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The Implementation of Corporate University in Public Sector: Case Study Ministry of Finance of Indonesia

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List of Acronyms

CU   Corporate University

HRD   Human Resource Development

HRM   Human Resource Management

MoF   Ministry of Finance

MoF CU   Ministry of Finance Corporate University

T&D   Training and Development

Abstract

This research is conducting a mid-term evaluation of Ministry of Finance Corporate University. Ministry of Finance is known as the first public sector organization who carries out the corporate university concept in Indonesia. Ministry of Finance Corporate University has been implemented since 2016 and it is scheduled to be fully implemented in 2018. However, up until now, there is no evaluation of this project. Meanwhile, it is important to make sure whether this program will be able to meet the goals set, will it be successful, and what important aspects might be not covered by the project. This research relies on mix methodology by using interview, document review, observation, and double difference method. This research can show that the implementation of corporate university in Ministry of Finance is not effectively implemented. Furthermore, one of the training program using corporate university concept did not give positive impact yet. All in all, the sustainability of this program is being doubted since the result of the mid-term evaluation, the weaknesses, and the threats will hinder the project to be completely implemented.

Relevance to Development Studies

The implementation of corporate university in Ministry of Finance is important due to its role in solving the problem in human resource utilization. Also, the implementation of this policy will increase the capacity of Ministry of Finance itself. As the first public sector organization who adopt this concept, it is expected that this corporate university implementation will be followed by other government organization to make a betterment in public goods and services provisioning in Indonesia.

Keywords

Corporate University, Mid-term Evaluation, Impact Evaluation, Human Resource Development.

Chapter 1

Introduction

What is being faced by developing countries like Indonesia today is no longer the problem of "less state" but being a "better state" (Grindle and Hilderbrand 1995). The inability of the government in provisioning 'public good' adequately is one of the general determinants of the unavailability of good governance. Inappropriate policies come to the surface when the organization lack capabilities and competencies. Hence, capacity improvement is urgent.

According to Grindle and Hilderbrand (1995), the most important layer which becomes the baseline of capacity development is human resources. Training and development is part of human resource development which is essential to the growing capacity of an organization. Many policies have been made by organizations in education and training arena from hiring training consultant to building a training center. This latter policy mostly applied because of specific competencies they need and the cost efficiency of using internal expert resources. Nevertheless, their attempt in this policy remains some issue due to lack of alignment with parent organization's goal and strategy. Many of existing training centers are alienated from their parent organization and their role is set aside (Renaud-Coulon 2008). In addition, the training programs provided by them are shopping list programs or "catalogues" which sometimes do not incorporate with business need (El-Tannir 2002). They need more integrated and strategic education and training tools. Thus, corporate university concept gives a promising solution.

Corporate University has been introduced for the first time by Jack Welch, the Chief Executive Officer of General Electric, in 1950 (El-Tannir 2002). He transformed GE Training Center from a conventional training center to the strategic learning center. From an entity which only supplied skilled-employees to a learning organization which supports the strategic goal of its parent organization. Early-generation of Corporate Universities also include names such as Disney University, McDonald's Hamburger University, Motorola University, Oracle University, and the University of Toyota.

The growth of the number of Corporate Universities at first runs slowly. A study shows that in 1988 there were about 400 Corporate Universities. That number increased to 1,000 in 1997, then to about 4,000 in 2010. Meanwhile, corporate university has been adopted in Indonesia by private and semi-private sector since a decade ago. Among the companies who apply the concept are Telkom, Bank Mandiri, Pertamina, PLN, and Garuda Indonesia. The growing trend of corporate university is related to one major reason: managers increasingly recognize that aligning human resource development with business strategy is a very strategic move to increase capability and effectiveness in service delivery.

Realizing the importance of corporate university concept and being aware of the problem being faced, Ministry of Finance of Indonesia tries to apply the concept to its training center. As the training center of the Ministry of Finance, Finance Education and Training Agency (FETA) initiates this idea by including the transformation into their strategic plan for 2015 until 2019 which stated in Head of FETA Decree number

1162 in 2015 (FETA 2015). This initiative is then accommodated by Minister of Finance Decree number 974 in 2016 about the implementation of strategic ministry of finance organization transformation and bureaucracy reformation program (Ministry of Finance 2016). As the owner of the strategic initiative of corporate university, FETA has started the implementation since 2016 and scheduled to complete the project in 2018. Ministry of Finance is known as the first public sector organization who carries out the corporate university concept in Indonesia.

In the context of development studies, the implementation of corporate university in Ministry of Finance is essential because it is one of the key solutions to solving the problem in human resource utilization. In addition, the implementation of this policy will also increase the capacity of Ministry of Finance itself. As one of the biggest ministry in Indonesia, Ministry of Finance plays a significant role in affecting other ministries regarding a policy. It has been proven when Ministry of Finance became the pioneer in bureaucracy reformation in 2002. The successful reformation in Ministry of Finance then followed by other ministries and has contributed to the good governance process in public sector up until now. Once again, it is expected that this corporate university implementation could give the same effect to the public-sector betterment in Indonesia.

The concept of corporate university in Ministry of Finance has been implemented since 2016 and it is scheduled to be fully implemented in 2018. However, up until now, there is no evaluation on this project. Meanwhile, it is important to make sure whether this program will be able to meet the goals, will it be successful, and what important aspects might be not covered by the project. Therefore, this paper will be taken as a mid-term evaluation. In addition, the research about corporate university in private sector in Indonesia is very limited and for public sector is not even exist. Therefore, by this paper, I would try to fulfill the research gap in Indonesia on the nexus of corporate university and public sector.

1.1.   Research Strategy

This paper is intended to research the on-going policy of CU in MoF. It evaluates the mid-term progress which determine whether programs are still on-track or off-track. The mid-term evaluation is done by using literature review, desk review, interviews, and observation. It also analyzes the strengths, weaknesses, opportunities, and threats which might be faced by MoF.

Furthermore, to get deeper analyzes of the effect of the implementation of CU to the employee performance, this paper analyzes one of the piloting training program: Procurement of Goods and Services. One of the evaluation tools is used: Double Difference Method. Compared to other impact evaluation methods such as Randomized Control Trials (RCTs) and Propensity Score Matching (PSM), Double Difference (DD) is more suitable method regarding the condition and the feasibility of the data. RCTs needs a condition where control and intervened group are randomly selected, and the baseline data is the same. On the other hand, PSM uses the closest similarity based on observable characteristics between two groups as the baseline data, whereas DD is used when the baseline data in each group (control and intervened) is different, but each group has data before and after the program (Khandker et al. 2009).

1.2.   Research Question

This research focuses on the main research question: How effective, impactful, and sustainable the Implementation of Corporate University in Ministry of Finance of Indonesia. This research question is elaborated into sub-questions:

    a.   How effective is the implementation process of Corporate University in Ministry of Finance of Indonesia?

    b.   To what extent 'Procurement of Goods and Services' training program affects trainees' performance as measured by their key performance indicator?

    c.   What are the strength, the weakness, and the challenges of Ministry of Finance in implementing the corporate university concept and achieve its goal?

1.3.   Data Selection and Methodology

This research relies on primary data and secondary data collection. The primary data is collected by using interview and observation. The interviewee selection was conducted by using a purposive method. The interviewee consisted of 8 persons: two taskforce team, two human resource managers, two planning and development managers, and two alumni. Due to confidentiality reason, the details of these interviewees cannot be displayed in this paper. Furthermore, the interview was conducted using a semi-structure method. In analysing the result of the interview, I use coding method. Meanwhile, the secondary data comes from documents such as project documents, key performance indicators documents, and related reports. Data are collected from MoF of Indonesia especially its training center Finance Education and Training Agency (FETA) as the task force unit. Beside FETA, this paper also gets the data from other units and alumni.

This paper applies three important criteria which usually used in evaluation (OECD/DAC 1991). It evaluates the effectiveness, impact, and the sustainability of the CU implementation project. Those aspects are covered in the research questions as follows:

Table 1 List of Criteria

Criteria	Sub-question	Indicator	Research Technic
effectiveness	How effective is the implementation process of Corporate University in Ministry of Finance of Indonesia?	Verification of implementation process (23 indicators)	Document review, interviews, observation
impact	To what extent 'Procurement of Goods and Services' training program affects trainees' performance as measured by their key performance indicator?	Key Performance Indicator	Double Difference Method

sustainability	What are the strength, the weakness, and the challenges of Ministry of Finance in implementing the concept and achieve its goal?	Descriptive from findings	Document review, interviews, observation

To answer the first sub-question: How effective is the implementation process of CU in MoF of Indonesia. I have conducted desk study and reviewed the documents of the implementation of CU. I also conducted qualitative interviews with task force team as the policy maker, education and training provider, users, and trainees. So far, CU has implemented several piloting programs. However, I focus only on one training program i.e. Procurement of Goods and Services training program. I choose this training program because this training is followed by participants from all units of MoF and this training still exists before and after the implementation of CU concept.

