THE INFLUENCE OF REGIONAL EXPANSION AND GOVERNANCE PERFORMANCE TOWARD COMMUNITY WELFARE IN OGAN ILIR DISTRICT SOUTH SUMATRA PROVINCE

Radjab Semendawai

ABSTRACT

The phenomenon that made the object of research is the community welfare in Ogan Ilir District, South Sumatra Province. The research objective was to discuss the influence of Regional Expansion and Governance Performance toward Community Welfare. The study used quantitative research approach. Samples are 226 respondents drawn from the study population as many as 550 people using the Table of Krejcie. Collecting data using literature study, questionnaire and observation. Data analysis using SEM Analysis and Multiple Regression Analysis. The results of the study are the following:

The amount of the influence of Regional Expansion toward the Community Welfare reached 0.79. Has proven that the influence of Regional Expansion toward the Community Welfare determined by aspirations, strategy, organizational skills, systems and infrastructure, human resources, organizational structure and culture.

The amount of influence on the Government Performance toward Community Welfare reached 0.75. The amount of influence on the Government Performance toward Community Welfare contributions are determined by individual performance to increase community welfare, contribution by group’s performance to increase community welfare, and contribution by organizational performance to increase community welfare.

Therefore the influence of Regional Expansion and government performance together toward Community Welfare.

The new concept is derived from the discussion of the influence of Regional Expansion and Performance Governance The Welfare Society in Ogan Ilir is: First, the concept of Cultural Change Work Government conceptualized as the development and adjustment of the values of work and the work of government bureaucracy in the public welfare that includes a change in norms work; work ethic and work ethos; second, the concept of Individual Performance Contributions absorbed into the government’s performance according to job function and areas of work of the person in order to realize the welfare society of legislative members performance contributions; apparatus of bureaucracy unit performance contribution; sub district administrative performance contribution; apparatus village performance contribution; and NGOs members performance contributions.

Keywords: Regional Expansion, Government Performance. Public welfare
THE INTRODUCTION

The Research background:
The idea of establishing Ogan Ilir Regency has made since a long time ago. In 1958, the idea was inspired by college students of Ogan Ilir joined in Ikatan Pelajar Ogan Ilir (IPOI) or Ogan Ilir Students’ Association who were studying in various universities in Jogjakarta City. At that time, the Head of IPOI was Dr. H. Ahmad Asof (Tanjung Raja Village), Dr. H. Hasan Zaini as the secretary (Kerinjing Village), and Prof. Dr. Ki. Amri Yahya (Sukaraja Village) as the treasurer. The objective of college students’ movement was only moving the capital of Ogan Komering Ilir Regency from Kayu Agung to Tanjung Raja. Nowadays, IPOI is turn to be KABOKI Jogjakarta Dormitory and Students’ Family Association and (IKFM) Students of South Sumatera Commisionaire Caram Seguguk. (Oganilirkab.bps.go.id)

In 2000, post-reformation in 1998, the plan to make Ogan Ilir Regency stated again. The plan of proliferation Ogan Ilir Regency in a discussion of seminar on Layout Subdistrict of Indralaya in the campus of Sriwijaya University presented also by Rector Assistant 1 Sriwijaya University, Dr. Mahyuddin, Sp. Og. In the discussion of this layout concluded the plan to make Indralaya City as Satellite City. In this seminar, based on the presence as Satellite City, pihak Sriwijaya University party asked to the government of OKI to make subdistrict of Indralaya get more attention to support students’ activities in Sriwijaya University in their new campus located in the area of Indralaya (now in the subdistrict of north Indralaya). This demand then responded by Drs. Abdul Rahman Rosyidi (Subdistrict Head of Indralaya) as the representative government of Ogan Komering Ilir Regency said that all this time Indralaya with status of subdistrict, thus impossible it has special treatment from the government of Ogan Komering Ilir Regency. The development speedy, stated by Drs. Abdul Rahman Rosyidi, Indralaya area to support a new campus of Sriwijaya University only do if Ogan Ilir become a regency. The idea of proliferation of this regency then followed by some public elements. Of course, some people refused the proliferation of Ogan Ilir Regency (Oganilirkab.bps.go.id)

Based on the research result at STPDN Jatinangor, Regional Assembly of Ogan Komering Ilir then made a Decision Letter of Regional Assembly Number 12 in 2002 on the 2nd September 2002 on the agreement for the proliferation of Ogan Komering Ilir Regency to make Ogan Ilir Regency. This decision was signed by the head Regional Assembly of Ogan Komering Ilir Regency, Ir. H. Mawardi Yahya. This facts stimulated Ogan Ilir society to give the Father of Proliferation Ogan Ilir to Ir. H. Mawardi Yahya. Based on this decision letter, legislative and executive parties made Local Rile of Ogan Komering Ilir Regency Number 22 in 2002 on the 12th August 2002 on the Recommendation of Proliferation Ogan Komering Ilir Regency (Oganilirkab.bps.go.id). When was still joinned with Ogan Komering Ilir Regency to the early establishment of Ogan Komering Ilir Regency, Ogan Komering Ilir consists of 6 subdistricts and consist of 161 village/political district, those were: Indralaya Subdistrict, there were 28 villages; Tanjung Raja Subdistrict, there were 26 villages and 3 political district; Tanjung Batu Subdistrict, there were 31 villages; Muara Kuang Village, there were 27 villages; Pemulutan Subdistrict, there were 28 villages and Rantau Alai Subdistrict there were 21 villages (Oganilirkab.bps.go.id).

