic Management under Government Regulation No. 108/2002. The government has not evaluated experiences with this strategy until now. However, in 2009, the administration of President Yudhoyono introduced a new approach entitled *Rencana Pembangunan Jangka Menengah (RPJMD)* –Medium Term Development Planning. Form and method of RPJM are quite different from the former management approach. In this paper, both writers investigate experiences with the attempt to introduce Strategic Management in Indonesian public sector, particularly the aspect of sustainability. Sustainability in this context means continuity of professional application of the method despite changes of political framework both at national and local level in a five-year period. The study found that sustainability of strategic planning according to the defined approach is linked to key aspects of professionalism: in terms of professional overall management (leadership), of professional coordination among governmental units, and of professional monitoring of the complete process and its instruments: planning, implementation and evaluation. On this basis, recommendations are given for a further professionalisation of Governance in Indonesia.

Keyword: sustainability, strategic management, strategic plan.

Introduction

Entering the democratic political order since 1998, Indonesia deals with some constraints especially in the government effectivity. Democracy causes the rambling or inefficient decision making process, for it must involve nine factions in house of representatives which have different concerns. In the previous term, the ex-president, Soeharto, has a strategic plan document known as *Garis-garis Besar Haluan Negara (GBHN)* - Guidelines of State Policy. Nevertheless, the document of strategic plan is translated from the vision and mission of elected president and vice president after 1998. Furthermore, the strategic plan is systemized for five years called *Rencana Pembangunan Jangka Menengah (RPJMD)* - Medium Term Development Planning. In 2004, Indonesia has a regulation of strategic plan named Law No. 25 of 2004 on National Development Planning System. Three years later, in 2007, it is enacted by Law No. 17 of 2007 on *Rencana Pembangunan Jangka Panjang Nasional (RPJPN)* – National Long Term Development

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