Moreover, to answer sub-question two and to get a deeper analysis of the impact of the CU implementation to one of the training program, I use impact evaluation using Double Difference Method (Khandker et al. 2009). This method basically compares any achievement between control and intervened group before and after intervention (ibid.). In this research, there are 4 steps in conducting this method.

First is program selection. I choose to evaluate the Procurement of Goods and Services training program. I choose this training program because it has been followed by all units in MoF with a large number of participants. Therefore, it may indicate the effectiveness of the whole program of CU. Then, this training is a technical training, so the effect of the training will be closely related to KPI in a short period. In addition, this training has existed before and after the implementation of CU.

Second is the alumni data collection of 2016 and 2017 batches from Budget and Treasury Training Center. Since there is no KPI data in Budgetary and Treasury Training Center, I requested the data of participants' Key Performance Indicator (KPI) by email.

The third is defining control and intervened group. Control group is the group of participants of Procurement of Goods and Services training in 2016 when the CU has not been applied. Total participants in 2016 reached 202 participants which divided into seven batches. On the other hand, the intervened group I took from the participants in 2017 when this training becomes one of the piloting training Total alumni of 2017 is 246 alumni with seven batches as well. To be involved in double difference analysis, the participant must have an in-line KPI with the training.

Fourth is the calculation of double difference method based on KPI achievement. I calculate the KPI's difference between the control and intervened group before and after the training program.

For the last sub-question: What are the strength, the weakness, and the challenges of MoF in implementing the concept and achieve its goal. I use Strength Weaknesses Opportunities Threats (SWOT) analysis (David 2011) by analyzing the implementation document. Besides, I try to compare best practices of successful CU. I also conducted interviews to get a deeper view from the task force team, training provider, users, and trainees.

1.4. Scope and Limitation

1.4.1. Scope of the study

The scope of this study is in Ministry of Finance of Indonesia during the implementation year of CU (2016-2017). The evaluation model is a mid-term evaluation. The criteria being analyzed are effectiveness, impact, and sustainability.

1.4.2. Limitation

This paper is working on mid-term evaluation and trying to see the impact only in one of the piloting training program. Therefore, it cannot see the whole impact. Other evaluation criteria such as efficiency cannot be measured due to lack of data. In addition, because key performance indicator is confidential, most of the alumni are reluctant to give the document. However, the aspects were chosen to look at in this study and limited data still can help understand the central research question.

1.5. Organization of The Research Paper

This paper consists of 7 chapters. Chapter 1 is introduction which provides the overview of the paper, research strategy, research question, data collection and methodology, and scope and limitation. In chapter 2, this paper depicts the theoretical framework and literature review of the research. Going on chapter 3, this paper tells about the background story of MoF of Indonesia, Finance Education and Training Agency, and CU in MoF. In chapter 4, this paper analyzes the mid-term evaluation of CU implementation in MoF. The type of evaluation being used is operational evaluation and continue with impact evaluation using Double Difference method to get more in-depth analysis in Chapter 5. For chapter 6, SWOT analysis is described. Finally, the last chapter summarizes the overall paper and conclude the research paper.

Chapter 2

Theoretical Framework and Literature Review

Finding the theories behind CU phenomenon is quite challenging. Most of the literature are telling about the practice of it such as the rise of CU (Prince and Beaver 2001), CU handbook (Allen 2002), and lifelong learning of CU (Fulmer and Gibbs 1998). Several scholars try to theorize the background behind it and human resource development is the most found theory that I have encountered (Lui Abel and Li 2012; Holland and Pyman 2006; Wang et al. 2010). Taking up to the bigger theory and the relevance to the development studies, human resource is part of the inner layer of the capacity framework in most of developing countries (Grindle and Hilderbrand 1995). Besides discussing the theory behind the CU, this chapter also reviews the CU itself, evaluation theory, and SWOT analysis theory.

2.1. Capacity Framework

Market-oriented economy, democratic political system, and productive populations in developing countries are influenced by the effective government performance (Grindle and Hilderbrand 1995). Thus, the government need to enhance their capacity to satisfy public sector demand (ibid.). The term 'capacity' has many definitions and meanings.

According to Grindle and Hilderbrand (1995), capacity is "the ability to perform appropriate tasks effectively, efficiently and sustainably". It is supported by Fukuda-Parr et al (2002) which define capacity as "the ability to perform functions, solve problems, and set and achieve objectives in a sustainable manner". In addition, OECD/DAC (2011) specifies the subject of capacity as "people, organizations, and society to manage their affairs successfully".

"A process starting with a plain surface and involving the step-by-step erection of a new structure, based on preconceived designs" is defined as capacity building/development (OECD/DAC 2011). It nurtures existing capacities as well as creating new capacities (ibid.). It can be seen as a development approach, an instrument, a process, objective, or as a framework for social change, and even development itself (ibid.).

According to Grindle and Hilderbrand (1995) capacity development has five dimensions that need to be achieved (see figure 1). First is the human resource which experience, knowledge, and skill are developed. Second is the organizational level which includes systems, procedures, rules, and organizational learning. The third is task network which relates groups or organizations which might influence the success of government. Fourth is public sector institutional context which involves power structure, rules of the game, incentives, and governance. The last dimension is action environment which involves political, economic, and social environment related to government activities (ibid.).
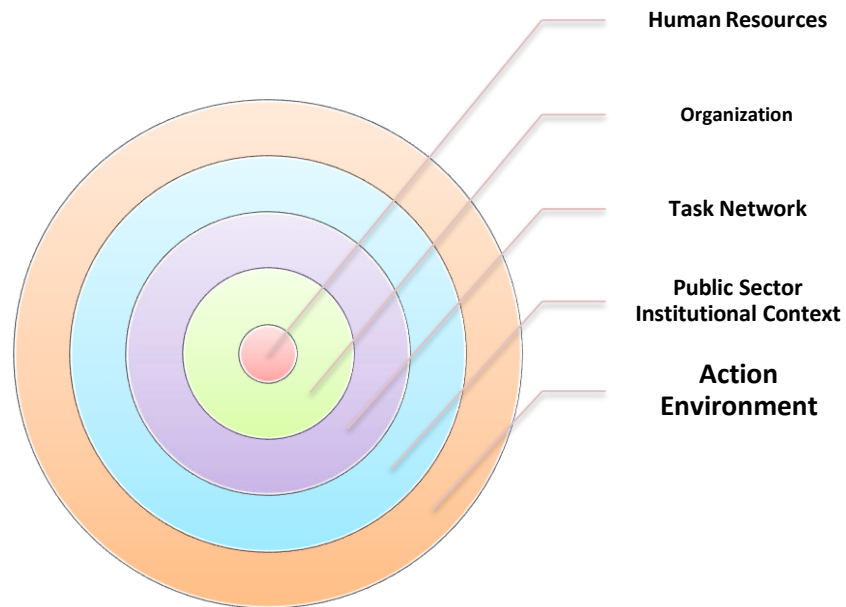
Figure 1 Capacity Dimension

modified from Grindle and Hilderbrand (1995)

As part of the baseline of capacity development, human resource is the very beginning layer which should be improved. Next, this paper will explain what human resource is and what makes it as the background behind CU phenomenon.

2.2. Human Resource Theory

Human resource is used to describe both the people who work for a company or organization and the department responsible for managing resources related to employees (Tracey 2016). There are two functions of human resource here: management and development of employee (ibid.). Furthermore, two general theories appear: human resource management (HRM) and human resource development (HRD). Theoretically, talking about human resource development cannot be separated with human resource management because HRD is part of HRM. Based on DeSimone and Harris (1998: 6) in their book 'Human Resource Development', HRM is "the effective utilization of employees in order to achieve the goals and strategies of the organization". On the other hand, HRD is "a set of systematic and planned activities designed by an organization to provide its members with the necessary skills to meet current and future job demands" (ibid.). In other words, HRM is trying to obtain, maintain, and develop employees, while HRD is improving individual, group, and organization effectiveness.