Ogan Ilir Regency South Sumatera Province gain full local autonomy and separated from the central regency (Ogan Komering Ilir Regency) through Laws Number 37 in 2003 established on 18 December 2003 on the Forming Regency of East Oku. South OKU Regency and Ogan Ilir Regency in the South Sumatera Province, Ogan Ilir Regency officially made by the Ministry of State Affairs in Jakarta on the 7th January 2004 along with 24 Regencies/Cities in Indonesia. Official announcement of Ogan Ilir Regency conducted in the Main Hall of State Affairs Department on Jalan Medan Merdeka Utara Number 07 Central Jakarta by the Ministry of State Affairs H. Moh. Ma'ruf presented by the representatives from 24 Regencies / Cities. On that chances The Ministry of State Affairs RI noticed to make the implementation government of Regency/City proliferation really main side to the improvement of public welfare and using the source potencies have with wise and skillfull. (Oganilirkab.bps.go.id)
With sum of area is 2,666.07 km² or 266,607 hectare, border areas administration Ogan Ilir Regency are (1) in the north: Banyuasin Regency and Palembang City; (2) In the south: Ogan Komering Ulu Regency; (3) In the east: Ogan Komering Ilir Regency & East OKU; (4) In the west: Muara Enim Regency and Prabumulih City. After officially become Ogan Ilir Regency, sum of regency in Ogan Ilir Regency now become 16 subdistricts. Sixteen areas subdistricts are (1) Indralaya Subdistrict, (2) North Indralaya Subdistrict, (3) South Indralaya Subdistrict, (4) Pemulutan Subdistrict, (5) East Pemulutan Subdistrict, (6) South Pemulutan Subdistrict, (7) Muara Kuang Subdistrict, (8) Rambang Kuang Subdistrict, (9) Lubuk Keliat Subdistrict, (10) Tanjung Batu Subdistrict, (11) Payaraman Subdistrict, (12) Tanjung Raja Subdistrict, (13) Sungai Pinang Subdistrict, (14) Rantau Panjang Subdistrict, (15) Rantau Alai Subdistrict, and (16) Kandis Subdistrict. (Oganilirikab.bps.go.id) With total subdistricts there are 227 villages and 14 Political Districts.

The main purpose of District Proliferation is to make public welfare. The aims reached through the implementation of government functions. Government functions implemented by Regency/City District are development function, people empowerment function and public service function. The implementation of development function such as human resources development, social development, infrastructure area development and economy development. The implementation function of people empowerment such as people empowerment group and society institution empowerment. The implementation of public service such as health service, educational service, license administration service and transportation service.

With the point of view, it should be the proliferation of Ogan Komering Ilir Regency become Ogan Ulu Regency and Ogan Ilir Regency has shown signs of reaching the main aims. However in the reality after a few years of district proliferation, the improvement of public welfare in Ogan Ilir Regency South Sumatera Province has not optimum; although in the district also do Program Nasional Pemberdayaan Masyarakat Mandiri (PNPM Mandiri) or National Self Empowerment People.

The effort of improving public welfare is not yet optimum in Ogan Ilir Regency become a phenomenon with other causes. It means, there are some factors influenced it. Some factors influence the phenomenon is not optimum efforts of district proliferation and local government performance are two factors that significantly influence to public welfare in Ogan Ilir Regency. This assumptions based on the premise major as follows:

The first, district proliferation as means in Article 31 Laws Number 23 Year 2014 is that in the implementation of Decentralization do District Management. District management means to: a). To make effective the implementation of District Government; b). To accelerate the improvement of public welfare; c). To accelerate the improvement of public service quality; d) to improve the quality of government management; e). To improve national competition and district competitive; and f). To maintain custom uniqueness, tradition and local culture. Therefore, functionally and conditionally district proliferation of course influence positively to public welfare.

Second, government performance covers the performance of executive institution performance and legislative institution performance as an organization unit implementation of government functions in district as the process and government working result in implementing desentralization and local autonomy. Therefore, conceptual, functional and conditional of government performance in the district influenced to public welfare.

Although asumption has strengthen with premise although it does not means that the assumptions can be say right, because untested. Therefore, to actualize the assumption in an examination process need to make a research approach. Therefore, based on the assumptions to the elected phenomenon entitled:

“The Influence of Regional Expansion and Governance Performance Toward Community Welfare in Ogan Ilir District South Sumatra Province”.
The selection of research title based on the motives can be stated as follow: **The first**, public welfare and the correlation with district proliferation problems and government performance can be made as the object implementation of Government Science. **The second**, Indralaya Ilir Subdistrict as the locus research because the area is the poorest citizen area. **The third**, after made an investigation and to the composing material. This dissertation identified that has not yet any party who do the research with the same title and locus.

The research problems formulated by making problem identification and determining research problem limitation. Base on the research problem limitation, then the research problems proposed with research questions as follow:

1. How high the influence of District Proliferation to Public welfare in Ogan Ilir Regency?
2. How high the influence of Government Performance to Public welfare in Ogan Ilir Regency?
3. Is there the influence of District Proliferation and Government Performance together to Public welfare in Ogan Ilir Regency?
4. What new concept gained from the discussion the influence of District Proliferation and Government Performance to Public welfare in Ogan Ilir Regency?