HRM and HRD can be differed by their functions. HRM has primary functions to recruit and select potential employees, to compensate equitable wage structure, to develop communication with labour relations, to predict how changes in management strategy will affect future human resource needs, to satisfy

employee by giving equal employment opportunity, whereas HRD is more focus on the training, organization, and career development (DeSimone and Harris 1998: 6-10). To see clearer differences, we can see 'human resource wheel' developed by McLagan (1989: 53) below:
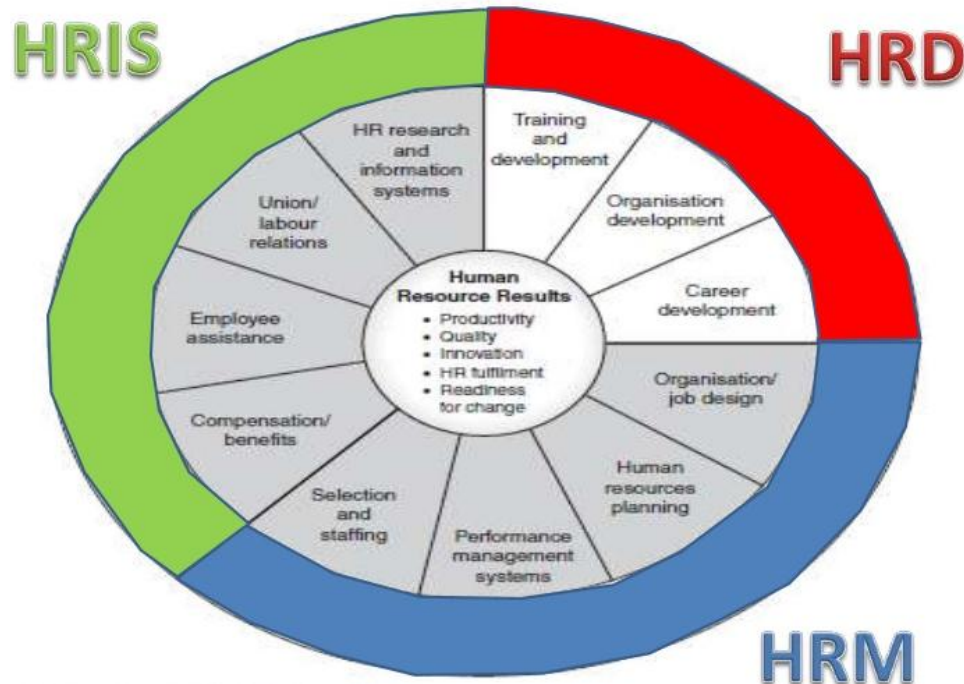
Figure 2 human resource wheel

Source: McLagan (1989: 53), derived from https://www.slideshare.net/johnprince73/hrd-model

As mentioned above, the areas of HRD are training and development, organization development, and career development. Training and development (T&D) tackle the enhancement of knowledge, skills, and abilities (KSAs) (DeSimone and Harris 1998: 8). Training is designed for specific task or job, whereas the development is responsible for the long-term capacity improvement of an employee (ibid.). Furthermore, organization development focuses on the effectiveness of an organization through intentional treatment which uses behavioural discipline theory (Beer and Walton, as cited in DeSimone and Harris 1998: 10). To realize the organizational development, it needs the role of managers in order to achieve the desired change strategy (ibid.). The last area is career development. Career development is a continuous process of employee development based on the stages of assignments and problems which have been accomplished (Greenhaus, as cited in DeSimone and Harris 1998: 10). It consists of career planning and career management (DeSimone and Harris 1998: 10). Career planning is all activities regarding the performance of an employee with the help of counsellors and other assessors to monitor his or her skills and abilities (DeSimons and Harris 1998: 10).

2.3. Corporate University

From the above explanation of the concept of human resource theory, it can be said that CU is closely a policy/tools in the field of human resource development. This can be seen from the conformity between those concepts. As defined by Allen (2002: 9), corporate university is "an educational entity that is a strategic tool designed to assist its parent organization in achieving its mission by conducting activities that cultivate individual and organizational learning, knowledge, and wisdom." It is similar to HRD concept which tries to improve the competency of employees by using learning, education, and training tools. However, as a strategic tool, its functions sometimes touch the area of human resource management too.

2.3.1. What is Corporate University?

Corporate university (CU) is "an emerging model for continuous training in the corporate world and continuous learning for employees" (El-Tannir 2002). It is introduced for the first time in 1950 by General Electric (ibid.). CU now has been applied by many companies throughout the world (ibid.).

In the beginning of its application, CU function did not look too different from training department: to fulfill the need for high skill worker (El-Tannir 2002). As time goes by, new roles of CU emerge (Andresen and Irner, as cited in El-Tannir 2002). The roles involve an initiative-driven approach; a change-management catalyst; a leadership-development agent; a business development instrument; a customer/supplier relationship management tool; and a career development facility (ibid).

Furthermore, Allen (2002) divides CUs into four levels according to their activities. First is CU who held training only. This is usually the level of CUs where they only deal with training activities and usually after the training the trainee get a certificate of accomplishment (ibid.). Second is CUs who run training plus managerial and/or executive development (ibid.). At this level, managerial competencies are inserted in the training. In the third level, CUs offer courses which give academic credit to its trainees which eligible in some universities if the trainees want to pursue an academic degree (ibid.). The last level is the CU that provides academic degree (ibid.). CUs in this level usually have the same function as other traditional universities.

2.3.2. What are the motivations behind corporate university?

The main reason why many organizations try to develop a CU is that they "witnessed a radically shortened shelf-life of knowledge, and began to determine that they could no longer rely on institutions of higher education to re-tool their workforce." (Meister 1998). As the result, they try to build their own 'university' which suits their needs (ibid.).

Furthermore, there is an increasing number of corporations who change the name of their training center to 'university' (Meister 1998). It is a way corporation brand their training center (ibid.). Just like a company who wants to sell its product, the name of the product should be attractive in order to catch consumers (ibid.). In addition, using the term 'university' implies that learning is important in the company (ibid.).

On the other hand, the use of CU for branding or marketing gimmick or only following the trend should be avoided (Allen 2007: 4). Relabeling the training center may attract the trainees but It will not cure the disease which people perceive that the program is not valuable for them (ibid.). Companies will not get any added value if they do not plan the CU carefully. So, if no clear objectives are to be achieved, then it is not good to just re-label the name without any conceptual changes. This will lead to a bad image of the company and its CU because there is no change obtained other than the change of name (ibid.).

2.3.3 Corporate University in private and public sector

Although CUs concept is mostly applied in private sector, now many government organizations adopt this concept (Paton et al. 2005: 8). The factors which cause the private sector chooses to build CU are now replicated by public sector (ibid.). Many important aspects are still the same even though the management process and the governance are different. Those important aspects are "keeping pace in a knowledge-based society, the frequent reform and restructuring of institutions, the commitment to society, and increased concern for demonstrable quality improvement in education." (ibid.).

From the literature that I have read, the most major difference from both sectors is the focus and the main purpose of the CU. In private sector, the final purpose lay in the profit that companies will get from the maximization of human resource training aligned with business strategy (profit oriented focus). While in public sector, its final focus is how to maintain public trust by delivering outstanding services (Bruny, 2007). As compensation structures, benefit plans, and work environments often become differentiators between private and public sector, one purpose of CU remains the same: attracting and retaining employees in the field of learning and employee education (ibid.).

2.4. Mid-term Evaluation

As outlined in the introduction, this thesis is part of the mid-term evaluation of the implementation of CU in MoF. Talking about mid-term evaluation cannot be separated with evaluation itself. Evaluation is "a systematic and objective assessment of an ongoing or completed project, programme or policy, its design, implementation and results" (OECD/DAC, as cited in Molund and Schill 2007). The purpose is "to determine the relevance and fulfilment of objectives, development efficiency, effectiveness, impact and sustainability" (Molund and Schill 2007). From the definition, evaluation can be done in the mid-term and in the end-term (ibid.). The evaluation which is conducted for an ongoing program or project is called mid-term evaluation. It has two purposes: decision-making and lesson-learned (UNDP n.d.).

Evaluation is different with monitoring (Hitchcock 2014). Timing and focus of the assessment are the main aspects which distinguish them (ibid.). Monitoring is a routine process while evaluation is conducted at the specific point of time (ibid.). Monitoring address the question of what is happening whereas evaluation tries to find out how well the project has been done (ibid.). Even though they have different process, they are connected each other. The data from monitoring is used for ongoing project evaluation (mid-term evaluation) and the aspects of evaluation are used in the process of monitoring (ibid.).

2.4.1. Evaluation Criteria

Every evaluation involves one or several criteria by which evaluated intervention is assessed, explicitly or implicitly. The following five have been recommended by OECD/DAC (1991):

- *RELEVANCE: The extent to which the aid activity is suited to the priorities and policies of the target group, recipient and donor.*
- *EFFECTIVENESS: A measure of the extent to which an aid activity attains its objectives.*
- *EFFICIENCY: Efficiency measures the outputs -- qualitative and quantitative -- in relation to the inputs. It is an economic term which signifies that the aid uses the least costly resources possible in order to achieve the desired results.*
- *IMPACT: The positive and negative changes produced by a development intervention, directly or indirectly, intended or unintended.*
- *SUSTAINABILITY: Sustainability is concerned with measuring whether the benefits of an activity are likely to continue after donor funding has been withdrawn.*

To understand the five criteria, we should know first the difference between effectiveness and efficiency. Effectiveness addresses to what extent the project/program has reached its goals, whereas efficiency is related to the costs of the intervention compared to the results (Molund and Schill 2007). The other criteria – impact, relevance, and sustainability – are the complement of effectiveness (ibid.). They are not related to the cost. Specifically, impact tries to confirm the assessment bias which might result from the effectiveness (ibid.). On the other hand, relevance assesses the objectives, how to achieve them, and to what contexts (ibid.). Sustainability is related to the possibility of the success of the project/program intervention (ibid.). Finally, those five criteria may overlap each other (ibid.). For instance, the effect which we deal in impact criteria may also be found in effectiveness examination.

In this paper, from 5 criteria, I will use three of them. I will use effectiveness to answer the first sub-question of my research question: How effective is the implementation process of MoF CU. In addition, I try to use impact criteria to answer my second sub-question: To what extent one of CU training program (Procurement of Goods and Services) affect the alumni's performance. Last, I will use sustainability criteria to answer my last sub-question: What is MoF CU strengths, weaknesses, and challenges.

2.4.3. Operational Evaluation

The focus of this paper is a mid-term evaluation, specifically in operational/process evaluation. An operational evaluation is an evaluation to find out whether the program is implemented as planned (Khandker et al. 2010: 16). It is "assessment based on initial project objectives, indicators, and target from the monitoring and evaluation framework" (ibid.). This evaluation can be conducted by interviewing the program executors and beneficiaries (ibid.). The purpose of this evaluation is to make a betterment in the next program plan and implementation (ibid.).

2.4.4. Operational Evaluation versus Impact Evaluation

To get deeper analysis, besides operational evaluation this thesis also tries to see the impact of CU implementation in one of its training program by using impact evaluation: Double Difference method. As mentioned above, operational evaluation relates to examining the objectives and their achievements, meanwhile impact evaluation tries to confirm whether the changes are truly the effect of the intervention (Khandker et al. 2010: 17). Impact evaluation is the next stage of monitoring and evaluation which tries to find out the outcomes and impacts (ibid.).

Operational and impact evaluation correspond each other (Khandker et al. 2010: 18). The normal procedure which been used in operational evaluation is valuable in carrying out the more accurate impact evaluation. Also, the information from the operational evaluation is important when evaluators want to interpret the result of the impact evaluation (ibid.).

There are some of different methods can be used in impact evaluation theory (Khandker et al. 2010): randomized evaluations, matching method (propensity score matching), double-difference methods, instrumental variable methods, regression discontinuity, distributional impacts, structural and other modeling approaches. In this paper, I am using double-difference methods.

2.4.5. Double Difference Method

In this paper, I am going to dig deeper the impact of the implementation to one of the training programs by using Double Difference methods. The method measures the outcome differences between intervened and control groups before and after the intervention of the project (Khandker et al. 2010: 71). It is assumed that there is an unobserved group and it will be the same no matter when it is observed (ibid.). DD methods can be applied in both experimental and nonexperimental settings (ibid.).

DD mostly uses panel data, but it can be conducted using cross-section data if the number of the intervened and control group are stable over time (Khandker et al. 2010: 18). In the panel data, DD calculates the outcomes before and after the intervention. The baseline of the pre-intervention may be different but what is being measured here is the deviation of each group (ibid.). To make more understanding of this method. An illustration is given below (table 2).

Table 2 example of DD calculation

	Before Program	After Program	Difference
Treatment Group	A1 = 2000	A2 = 2500	A2 – A1 = A 2500 – 2000 = 500
Control Group	B1 = 3000	B2 = 2900	B2 – B1 = B 2900 – 3000 = -100

Own construction

Take an example of one program called 'entrepreneur training program'. This program has been done for several years/batches. In the meantime, there is a project called 'young entrepreneurship program' which give an initial capital and accompaniment/business mentoring after they finish their training program. The trainee before the implementation of the project then called a control group, while the trainees who are in the project called the treatment group. Each group then assessed before and after the training program. For instance, the assessment is based on their capital. Before the program, treatment group is given a capital from donor 2 thousand dollars and control group uses their own capital 3 thousand dollars. After the training program or after they open their business, treatment group earn 5 hundred dollars profit whereas control group loss 1 hundred dollars. It can be concluded that the impact of 'young entrepreneurship program' is 6 hundred dollars (5 hundred minus -1 hundred) compared to the program before the project implementation.

2.4.6. Key Performance Indicator

In this paper, I am using employee's Key Performance Indicator as the baseline of the measurement in Double Difference method. Key performance indicators (KPI) is a tool to measure the effectivity of various tasks regarding the goal of an organization (Reh 2017). It helps managers monitor the performance of their employee and their organization. These indicators show whether their goals are well-performed or not. By these indicators, managers can measure the needs for betterment in their organization (ibid.).

To make an accurate and functional KPIs takes a lot of effort (Reh 2017). Several problems in generating a qualified KPIs may occur (ibid.). First is organization strategy and its objectives are not well-defined. Second is the indicators mostly rely on the financial indicators which may give an incomplete overview of organization condition. The third is a lost focus of important aspect which being assumed as not important. Fourth is finding the leading indicator is difficult. The last is the inability of giving accurate and measurable reporting system (ibid.).

The measurement of KPI should be reviewed and regularly revised (Reh 2017). This process takes time and coordination among all stakeholders. A decent KPI accommodates all input from stakeholders by examining the result of the measurement (ibid.). The improvement in customer satisfaction and the enhancement of employees' performance are important but examining the cause of those effects are more important to make sure the sustainable effects (ibid.).

2.5. SWOT Analysis

For answering the last sub-question of this paper, I use Strengths Weaknesses Opportunities and Threats Analysis. It is used by an organization to measure internal positivity (strengths), internal negativity (weaknesses), external positivity (opportunities), and external negativity (threats) (David 2011). This tool is helpful for managers in building a strategic plan and making the right decision (ibid.). SWOT analysis is mostly applied in the business arena. However, it is also useful for public sector and personal needs (ibid.)

Many organizations use SWOT analysis because of its simplicity and its easy-application (David 2011). It can be helpful in finding new possibilities for a solution, making the best decision for a new initiative, finding opportunities for the success, identifying the threats and how to overcome them, and reviewing a mid-term implementation of a project (ibid.)

SWOT analysis is divided into two factors: internal and external factors. Strengths and Weaknesses are the internal factors, and Opportunities and Threats are the external factors. Internal factors include resources and experiences. General areas to consider such as human resources, physical resources, financial. On the other hand, external factors are an area which cannot be controlled by the organization. They may include future trends, funding source, demographics, and legislation (David 2011).

Chapter 3

Contextual Background

In 2013, based on the initiative of the vice president and the Minister of Administrative and Bureaucratic Reform, an organization audit was conducted. The audit was outsourced to independent consultant McKinsey Indonesia. It audited 16 government organization with audit area covering six elements: business process and operational model; information and communication technology; capacity, capability, and organizational Structure; governance, risk, and compliance; human resource management; legislation; and management of change and communication.

In conducting the audit, one of the tools used by Mckinsey is by doing a survey in Organization Health Index (OHI). In accordance with the results of OHI survey, it can be obtained data and conditions related to human resource issues. One of the findings is that 74% of the respondents believed they had the required training and only 63% of the respondents feel that the training is useful for them.

Based on the survey's results, CU is planned to improve training and education in the MoF. Through this CU, it is hoped that training and development will match the needs of organization which eventually help the achievement of organizational targets.

In general, the MoF has a vision to become a world-class fiscal manager. By the improvement of human resources input through CU program, it is expected to create a better fiscal manager. Indicators which are used to measure the effect of CU are depended on the position of human resources who are trained through the CU program. For example, the improvement of human resources in Directorate General of Taxes will result in an increase in tax revenue or tax ratio or the improvement of human resources in Directorate General of Treasury will result in better financial administration.

3.1. Ministry of Finance and Its Training Center

MoF is one of the biggest ministries in Indonesia which in charge of financial affairs and state assets. It has eleven echelon-1 units: secretariat general, inspectorate general, directorate general of tax, directorate general of customs and excise, directorate general of budget, directorate general of treasury, directorate general of state assets, directorate general of fiscal balance, directorate general of budget financing and risk management, fiscal policy agency, and finance education and training agency. The organization structure can be seen below:
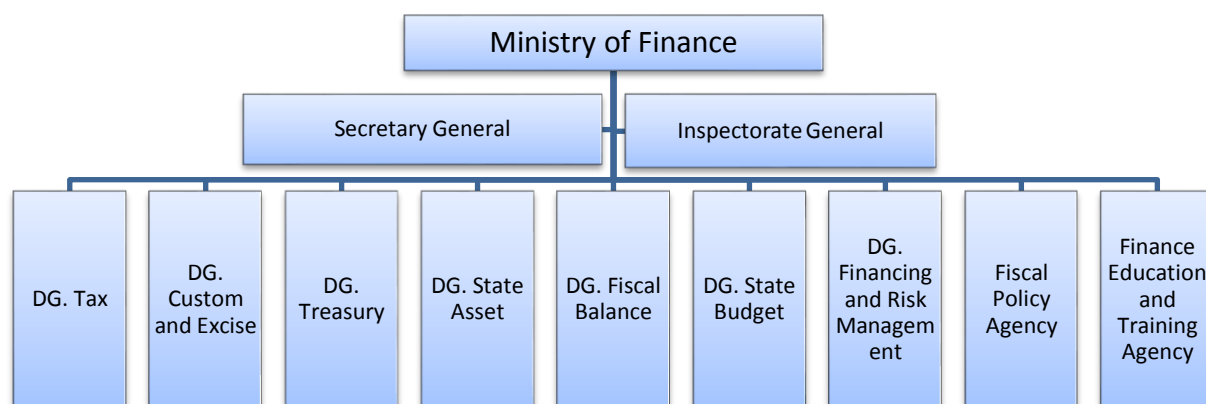
chart 1 Ministry of Finance Organization Structure
source: Ministry of Finance (2015)