**THE DISTRICT PROLIFERATION**

The District proliferation do by forming a new district government organization as the phenomenon development of public organization do for particular aims. The aims means of course related with the implementation of desentralization and district autonomy policy as arranged in Laws Number 23 Year 2014.

According to Winardi (2003:188), recently, “organization development has emerged as a total organization approach. Furthermore also showed behavior technique groups to manage organizational conflict and changing, developed. Then Winardi stated:

> Beckhard formulated organization development as”…...the effort that (1) planned, (2) covers entire organization, (3) which managed from the top, to (4) enlarge effectiveness and the organization health through (5) planned intervension in the “process” of organization by using knowledge “behavior science”

(Backhard, 1969 :9)

In order to more understand the concept of “organization development”, according to Winardi (2003:189), we need to study the objective, assumptions and the characters. Explicit general objective from organization development, that is growth and individual development in all level of organization expected will emerge the improvement of efficiency and effectiveness of organization. Implicitly, according to Frech (in Winardi, 2003:189) in the general objective there are some operational target as follow:

1. Increasing trust level and support between organization members
2. Increasing organizational problems confrontation either inside groups and between different groups compare to action “sweep problems under the carpet”
3. Creating an environment in form of role authority explained supported by authority based on knowledge and skills.
4. To improve openness, communication in lateral, vertical and diagonal.
5. Increasing personal enthusiasm and satisfaction inside related organization.
6. Reaching synergistic solutions or problems with higher frequency (synergistic solutions as a creative solutions. 2+2 resulting bigger result from 4, and through action, all parties get more benefit through cooperation than conflict)
7. To improve personal responsibility level and group in the case of planning and implementation.

Wendell French and Cecil H. Bell (in Winardi, 2003 :198) provided comprehensive definition on organization development:

Organization development is a long term effort to improve decision making process and renewal of an organization, particularly by organization collaborative culture management which more effective – by prioritize to formal team working culture – with the help of a changing agent or catalysis agent and using theories also scientific technology on application behavior, in which named also “action research” (Frech et.al.1978:14)

Winardi (2003:198) stated more simple definition: “Organization Development is a changing process planned, inside culture of an organization, by using behavior technology science, research and theories. (Burk, 1982:10)

Fred Luthans (1995:565), by cited from Black and Margulies, stated that these elements are modern approach of organization development to management changing:
1. The approach of organization development to planned changing.
2. It has system character or at least it uses system perspective.
3. It designs to improve organization either in short term or long term.
4. The approach of organization development to primary changing proposes to organizational process and is not to the substantive contents.
5. It designs to solve problems.
6. It focuses primary to human relationship and social.

Organization results from the efforts of organization development cover: the increasing of effectiveness; problem solving; adaptability for the future. (Winardi, 2003:199). Therefore transform capacity of an organization development. According to De Vita et.al. (2001: 45), institutional capacity of an organization cover five factors, those are vision, mission, leadership, resources, network/partnership, also service and product. Based on this institution capacity, McKinsey (2001:33) says:

*Capacity is one of those words that mean all things to all people, and nonprofits have approached and interpreted capacity building in many different ways. As a starting point, therefore, the team developed a “Capacity Framework” to provide a common vision and vocabulary for nonprofit capacity.*

Based on the opinion above, thus the framework of institutional capacity of local government can be means cover potency of all administrative elements in the government bureaucracy. How the capacity framework institution identified, McKinsey (2001:33) gave description below:

**The Capacity Framework** defines nonprofit capacity in a pyramid of seven essential elements: three higher-level elements - aspirations, strategy, and organizational skills - three foundational elements - systems and infrastructure, human resources, and organizational structure - and a cultural element which serves to connect all the others. The team defined these elements as follows:

- **Aspirations**: An organization’s mission, vision, and overarching goals, which collectively articulate its common sense of purpose and direction.
- **Strategy**: The coherent set of actions and programs aimed at
fulfilling the organization’s overarching goals.

- **Organizational Skills**—The sum of the organization’s capabilities, including such things (among others) as performance measurement, planning, resource management, and external relationship building.

- **Human Resource**—The collective capabilities, experiences, potential and commitment of the organization’s board, management team, staff, and volunteers.

- **Systems and Infrastructure**—The organization’s planning decision making, knowledge management, and administrative systems, as well as the physical and technological assets that support the organization.

- **Organizational Structure**—The combination of governance, organizational design, interfunctional coordination, and individual job descriptions that shapes the organization’s legal and management structure.

- **Culture**—The connective tissue that binds together the organization, including shared values and practices, behavior norms, and most important, the organization’s orientation towards performance.

From McKinsey’s Opinion above that the capacity framework of institution consists of aspirations that is vision mission and goals; strategy; organizational skills; human resource; systems and infrastructure; organizational structure; and organizational culture.

According to McKinsey (2001: 34), by combining all different elements from an organization capacity in a single coherent diagram, thus the capacity framework pyramid pointed to the importance of checking each element either individually or related to other elements, also in the context of entire elements.