Information as follow:

Table 3 MoF function
source: Ministry of Finance (2015)

No	Echelon 1	Function
1	Secretariat General	administrative support to All units in Ministry of Finance
2	Inspectorate General	Internal Auditor
3	Directorate General of Tax	All function regarding taxation
4	Directorate General of Customs and Excise	All function regarding customs and excise
5	Directorate General of State Asset	Asset management
6	Directorate General of Treasury	All function regarding cash management
7	Directorate General of Budget	Budget planning
8	Directorate General of Fiscal Balance	Regional allocation and transfer, local charges management
9	Directorate General of Financing and Risk Management	management of loans, grants, state securities, and financial risks
10	Fiscal Policy Agency	Fiscal policy research and development
11	Finance Education and Training Agency	Training center

From all unit under MoF, education and training are centralized below FETA's responsibility and FETA has training centers based on the core business of MoF. For example, Taxation Training Center is an education and training center to fulfill the competency needs in Directorate General of Tax. Budgetary and Treasury Training Center mainly serves education and training for Directorate General of Treasury and Directorate General of State Budget. Customs and Excise Training Center is responsible to teach Directorate General of Customs and Excise employees. The division of training centers under FETA's control is shown below:
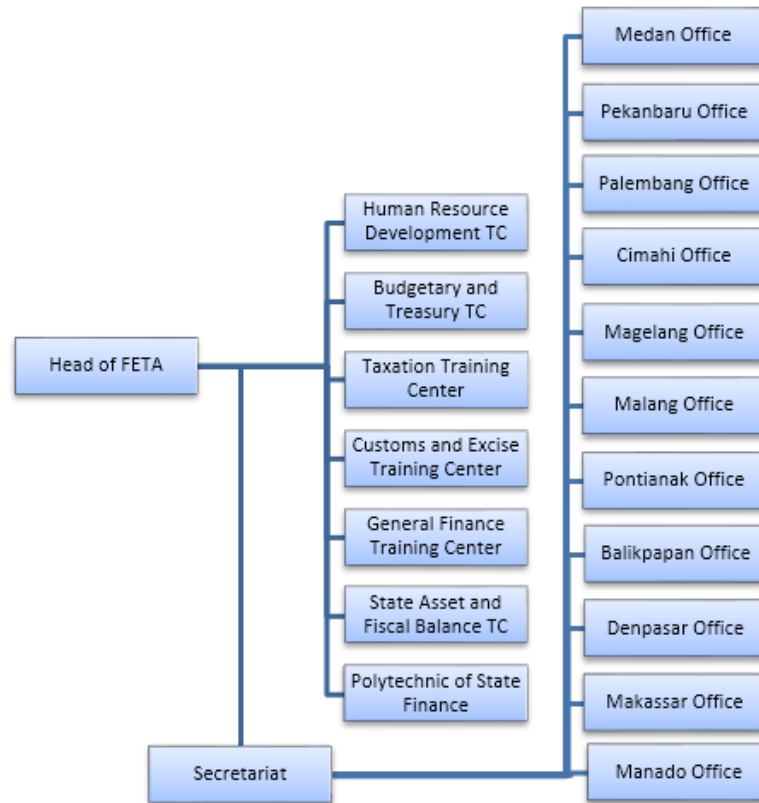
chart 2 FETA organization structure
source: Ministry of Finance (2015)

3.2. FETA as Ministry of Finance Corporate University

In 2016, MoF started to implement the CU concept through its training center, FETA. It is expected that the project can be accomplished in 2018. The transformation of the MoF CU is based on the following matters:

a. Human resource development has not been in line with strategic planning organization, so that improvement in human resources development is needed to achieve organizational performance targets.

b. In order to support organizational performance, business processes are required to be more applicable, relevant/adaptive, accessible, and give higher impact through the implementation of the MoF CU.

c. In order to drive changes in the organization, a learning frame which capable to produce human resources who could become agent of change is required.

d. Knowledge which exist in the MoF today is diverse and attached to person by person. It needs a mechanism which able to document the existing knowledge so that it can be utilized optimally.

e. Technological developments have consequences on shifting learning methods so that adjustments are needed. Learning materials should be easily accessed anytime and anywhere, so online system is

required to answer the challenge. In addition, learning materials should be able to quickly answer problems within the organization.

3.2.1. Corporate University Concept in Ministry of Finance

As mentioned in theoretical framework, there are different type of CU concepts. There is a corporate who provides degree program and there is a corporate who only gives a certificate of training accomplishment. The concept which adopted by MoF are both providing degree program (long-term program) and certificate of accomplishment (short-term program). Degree program is managed by Polytechnic of State Finance and non-degree program is managed by each training centers.

Degree program is divided into two programs based on the students. Diploma I (one-year diploma) and Diploma III (three-years diploma) are for students who are graduated from senior high school. Diploma III Special and Diploma IV (equal to bachelor degree) are designed for MoF employees who have graduated from Diploma I and III and have worked at least two years. On the other hand, non-degree program or short-term training program is applicable only for employee.

3.2.1.1. From Training Center to Corporate University

CU in MoF is the enhancement of Finance Education and Training Agency (FETA). FETA which used to be conventional training center is transforming and adopting the corporate university concept. There is a significant difference between training center and corporate university. The fundamental difference is the focus of its learning. Training center only focuses on fulfilling the competency gap so that employees can meet the competency standards for doing certain job, while CU focuses on all aspects that can improve human performance, not just a competency gap to complete a particular job.

Because CU has a heavier task than training center, it will apply 70-20-10 learning and development models from Lombardo and Eichiger (2000) (Figure).

CU will use all kinds of learning strategies on structured learning, learning from other, and workplace integrated learning, while training center only apply structured learning. The impact is the product of CU will be more diverse than training center. From the output, the difference can be shown below:

Table 4 training center vs corporate university
Source: FETA (2015)

Training Center	Corporate University
•Class Learning •E-Learning	•Class Learning •E-Learning •Blended Learning •Coaching/Mentoring •Culture Change •Knowledge Management System •On the Job Training •Knowledge Sharing •KM Working Group •Community of Practice •Expert Directory •and so on.

3.2.1.2. Ministry of Finance Corporate University Governance

Learning and Development is not just the responsibility of FETA, but the responsibility of all units of echelon I in MoF environment. In ensuring the link and match between the learning given and the needs of the organization, strong synergies among all elements in the MoF CU. Therefore, the active involvement of all echelon I units is absolutely needed in the implementation of learning and development. In creating engagement of all elements in the human resource development process, it is necessary to develop MoF CU Governance. The structure of the governance is as follows:
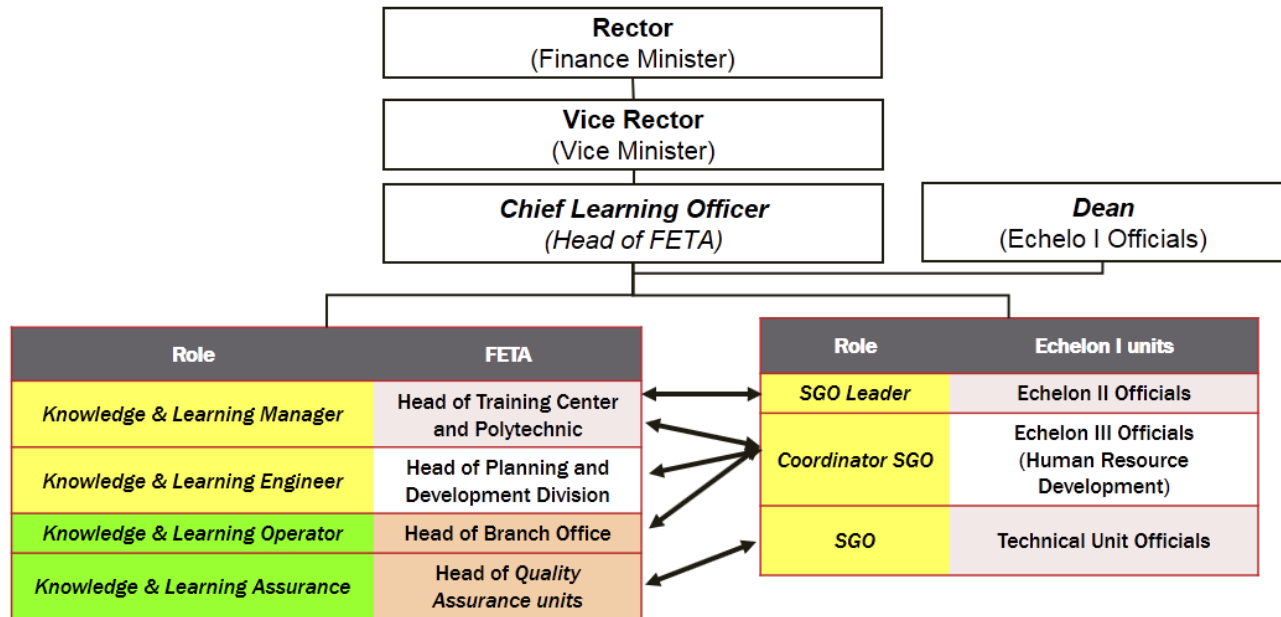
chart 3 MoF CU
Source: modified from FETA (2015)

a. Rector.

Rector is Minister of Finance who responsible for providing direction and policies related to human capital learning and development in MoF, approving the blueprint for human capital learning and development, and ensuring the direction of human capital learning and development to fit with the strategy and business policy of the MoF.

b. Vice Rector.

The position of vice rector is assigned by the Vice Minister of Finance who in charge of ensuring the tasks of rector, chief knowledge & learning officer, and dean running well.

c. Chief Learning Officer.

Chief Learning Officer is a position for high management level in FETA with strategic position which focus on promotion, communication, and facilitation of knowledge and learning practices within MoF CU as a learning organization. Chief Learning Officer is held by the Head of FETA.

d. Dean.

Dean is a high management level position in Echelon I units. Dean is headed by Head of Echelon I and has responsibility for the validity and quality of a content of curriculum; determine and establish priority learning programs which suit organizational needs; define business target priorities; and sign a letter of commitment for human capital learning and development.

e. Knowledge and Learning Manager.

Knowledge and Learning Manager is assisted by Echelon II Officials in FETA and is the middle and tactical managerial position that is responsible for coordinating the work of knowledge & learning engineers, operators, assurance, and analysts.

f. Knowledge and Learning Engineer.

Knowledge and Learning Engineer is held by planning and development officer in each training center and is a line managerial position that focuses on gathering information from experts and present it in an organized form.

g. Knowledge and Learning Operator.

Knowledge and Learning Operator is headed by the Head of Branch Office and is a middle and tactical managerial position who responsible for coordinating the implementation of human capital learning and development (including knowledge management and organizational learning).

h. Knowledge and Learning Assurance.

Knowledge and Learning Assurance is held by the handling officials of quality assurance and is the middle and tactical managerial position who responsible for coordinating quality assurance of human capital learning and development (including knowledge management and organizational learning).

i. Coordinator of Skill Group Owner (SGO).

The SGO Coordinator is staffed by Echelon III officials who in charge of the development of human resources and implement cooperation with knowledge and learning engineer, operator, and assurance in designing human capital learning and development (including knowledge management and organizational learning), from planning, implementing, to guaranteeing quality; and coordinate SGO in the implementation process of human capital learning and development.

j. Skill Group Owner (SGO).

SGO is an officer/employee who possesses technical expertise and has responsibilities in carrying out competencies needed for organizational performance improvement and conduct an inventory of competencies.

The implementation of CU is varied among different organizations. This research focuses on the implementation of CU in MoF. Therefore, it is imperative to understand the governance structure of CU in MoF. By seeing the structure above, we can understand the context and condition of CU implementation in MoF. CU concept in MoF is not a "real" university in general but attach to the existing structure or shadow structure. It means every unit's role as depicted in the CU governance above is an additional task/role to its main function. For instance, Director General of Taxes has a role as a Dean for his/her Echelon I in addition to his/her main function to lead the tax collection.

Chapter 4

Mid-term Evaluation of Ministry of Finance Corporate University

After we discussed the contextual background about MoF and FETA in chapter 3, in this chapter I will explain the effectiveness of the implementation process of MoF CU. To explain the effectiveness, I will use operational evaluation method.

As I explain in chapter II, operational evaluation method is a method to evaluate a project by comparing project plan to realization. In the context of CU in MoF, the project plan was clearly stated in the blueprint of MoF CU. Therefore, before the analysis of mid-term evaluation, I will first explain what the plannings of MoF CU are.

4.1. Ministry of Finance Corporate University Implementation Plan

There are five aspects of the implementation plan which become the focus of MoF CU: business process, human resource management, management support, general support, and knowledge management.

4.1.1. Business Process

The first focus that should be fixed is on the main business process, which consists of planning and development, implementation, and learning evaluation. These include the following projects:
1) Develop Learning Quality System.
   It is a manual that needs to be drafted as a general guideline within the process of planning, developing, administering, and evaluating the training and competency certification. The timeline of the preparation of learning quality system is as follows:

Table 5 Develop learning quality system timeline
Source: FETA (2015)

Year	Target
2017	The preparation of Learning Quality System
2018	The set up of Learning Quality System
2019	The Implementation of Learning Quality System

2) Improvement of Training Need Analysis.
   Before training the employees, there are three things to be identified:
   1. which parts of the organization that need training;
   2. what trainees must learn to get them doing their work effectively;
   3. who needs the training and what training is needed.

These three questions must be answered in training need analysis process. To answer the first question, an organizational analysis is needed. To answer the second question, it needs task analysis. While the answer to the third question is obtained through personal analysis process. The current training need analysis has not been able to capture the business performance needs, so it needs improvement. The timeline for improvement of training need analysis as follows:

Table 6 improvement of TNA
Source: FETA (2015)

Year	Target
2016	Preparation of performance-based Training Need Analysis (TNA) Concept
2017	- Piloting the use of performance-based Training Need Analysis concepts - The set up of performance-based Training Need Analysis in Minister of Finance Regulations - Performance-based TNA implementation.

3) Improvement of Design & Development Program.
   This program aims to create Instructional System Design (ISD) for design and development of learning programs to be aligned with efforts to improve the performance of user units. As for the timeline is as follows:

Table 7 improvement of design & development program
Source: FETA (2015)

Year	Target
2016	The preparation of ISD concept
2017	- The set-up of ISD - The implementation of ISD.

4) Leadership Development and Culture Academy.
   Leadership development and culture academy are integrating the establishment of the culture of the MoF in training programs. The program has the following timeline:

Table 8 Leadership development and culture academy
Source: FETA (2015)

Year	Target
2016	Coordinate with the unit that handles human capital management in the framework of the preparation of leadership models within the MoF
2017	- Identify the learning required for realizing leader in accordance with leadership model in MoF. - Develop a supportive learning program to create a leader who is suitable for the leadership model in MoF.

5) Improvement of Delivery & Deployment.
This program aims to improve the quality of education and training and competency certification. The expected output is a guide for organizing training and qualified certification of competence. The implementation timeline is as follows:

Table 9 improvement of delivery and deployment
Source: FETA (2015)

Year	Target
2017	The perfection of MoF Decree regarding training management
2018	Stipulation of MoF Decree regarding education and training management.

6) Action Learning Application.
Action Learning Application is a program to know how far participants apply the training in fieldwork practices. As for the timeline action learning application is as follows:

Table 10 action learning application
Source: FETA (2015)

Year	Target
2016	Piloting action learning application on killer program
2017	Action learning application to 30% of all training programs
2018	Action learning application to 50% of all training programs

7) Learning Impact Measurement.
Measuring the impact of learning is necessary to determine whether learning has an impact on organizational performance. As for the timeline of learning impact measurement is as follows:

Table 11 learning impact measurement
Source: FETA (2015)

Year	Target
2016	Piloting learning impact measurement level 4 (Kirkpatrick) on the killer program
2017	Improved learning impact measurement mechanism
2018	Implementation of learning impact measurement

8) Human Capital Readiness Index (HCR Index).
HCR Index is a scaling measurement to know the readiness of graduates or certification of competence in carrying out its work on a real basis. The timeline of HCR Index is as follows:

Table 12 HCR index
Source: FETA (2015)

Year	Target
2017	- Preparation of HCR Index concept - Piloting application of HCR Index
2018	Implementation of HCR Index

9) The arrangement of Learning Patterns.

The learning pattern is the set of learning required by a position determined based on the competence needs of each position. The priority learning pattern is structured for critical jobs. A critical job is a job whose job has a big impact on the organization. As for the timeline of the arrangement of learning pattern is as follow:

Table 13 the arrangement of learning patterns
Source: FETA (2015)

Year	Target
2016	- Preparation of the mechanisms for the arrangement of learning patterns - Piloting the arrangement of learning patterns for one critical job at each stakeholder in each training center
2017	- The stipulation of learning pattern mechanism into Head of Agency Regulation - Implementation of the learning patterns
2018	Implementation of the learning patterns

4.1.2. Human Resource Management.

In the focus of human resource management, the task force team plan to create organization learning technologist certification, enhance learning culture, promote retire faculty program, provide leader as teacher program, create talent development program, and bring up workplace learning facilitator certification program.

1) Organization Learning Technologist Certification.

To ensure the quality of the training and certification, it is necessary to have adequate qualified human resources. To make this happen, it needs a series of training for training organizer which called organization learning technologist. The timeline of the implementation of organization learning technologist is as follows:

Year	Target
2016	- Training related to Training Need Identification mechanism - Training related to the arrangement of learning patterns
2017	- Training related to the preparation of learning impact measurement - Training related blended learning

2) Enhance Learning Culture.

Enhance learning culture is a cultural program to create a learning organization. Learning organization in the MoF has the following indicators:

a. Individual learning process works well.
b. The knowledge sharing process works well.
c. Organizational culture supports learning processes and activities.
d. Employees are motivated and fully supported to be able to think critically and raising the risk of their idea.
e. The organization regards employees as an important contributor to organizational progress.