This pressure reflecting important findings from the research that many organizations think that capacity development limited only for “technical aid” or increasing the effectiveness of function in the under part of pyramid. Therefore, because the importance of aspirations, strategy and organizational skills become so important in assessing institutional capacity. Then, with theoretical foundations of capacity framework from McKinsey composed conceptual variable definition that **District Proliferation is a formation of a new regency district and organizational development of Local Government and capacity of Regional Assembly of Ogan Ilir Regency which revealed from aspirations, strategy, organizational skills, systems and infrastructure, human resources, organizational structure, culture.** From the definition of conceptual variable gained seven dimensions of study: (1) Dimension of aspirations, (2) Dimension of strategy, (3) Dimension of organizational skills, (4) Dimension of systems and infrastructure, (5) Dimension of human resources, (6) Dimension of organizational structure, and (7) Dimension of cultural. Then the seven dimensions developed into 21 research indicators to be 21 research questionnaires.

### THE GOVERNMENT PERFORMANCE

The Local government performance which consists of executive institution performance and legislative institution performance in implementing various policy and government activity basically directed to make public welfare. The implementation of various policies purpose as personification rule of Law and the implementation plan of local development. This local government performance consists of individual performance, group performance or particular working unit performance and organization performance or institution performance. Individual performance attributed to the position and role of civil state apparatus (ASN) who are on duty in entire bureaucracy working unit; legislative members duty to implement the function of representation. Group performance or working unit performance attributed to Regional Work Unit (SKPD) in various sectors and government activity level; and commission performance that become Regional Assembly DPRD complement. While organizational unit is a performance of each local government institution in implementing various duties and function arranged in the rule of law. In the
context of this understanding the concept of performance become very important.

Gordon (1993:14) says that “Performance was a function of employee’s ability, acceptance of goals, level of the goals, and the interaction of the goal with their ability”. From this Gordon opinion gained an understanding that performance contain four elements are: 1) Ability. 2) Acceptance of organization goals. 3) Level of goals reached and 4) interaction between goal and ability of organization member. How these continue as a performance. Schermerhon et.al. (1991:59) says: Performance is as a quantity and quality of completing duties, either do by individual, group or organization. Performance able to measure either individually, group or organization. High or low this performance can be seen from the quantity and quality of completing duties. This quantity aspect refers to working burden determined, while working quality can be seen from the orderly or not the job done.

Sagala (2007:180) stated concepts understanding performance according to some experts below:

1. Harris et.al. stated that performance is a behavior that showed relevant competency with realistic duties and description of behavior foucsed to working context that is behavior do to exlain working description determined performance that will fulfill organization need wanted.
2. Hersey and Blanchard, stated readiness and skills of someone is not effective to do something without clear understanding on what to do and how to do.
3. Kirkpatrick and Nixon interpret performance as a success measurement in reaching the goal established (planned) before.
4. Murphy and Cleveland give understanding of performance as the calculation of end result or (countable outcomes)
5. Rue and Syars interpret performance as the achievement result or solving to organization aims.
6. Peter F. Drucker explained that performance is a total test to institution.
7. Stoloviich and Keeps, interpret performance as a set of result achieved and refer to the achievement action also implementation of a job asked.
8. Griffin interprets performance as one of total collection from working present inside the worker.

Prawirosentono (1997:1-2) said performance is a working result achieved by someone or group of people in an organization, based on the authority and responsibility of each; in order to reach organization aims legally, do not violate the law and based on moral or ethics. Performance is an appearance of a working process in an organization cover behavior of subjects (superior and subordinate, employee/worker), working process also the working result reached.

The most interesting one from what stated by Prawirosentono, compare than other opinions is the performance projected in working attitude doing legally, do not violate the law and based on the moral or ethics. Robbins (2001:24) stated that there are three criteria the most general assess are task outcome, behaviour and traits. Mathis and Jackson (2002:91) stated the explanation of measuring performance below:

Job volume (job volume which fulfill requirement in a normal condition), job quality (perfectness, regularity and job accuracy), knowledge to job (clear understanding for appearance, socialite, leadership and integrity), cooperation (ability and willing to cooperate with partners, supervisor and subordinator to the same goal), dependency (careful, complete, accurate) initiative (seriousness in the effort to gain responsibility increased), courage to do alone or starting a job.
From the opinions stated gain an understanding that basically performance is a working achievement gained by someone or a group of people in doing duties or job based on the function of occupation or type of working. This understanding cover some dimensions measured as working achievement, those are productivity, effectiveness, efficiency and performance accountability. Productivity refers to job volume or quantity done, effectiveness refers to the process of reaching aims and goals of job, efficiency refer to the use of job resources and accountability refers to final attitude to complete the job. These dimensions appropriate to actualize in the local government performance that cover apparatus’ performance, working unit performance and organization performance to each institution. In this context, some weaknesses identified from local government performance are low productivity of apparatuses’ performance in using working time; effectiveness implementation activity is not optimum; efficiency in using unclear budget resources allocation and measuring working accountability that inclined to be performed and with assessment format able to change.

The increasing of performance to the professional level need to be done. Why is it important? Because according to Gilley et al (2000:283) organization failed to reach performance result wanted because various reasons. The organization failed to : focus on stakeholder needs; link organizational performance to strategic business goals and objectives; identify performance breakdowns; eliminate managerial malpractice; manage performance; encourage employee involvement and support; and focus on long-term results.

Therefore need to do an effort of improving performance by fulfilling the requirements as stated by Dessler (2008:12):
Achievement or the ability level that should be achieved by employees in doing job refer to the requirement determined cover: (1) Determining performance standard, (2) employees’ actual performance standard in relationship with the standard (3) giving feedback to employees by motivating them to improve performance.

Reward functions and or giving sanction to someone performance become an integral part in the process of improving performance. In this context, Gilley et al (2000:283-284) says :

Many employees fail to perform adequately because of a perceived disparity between their performance and the rewards they receive from the organization. The disparity is known as performance-reward disconnect. When organizations suffer performance-reward disconnect, desired behaviors (e.g., loyalty, creativity, entrepreneurship) are ignored or punished in the workplace while other performance is rewarded. Finns send mixed messages by inadvertently rewarding performances they do not desire, such as individualism at the expense of co-workers or other departments. Improving performance requires a direct correlation between desired behaviors and actions and rewards received. LeBoeuf (1985) believes that if people are rewarded for the right performance, the organization will get the right performance. He insists that the things that get rewarded get done. In essence, failure to reward proper performance behavior leads to undesirable results.

The most important thing said by Gilley and friends that the improvement of performance needs a direct correlation between desired working behavior and benefits or result received from working behavior. Therefore according to Leboeuf, if someone gives a reward for the right performance, thus the organization will get the right performance. With the function of working rewarded with performance can be consider linear. It means, everyone must be motivated to increase performance if improving performance is balance with received particular reward as a reward for working achievement.

Meanwhile, in the context of government activity, less reward from bureaucracy leader to apparatuses’ performance cause imbalance between improving apparatuses’ performance with working reward
received by apparatus often become challenge in improving performance.

Performance is not only cover meaning quality implementation of duties or job and meaning quantity of implementing duties or job but also how the work done.

Meaning of performance also not only view based on an individual performance and a group performance or working unit. Meaning of performance means to refer the assessment of working productivity, the effectiveness implementing job and efficiency using working resources related to the occupation function or each job function of individual or working unit. Therefore, performance can be said as a process and working result based on occupation function or job capacity, either do by an individual or do by a group by paying attention or guide to stipulation and working norms established in order to reach particular aims.

In this context, working process can be said productive if the working result done based on objective or more than working objective established before. Working process can be said effective if in the implementation the work succeed to reach previous aims. While working process can be said efficient if there is added value from working result more than the resources used to do the job.

Working is a human activity to change particular situation to fulfill life needs. Gibson et al (2000: 286-289) said that every organization deal with performance challenge that can develop management system to maxima employees’ performance and directly to increase growth and development. Meanwhile the success to deal the challenge, every organization needs to desain organization, performance development and performance harmonization. This development means to improve performance capacity, competitive readiness and renewal. According to Gilley et al (2000:286-289), harmonization of improving performance cover some steps as follow:

**Step 1:** Conducting Stakeholder Valuations. Identifying clients’ needs and expectations is the first step toward achieving desired business results and may be accomplished through an exercise in stakeholder valuation. Stakeholder valuation drives an organization’s delivery of goods and services to its clients. Information regarding both internal and external client needs, expectations, recommendations, and suggestions may be obtained through surveys, focus groups, or interviews. Organizations then design processes and procedures to meet or exceed client needs and expectations.
Step 2: Improving Job Design. Performance that does not help a firm achieve its strategic business goals and objectives ceases to be of value. Hence, linking all job design activities to strategic goals and objectives is the nucleus of the job design process, which consists of five interdependent functions: business processes; performance outputs, standards, and activities; and competency maps.

Step 3: Establishing Synergistic Relationships. Positive working relationships between managers and employees build the foundation upon which firms address the performance challenge and make the transition to the developmental organization. Synergistic relationships benefit all parties—employees, managers, and the organization—by amplifying employee commitment to improving performance quality, increasing productivity, enhancing organizational results, allowing greater worker influence and decision making, and creating work environments dedicated to continuous improvement.

Step 4: Applying Performance Coaching. Without a doubt, the most common, debilitating problem facing today’s organizations is the quality (or lack there of) of management. Typical managers are untrained in the art and science of personnel management, often lacking adequate communication, interpersonal, listening, and feedback skills. Many managers are often indifferent toward employees. Have superior attitudes and treat employees as disposables—assets to be used and discarded. Overcoming this managerial malpractice requires organizational commitment to transform managers into performance coaches capable of developing their people to the fullest.

Step 5: Conducting Developmental Evaluations. On a regular basis (annually, semiannually, quarterly, or monthly), managers should conduct reviews that enable them to assess personnel performance quality and quantity and to collaboratively create growth and development plans designed to enhance employee performance, both current and future.

Step 6: Creating Performance Growth and Development Plans. Developmental evaluations provide managers with a forum by which to isolate employee strengths and weaknesses and discuss ways to enhance employee growth and development. Growth and development plans must be designed so that employees can apply learning to the job.

Step 7: Linking Compensation and Rewards to Performance Growth and Development. Research has shown that performance that gets rewarded and reinforced is repeated (LeBoeuf 1985; Williams and Sunderland 1998; Flannery, Hofrichter, and Platten 1996). Organizations that reward the “right” things (e.g., teamwork, creativity, risk-taking, entrepreneur-ship, individual growth) improve employee commitment, loyalty, and motivation. This linkage with compensation and rewards acts as a catalyst to continuous employee growth and development while emphasizing the importance of the firm’s long-term success. Developmentally focused businesses integrate compensation and rewards as a guiding principle for organizational growth and development.

From the seven steps stated by Gilley et. al., if the seven steps applied into the system of improving local government performance, thus the seven steps can be made into these steps:

The first step, doing assessment to the stakeholder in the district. The assessment does by identifying needs and hope of stakeholders such as the need and hope of people to government performance. From this first step then District Government designs a
process and procedure to fulfill need and hope of stakeholders.