The timeline for enhance learning culture is as follows:

Year	Target
2017	- Include the minimum number of individual training hour into Key Performance Indicator - Shaping Communities of Practice (CoP)
2018	- Include the minimum number of individual training hour into Key Performance Indicator - Forming CoP

3) Retired Faculty Program.

This program aims to capitalize knowledge, especially tacit knowledge possessed by senior employees/officers owning special competence. It is necessary so that existing knowledge can be utilized optimally. Timeline of retire faculty implementation programs are as follows:

Year	Target
2016	Preparation of potential employee retirement databases

2017	- Implementation of capitalization of knowledge through video capturing
	- Utilization through teaching in class (on class learning)
2018	- Implementation of capitalization of knowledge through video capturing
	- Utilization through teaching in class (on class learning)

4) Leader as teacher.

Leaders who teach will have a great impact on training participants. It is because leaders not only have the knowledge but also wisdom and a relatively qualified experience. Implementation of leader as teacher are as follows:

Table 17 Leader as teacher
Source: FETA (2015)

Year	Target
2016	Implementation of capitalization of knowledge
2017	Implementation of teaching obligations in leadership contracts
2018	Establishment of the teaching obligation mechanism for the leadership

5) Talent Development Program.

This program aims to explore the best talent and use it for the sake of organization needs. The implementation timeline for talent development program is as follows:

Table 18 Talent development program
Source: FETA (2015)

Year	Target
2016	Preparation of talent pool mechanism
2017	The implementation of talent pool mechanism

6) Workplace learning facilitator certification program.

This program is a variety of training for lecturers and also for training organizers. It needs to be done to improve the quality of lecturers and training organizers. The timeline for workplace learning facilitator certification programs are as follows:

Table 19 workplace learning facilitator certification program
Source: FETA (2015)

Year	Target
2016	- Blended learning training for lecturer
	- Technical training on knowledge management system
2017	Training related to CU

4.1.3. Management Support.

1) Project Management of CU Program.

   Implementation of the MoF CU needs to be maintained in accordance with the path as well as the set deadline. In this case, it is necessary to draw up special units to guard and accelerate the institution's transformation in the FETA, including the establishment of the Ministry

   Finance CU. The project management plan for CU programs are as follows:

Table 20 Project management of CU program
Source: FETA (2015)

Year	Target
2016	Establishment of Project Management Office
2017	Project Management Office

2) Linkage with human resource development unit in other echelon I.

   The training unit should synergize with the human resource development unit in other echelon I in order to create the link and match between the training and certification programs given and the needs of the organization. Timeline linkage with other echelon I is as follows:

Table 21 Linkage with HRD unit in other echelon 1
Source: FETA (2015)

Year	Target
2017	- The set-up of Human Resource Development Unit as Skill Group Owner coordinator - Community of Practice Formation
2018	Establishment of Community of Practice

3) Strategic Alliances.

   This program is done by maintaining a strategic alliance with other education institution. Timeline strategic alliance is as follows:

Table 22 strategic alliances
Source: FETA (2015)

Year	Target
2016	Signing Memorandum of Understanding with some universities related to state finance.
2017	- Implementation of a Memorandum of Understanding - Creating cooperation with universities in various fields
2018	Creating cooperation with universities in various fields

4) Readiness Survey.

Readiness in welcoming the the MoF CU needs to be well measured. A good mapping will depict aspects that need to be addressed. Timeline implementation of readiness surveys are as follows:

Table 23 readiness survey
Source: FETA (2015)

Year	Target
2016	Implementation of readiness survey in FETA
2017	Implementation of readiness survey in MoF

5) CU Socialization.

Engagement of CU concept through all employees in the MoF is necessary for supporting of the success of the project. Therefore, information should be disseminated as widely as possible to the stakeholders. As a catalyst of the MoF of the University, FETA strives to accelerate the implementation of the MoF CU with a strategy as follows:

a. Highlights best practice of CU implementation in the world and Indonesia.
b. Formulate a simple analogy role of MoF CU for achieving the performance target of the MoF.
c. Utilizing influencers/high profile speakers (echelon I or II officials of FETA, Central Transformation Office Officials, and other Officials) to deliver the message.
d. Synergize with Central Transformation Office and Bureau of Human Resource in delivering the message (third-party endorsement) to echelon I units.
e. Expose the direction of the MoF CU policy by putting the value of synergy (the learning process becomes the responsibility of all).
f. Designing fun and informative socialization activities.
g. Set the theme of socialization "Ministry of Finance CU, Ministry of Finance Number One." This theme illustrates that if the MoF CU is implemented then, MoF will be the leader because the learning process is directed towards the business target of MoF. In addition, MoF will be the first ministry to adopt the CU model.

Timeline of the dissemination of MoF CU is as following:

Table 24 Socialization timeline
Source: FETA (2015)

Year	Target
2016	Implementation of socialization within the internal scope of FETA
2017	Implementation of socialization for positions that have great influence in realizing the CU
2018	Implementation of socialization in all lines of the MoF

4.1.4. General Support.

1) Smart classroom.
   This program is a support of learning activities which utilized by technology. A smart classroom is a class with a capacity of 30-60 people with the form which can be tailored as needed and also has a monitor in each table for participants. Smart classroom timeline is as follows:

Table 25 smart class room timeline
Source: FETA (2015)

Year	Target
2016	Establishment of smart classroom criteria
2017	Piloting smart classroom
2018	Smart classroom development in all units

2) Learning Cost Efficiency.
   This program is useful for measuring the effectiveness of budget used for implementation of learning. Learning cost efficiency is done through the implementation of spending review.

4.1.5. Knowledge Management.

At this time, MoF intensively applies the concept of Knowledge Management as part of the CU form. There are at least four reasons that make MoF take the initiative in applying the concept of Knowledge Management. First is the existence of digital technology revolution, second is more complicated problems encountered, third is the uncertainty of the future, and the last is an increasingly critical society. The digital technology revolution requires an adjustment in values, learning systems, and problem-solving procedures. The more complicated the problems MoF face, the more reliable system needed. MoF should be able to adapt and conceptualize scenario-based planning to anticipate a full future uncertainty. And finally, the increasingly critical society encourages MoF to make decisions quickly, accurately, and putting forward the democratization of knowledge.

In practice Knowledge Management has two important roles role: strategic and operational roles. One of the most important roles of Knowledge Management is able to build capability and flexibility of organization through the process of accumulation and creation of knowledge. Knowledge of each individual collectively will become organizational knowledge. Therefore, Knowledge Management encourages the growth of networking and collaboration among employees to stimulate the best potentials of employees to achieve organizational goals. From an operational point of view, Knowledge Management can reform the decision-making process faster and more accurate. In addition, Knowledge Management also facilitates employees to replicate knowledge in the form of ideas, documents, and best experiences to avoid mistakes that have occurred in the past. Knowledge Management also fosters a culture of knowledge shared by the experts in their field to then generate innovation.

4.2. The Analysis of Ministry of Finance Corporate University Mid-term Evaluation

After we acknowledge the planning of MoF CU above, in this sub-chapter, I am going to perform mid-term evaluation. As explained in the methodology section, I will only check the effectiveness of the planned activities. The activities are summarized through 23 outputs from 5 aspects that they want to achieve (see table 26).

Table 26 outputs
Source: modified from FETA (2015)

No	Aspects (Focus of Implementation)	Outputs
1	Business Process	1. Qualified Learning Quality System (LQS). 2. Reliable Training Need Analysis (TNA). 3. Improved design and development program. 4. Formed leadership development and culture academy. 5. Improved learning delivery and deployment. 6. Applied action learning application. 7. Applied learning impact measurement. 8. Formed Human Capital Readiness Index (HCR Index). 9. Arranged learning pattern.
2	Human Resource Management	1. Certified learning technologist. 2. Enhanced learning culture. 3. Applied retire faculty program. 4. Applied leader as teacher. 5. Applied talent development program. 6. Applied workplace learning facilitator certification program.
3	Management Support	1. Formed project management. 2. Formed linkage with human resource development unit in other echelons. 3. Formed Strategic Alliances. 4. Applied readiness survey 5. Applied CU Socialization
4	General Support	1. Formed Smart classroom 2. Applied Learning Cost Efficiency
5	Knowledge Management	Formed Knowledge Management System (KMS)

The mid-term evaluation will be conducted by each aspect to get a better understanding of the implementation of the program. The methodology that I use is a combination of document review, interview, and observation. The findings and analysis are as follows:

4.2.1. Business Process

The first aspect which I evaluate is the business process. In this aspect we have nine outputs. Every output has planned action which I use as indicator to evaluate the implementation of this aspect. The table below shows the findings from this aspect (table 27).