The second step, the development of performance design or duties for each working unit of bureaucracy or Regional Work Unit (SKPD) to reach the aims of government strategy as composed into Strategic Plan to each Regional Work Unit. The development of performance design is at least cover five performance indicators those are (input), (output), (outcome), (benefit) and (impact) from the job implementation.

The third step, to develop apparatuses’ working relationship synergic each other. This synergetic working relationship need to implement job or activity correlate with the function of some occupation or some related working unit can be done in pattern and guide also clear and smooth. Developing apparatuses’ working relationship synergetic each other of course is not limited to only planning step: but it is better to cover implementation steps and assessment of a job implementation result or an activity. Therefore, it need a coordination pattern and integration of a job implementation or an activity.

The fourth step, implementing performance training. This apparatuses’ performance training need especially to do a policy and or an activity that need support of particular knowledge and working skill. This performance training in implementing local government can be integrated into implementation of functional educational training and substantive educational training.

The fifth step, implementing apparatuses’ performance evaluation, particularly apparatuses’ performance who do public service function. Apparatuses’ performance evaluation to each working unit do in a team of performance evaluation to assess transparency, effectiveness, efficiency and accountability of apparatuses’ performance. From the evaluation result designs apparatuses’ development performance program related with things as follow:
- Whether performance of each apparatus has based on the duty;
- Resulting performance that fulfill or more than performance standard for each apparatus/working unit;
- To know whether need and hope of apparatus have fulfilled as it should be; and
- To assess how apparatuses’ performance in supporting the process of reaching aims implementing government functions particularly government functions related to the improvement of public welfare.

The sixth step, designing performance development. Apparatuses’ performance development. The development of apparatuses’ performance should be designed well to improve competency and apparatuses’ performance based on the function of occupation and type of working to each apparatuses’ working unit.

The seventh step, correlating reward by improving performance. Basically every apparatus hope for particular reward for the job achievement reached. Therefore how to correlate reward with job achievement become a thing that do not ignore in formulating the improvement performance. Therefore, giving reward can be motivated by increasing performance as one of policies to improve performance. Therefore giving reward can motivate the improvement of performance as one of improvement performance which can balance with the policy of improving performance itself. In this context thus every bureaucracy working unit or in each Regional Working Unit or SKPD need to consider a system of performance management.

From the description of performance theory explained by Gibson et. al. (in Sagala, 2007: 180) as theoretical foundation composing variables operational concept of Local Government Performance. According to Gibson et. al. There are three performance perspectives, those are (1) an individual performance, such as employees’ working contribution based on their status and role in the organization; (2) a team performance (group), such as contribution give by employees entirely; and (3) an organization performance, such as real contribution from individual performance and entirely. By these theoretical foundation composed the definition of conceptual variable that Local Government Performance is a process and working result Local Government of Ogan Ilir Regency in implementing policy and activities directed to improve public welfare that reveal from an individual performance, a group performance and an organization performance.
From the conceptual variables definition gained three dimensions study: (1) Dimension of an individual performance contribution to the effort of improving public welfare; (2) Dimension of a group performance contribution to the effort of improving public welfare; and (3) Dimension of an organization performance contribution to improve public welfare. Three dimensions study then developed into 15 research indicators to be 15 item research questionnaire to give to respondents who become research sample.

PUBLIC WELFARE
Public welfare is a level of living or a particular standard of living gained by doing various development and public empowerment to solve poverty. It means, public can be reached if the people itself release from poverty problem. In this context thus understanding for poverty problem become so important to assess level of living of a people in one district.

According to Kartasasmita (1993:50) knowledge about poverty characteristics has a very important meaning to formulate a policy in solving poverty. According to Sumodiningrat (1999:2), generally poverty arranged from the level of income and need. If the level of income does not fulfill minimum need, thus the man or a household can be said poor.

Poor people generally is generally weak in the ability to do an effort and limited access to economy activity thus more left behind from other people who have higher potency. Therefore, Kartasasmita (1993:64) said that poverty is a situation of poorness happens not by the willing of the poor but because cannot avoid with the power he or she has.

Conceptually, poverty can be seen qualitatively that is a condition of human life that is not value or in other understanding human level of living is not appropriate based on human values. Quantitatively, poverty is a situation where human life has a lot of shortage, because low of productivity, minimum income and very limited economic ability to fulfil life needs. In this context Sutrisno (1997:16) said that:

Empirically, many factors cause poverty such as culture relate to low working ethics, injustice related to the ownership of production factor such as land ownership that is not same. However there is also who says that development moel only oriented to economic growth of a society will emerge poverty to a group of people.

Kartasasmita (1996:240-250) said that there are some causes of poverty, however in general outline as follow:

1. Low educational level, low educational level causes ability to develop limited and caused narrow of job field entered. In compete to get the job field, educational level determined. Low educational level is also limited ability to find and to use oppportunities.
2. Low health level and nutrient cause low physical immune, thinking and initiative.
3. Limited job field because poverty situation and educational condition and health. If there is job field or business activity, there will be a hope to stop poverty circle.
4. Isolated condition, many poor people, economically hopeless because remoteness and isolated. They live remoteness thus hard or cannot gain educational service, health and progress movement enjoy by other people.

Based on the opinion above, Chambers (1983:111) used concept of integrated poverty to understad poverty problem in developing country. Different with other village development experts, Chamber stated that poverty has by people in developing area, particularly village’s people cause by some factors called “unlucky” or disadvante that relate each other. Chambers (1983:111) explained that disadvantage that circle in a poor man or poor people are:

1. Poverty, this marked by insufficient amount of food, clothing and housing and income do not satisfy daily need.
2. Physical weakness is a high dependency ratio between family members in this case to get money.
3. Vulnerability usually poor family does not have back up of money or
food to deal with emergency condition.

4. Isolation which covers isolation geographically or social isolation.

5. Powerless. Poor people do not have power to deal more powerful people that often exploitable them.

To understand poverty objective condition, thus classification of poor condition needed. Kartasamita (1993:2), made difference of poverty from the income level:

The first, absolute poverty is an income level or sum of income that do not sufficient to fulfill minimum life needs, such as needs of foods, cloths, health, housing and education. The second, relative poverty is a comparison condition between a group of people with income level above poverty line thus not include poor, but still poorer than other group people.

In more deep Kartasamita (1993:3), explained that poverty can differentiate into three definitions below:

The first, natural poverty is a poverty condition because originally poor. This poor group because does not have appropriate resources, either natural resources, human resources, or other resources. The Second, structural poverty is caused by imbalance of income result in the society imbalance which then make imbalance structure of people. The Third, cultural poverty refers to someone attitude or people cause by way of life, habit and cultural, they feel sufficient and do not feel poor. This group is uneasy to participate doing change or improving life level thus cause their income become low according to the general standard used.

Furthermore, Kartasasmita (1993:18-19) said that if studied from the pattern of time, poverty in an area can be grouped as follow:

The first pattern “Persistent poverty” is inherit poverty. This area is generally critical areas of natural resources or isolated area. The second pattern cyclical poverty, is poverty that follow economy cycle entirely.

The third pattern is seasonal poverty such as often meet in fisherman case and food agriculture farmers. The last is accidental poverty because natural disaster or the impact of wrong policy that cause decrease welfare in a society.

According to The World Bank (in Sumodiningrat, 1999:2), a poor condition as “Poverty is concern with absolute standard of living of part of society the poor in equality refers to relative living standards across the whole society”. With other understanding, poverty can be measured by comparing other income level or household with income level that need to fulfill minimum needs. The basic concept of poverty line all this time established based on the amount of expenditure to fulfill basic needs of someone thus able to live normally. Poverty line stated in monthly gross domestic product.

Poverty many relates with economy problem. Economy problem characteristics in one country with other country of course different. Economy Problem characteristics in one area also is different with other area. Therefore, according to Todaro dan Smith (2003, 55) :

We also should able to reveal and understand similarity characteristics economy of developing countries for probability we get a form of general analytic which can be applied to study developing countries entirely or a unit. Therefore poverty problem analysis in one country or area need to relates with economy condition in a state or that area. Based on the economy problem in developing countries, according to Todaro dan Smith (2003, 55), in short and simple, general characters of poverty problems in developing country can be classified into six categories as follow:

(1) life standard which is relatively low, showed by low income level, bad income imbalance, bad healthy condition and less sufficient of educator system; (2) Low productivity level; (3) Population growth level also high dependency burden; (4) Very high income dependency to agriculture sector production also primary products (raw
materials) (5) Imperfect market and limited information; and (6) Domination, dependency and fragility to almost all international relationship.

From the thoughts above clearly able to take a proposition that low productivity cause low income. Low income causes low buying capacity. Low buying capacity clearly make difficult to get life standard hope. In this context, Todaro and Smith (2003, 56) stated:

In almost all developing countries level of living from most population inclined very low, not only compare with level of living people in rich countries, however also way of life elit group in their own countries. Low level of living manifested quantitatively and qualitative in form of very low income (poverty), insufficient housing, bad health, minimum educational level or not at all. High rate of baby mortality, relatively short hope of life, The opportunity to get job low and in many cases also unsatisfaction and powerless generally.

From Todaro and Smith can be find out that quantitatively and qualitative poverty problems such as identified from (1) very low income level, (2) insufficient housing, (3) bad health, (4) minimum educational gain or even do not have education at all, (5) high baby mortality, (6) life age expectancy relatively short, and (7) opportunity to get low job. Poverty problems cause public welfare or standard of living become low. It means, the aims implementation of decentralization and local autonomy interpreted with district proliferation and local government autonomy should solve the poverty problem, because the aim of implementation decentralization policy and local autonomy is to make public welfare. Therefore, local government need to do some efforts to develop human resources and public empowerment.

**THE RESEARCH METHOD**

This research used quantitative research approach. 57 items questionnaires composed with Likert’s scale gave to research samples. Research samples were as many as 226 respondents took from the research population as many as 550 people by using Krejcie’s Table. Sample taking distribution from each subpopulation used *Stratified Random Sampling Technique*. Secondary Data collecting used Literature study, primary data collecting from research respondents used questionnaire and observation technique. Data analysis used SEM and Double Regression Analysis. Statistic analysis result develops by descriptive analysis thus gain research finding become basic composing of a new concept.

**THE RESEARCH RESULT AND DISCUSSION**

The discussion of the research result based on the concept of idea on study causalanitas relationship between District Proliferation and Government Performance view as an antecedent variables (the antecedent, cause) with Public Welfare consider as consequence variable (phenomenon, cause). The research result and discussion below:

**The Influence of District Proliferation To Public Welfare:**

The measurement result of District Proliferation to Public Welfare was 0.79. The sum of influence District Proliferation to Public Health determined by *aspirations, strategy, organizational skills, systems and infrastructure, human resources, organizational structure dan culture*. The Contribution Influence of District Proliferation to Public Welfare considered *Strong*. This revealed from the sum result of determination coefficient showed $R^2 = 0.62$ The Rest was 0.38 as the contribution of other *latent variables* (*tetha epsilon*).

**The Influence of Government Performance To Public Welfare:**

The measurement result of Government Performance to Public Welfare gained was 0.75. The sum influence of Government Performance to Public Welfare determined by the contribution of Individual Performance to the effort of improving public welfare, the Contribution of a Group Performance to the improvement of public welfare and the Contribution of organization performance to the efforts of improving public welfare. The contribution influence of Government Performance to Public Welfare considered *Strong*. This revealed also from the sum measurement result of determination coefficient showed $R^2 = 0.56$ the rest was 0.44 was the contribution influence latent variables of other *exogen* (*tetha epsilon*). Latent variables of *exogen* means are other variables which also
assumed to influence Public Welfare but did not research.

The Influence of Local Government and Government Performance Together to Public Welfare:

The measurement result of double regression. District Proliferation and Government Performance together to Public Welfare was Ÿ = -14,097 + 0.625X₁ + 0.786X₂. The measurement result of this double regression equation showed that the influence of District Proliferation to Public Welfare variable was (b₁) = 0.625. The influence of Government Performance to Public Welfare was (b₂) = 0.786. From the calculation result of double regression equation that the contribution influence of District Proliferation was (0,625) smaller than the contribution influence of Government Performance To Public Welfare was (0,786). This measurement result was acceptable and logic because in the end which determined success or not the district proliferation determined by the Government Performance in implementing all matter of government.

The Conclusion

The Conclusions: in order to respond research questions thus can be concluded from the discussion of research result are as follow:

The sum influence of District Proliferation to Public Welfare reached 0,79. It has tested that the sum influence of District Proliferation to Public Welfare determined by aspirations, strategy, organizational skills, systems and infrastructure, human resources, organizational structure dan culture. The contribution influence of District Proliferation to Public Welfare was Strong. This revealed also from the sum result of determination coefficient showed R² = 0,62.

The influence indicated that between District Proliferation positioned as antecedent variable with public welfare positioned as consequence variable interlaced a causality correlation dynamics. Therefore, able to prove that District Proliferation is a variable that determined high or low public welfare in Ogan Ilir Regency. Therefore, public welfare in Ogan Ilir Regency can increase by improving continuity of District Government has occurred since 2003.


Sum influence of Government Performance to Public Welfare reached 0,75. Sum influence of Government Performance to Public Welfare determined by the contribution of Individual Government to the efforts of improving public welfare, the contribution of group performance to the effort of improving public welfare and the contribution of organization performance to the effort of improving public welfare. The contribution influence of Government Influence to the variable of Public Welfare considered strong. This also revealed from the sum of measurement result coefficient determination showed R² = 0,56. The influence indicated that between Government Performance positioned as antecedent variable with Public Welfare positioned as the consequence variable interweaved a causality dynamic correlation. Therefore able to prove that the Government Performance is one variable that also determined high or low public welfare in Ogan Ilir Regency. Therefore, public welfare in Ogan Ilir Regency can increase by improving government performance.

Based on the research result the improving of government performance covers 15 indicators of government performance. Fifteen indicators means are (1) The contribution of Regional Assembly (DPRD) Members’ Performance, (2) The Contribution of BPMD Apparatuses’ Performance, (3) the contribution of apparatuses’ performance in the subdistrict level, (4) the contribution of...

From the calculation result of double regression equation find out that the contribution influence of District Proliferation (0.625) was smaller than the contribution influence of Government Performance to Public Welfare was (0.786). This measurement result acceptable and logic because in the end determining the success or no the district proliferation implemented by government performance in implementing all government matter.

**New concepts** gained from the discussion influence of District Proliferation and Government Performance to Public Welfare of Ogan Ilir Regency are as follow:

The first new concept: The Changing Concept of Government Working Culture conceptualized as the development and adjusting working values and government bureaucracy job in creating public welfare that cover changing of job norms, job ethos and job ethics. In this concept covers three dimensions changing of government working culture those are changing of job norms, changing of job ethos and changing of job ethics.

The Second New Concept: The Concept of Individual Performance Contribution into government performance based on the function of occupation and the job field of the man in order to make public welfare which consists the contribution of Legislative Member Performance, the Contribution of Regional Work Unit (SKPD) Apparatuses’ Performance; The contribution of Subdistrict Apparatuses’ Performance; The contribution of Village/Political District Apparatuses’ Performance; and the Contribution of NGO/LSM Members’ Performance. In this concept covers five dimensions contribution of individual performance to government performance, those are the contribution of Legislative Members’ Performance; The contribution of Regional Work Unit (SKPD) Apparatuses’ Performance; The contribution of Subdistrict Apparatuses’ Performance; The contribution of Village/Political District Apparatuses’ Performance; and the contribution of NGO/LSM Members’ Performance.
BIBLIOGRAPHY

Books:


36. Sumodiningrat, Gunawan, 1999, Kemiskinan, Teori, Fakta dan Kebijakan, Jakarta : IMPAC.