Table 27 Business Process Realization
Own construction

Business process Outputs	Action Plan as Indicator	Realization	Description
A1. Develop Learning Quality System (LQS)	A.1.1. the arrangement of LQS	WIP	still in process
A2. Refinement of Training Need Analysis (TNA)	A2.1. the concept arrangement of Performance Based TNA	YES	still in process with legal bureau, discussing the substantial content
	A2.2. piloting the use of Performance-Based TNA	YES	
	A2.3. the set up of Performance-Based TNA in MoF regulation	WIP	
	A2.4. implementing Performance-Based TNA	NO	
A3. Improvement of Design & Development Program	A3.1. the concept arrangement of Instructional System Design (ISD)	YES	still in process, the curriculum needs to be approved by planning and development forum
	A3.2. the set up of ISD	WIP	
	A3.3. the implementation of ISD	NO	
A4. Leadership development & Culture Academy	A4.1. Coordinate with the unit that handles human capital management in the framework of the preparation of leadership models within the MoF	YES	coordination has been done. Learning program for leader is still in progress.
	A4.2. Identify the learning required for realizing leader in accordance with leadership model in MoF.	WIP	
	A4.3. Develop a supportive learning program in the realization of a leader in accordance with the leadership model in MoF.	WIP	
A5. Improvement of delivery & deployment	A5.1. The concept arrangement of refinement of MoF regulation related to the organization of training.	YES	has been done
A6. Action Learning Application	A6.1. Piloting action learning application on killer programs	YES	only one killer program
	A6.2. the implementation of 30% action learning application from all training program	NO	

A7. Learning Impact Measurement	A7.1. Piloting learning impact measurement level 4 (Kirkpatrick) on killer program	YES	still in piloting for several killing program
	A7.2. Mechanism improvement of learning impact measurement.	NO	
A8. Human Capital Readiness Index (HCR Index)	A8.1. the concept arrangement of HCR Index	NO	out of control
	A8.2. Piloting the implementation of HCR Index	NO	
A9. The arrangement of Learning Pattern	A9.1. the concept arrangement of learning pattern mechanism	YES	in the process of the set up by Head of FETA
	A9.2. Piloting the arrangement of learning pattern for one critical job in every stakeholder in training center	YES	
	A9.3. The set up of the learning pattern mechanism into Head of Board regulation	WIP	
	A9.4. The implementation of learning pattern arrangement.	NO	

As we can see from the findings above, most of the action plan in business process aspects have not been achieved. Only 9 of 22 action plans (41%) can be implemented. 7 of 22 action plans (32%) is not yet implemented. In addition, from 6 of 22 action plans (27%) are still in progress. It can be concluded that most of the action plans in business process aspect is off-track and none of the desired output is realized.
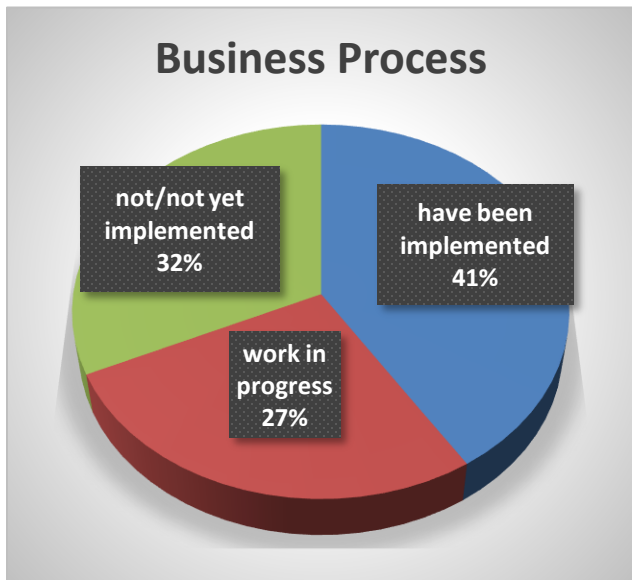
chart 4 business prosess realization
Own construction

One of the important output, refinement of Training Need Analysis, is not implemented yet whereas this is the root of the effective training which aligns with the stakeholder needs. Based on my observation during the discussion meeting, the process of regulating the performance-based Training Need Analysis is still in progress and should be analyzed by other units especially Legal Bureau in Secretariat General.

Another plan which still in progress is the set-up of ISD (Instructional System Design). Same as the set-up of Training Need Analysis, this plan is now in the process of approval by planning and development forum. When it is approved, another bureaucratic process is to get legalization from Legal Bureau then set-up in the regulation.

Another output which is far from realization is the action learning application. As planned, this year it should be implemented in 30% of all training programs, but the fact is it has been done only in one training program. Meanwhile, FETA has hundreds of training programs in each training center. Based on the interview with the taskforce team, they cannot push each training center to fulfill the 30% of action learning application. In this case, it revealed that taskforce team can only push the training center but do not have authority to ensure the implementation of action learning application. On the other hand, training center assumes that action learning application is not necessarily needed because it will complicate both trainees and training organizers.

Interestingly, there is an output which actually out of the control of FETA. Based on the interview with the taskforce team, they said that Human Capital Readiness Index (HCR Index) is the domain of Secretariat General. This condition could be avoided if the action plan is well-designed by eliminating the out-of-control activities.

4.2.2. Human Resource Management

Human Resources Management is the second focus of MoF CU implementation. This focus comprises six essential outputs. They are organization learning technologist certification, certified learning technologist, enhanced learning culture, applied retire faculty program, applied leader as teacher, applied talent development program, and applied workplace learning facilitator certification program. The detail action plan and realization can be seen below.

Table 28 HRM Realization
Own construction

Human Resource Management Outputs	Action Plan as Indicator	Realization	Description
B1. Organization Learning Technologist Certification	B1.1. Training Need Analysis (TNA) mechanism training	YES	have been done/ implemented
	B1.2. Learning Pattern Arrangement Training	YES	
	B1.3. Learning Impact Measurement Training	YES	
	B1.4. Blended Learning Training	YES	
B2. Enhance Learning Culture	B2.1. Include individual minimum training hour into Key Performance Indicator (KPI)	NO	not yet implemented, out of the control of task force team
	B2.2. Creating *Communities of Practice* (CoP)	YES	has been implemented in Kemenkeu Learning Center website www.klc.kemenkeu.go.id

B3. Retire Faculty Program	B3.1. the arrangement of retire employee database which their knowledge are potential to be utilized	YES	has been done
	B3.2. the implementation of knowledge capitalization through video capturing	YES	
	B3.3. the utilization through teaching in the class (on class learning)	YES	
B4. Leader as teacher	B4.1. The implementation of Knowledge Capitalization	WIP	knowledge capitalization is in progress. The identification of leader as teacher has been done, but the obligatory teaching is out of control.
	B4.2. the implementation of obligatory teaching in manager performance contract	NO	
B5. Talent Development Program	B5.1. talent pool mechanism arrangement	NO	out of control
	B5.2. the implementation of talent pool mechanism	NO	
B6. Workplace learning facilitator certification program.	B6.1. blended learning training for lecturer	WIP	still in progress
	B6.2. technical training for knowledge management system.	WIP	
	B6.3. CU training	WIP	

First output in Human Resources Management is organization learning technologist certification. As the action plan mentioned, there are four indicators regarding this output. All of the indicators are in the form of trainings such as Training Need Analysis mechanism training, learning pattern arrangement training, learning impact measurement training, and blended learning training. All of the indicators are positively implemented.

The second output is enhance learning culture. There are 2 action plans that indicate this output implementation. FETA has not included individual minimum training hour into Key Performance Indicator yet. According to the interview, this action plan is under the responsibility of Secretariat General of MoF. Hence, FETA has no access to interfere the action plan. Next action plan is creating communities of practice. This action plan is successfully executed through the establishment of communities of practice. They are incorporated into a website platform, i.e., www.klc.kemenkeu.go.id. In this platform, there are 33 groups/communities with different competencies subject. By this group, members can learn from each other to solve their practical problem. However, this research has a limitation to measure the degree of effectiveness of this communities.

The third output is retired faculty program. This output comprises 3 action plans and 100% successfully executed. FETA arranges the retire employee database which has potential knowledge to be utilized. Next, FETA implements knowledge capitalization by video capturing. Lastly, FETA utilizes on class learning. Although these three action plans are fully accomplished, the database improvement should be encouraged as not all potential knowledge is being captured.

Fourth output is leader as teacher program. It comprises 2 action plans. Unfortunately, the implementation of knowledge capitalization and implementation of obligatory teaching in manager performance contract are not successfully finished. It is still in working in progress status, and the latter action plan is not executed. FETA already identified the managers who are going to be the teacher, unfortunately, FETA has no authority to assign them. It is the domain of Secretariat General of MoF. According to the interview with taskforce team, this still needs to wait for the instruction from Minister of Finance.

The fifth output is talent development program. It comprises 2 action plans which totally not executed. Talent pool mechanism arrangement and implementation are failed to be executed because FETA has no authority over talent pool mechanism. This is the domain of Human Resource Bureau in Secretariat General of MoF.

The last output is workplace learning facilitator certification program. All of 3 action plans are still working in progress status. They are blended learning training for lecturer, technical training for knowledge management system, and CU training.

chart 5 HRM realization
Own construction

Based on the figure. Only 8 from 16 action plans (50%) have been implemented. 4 of 16 action plans (25%) is still in progress, and 4 of 16 action plans (25%) are even not yet implemented. 16 action plans have to be implemented in 2017, but so far only 8 have been realized. It can be concluded that in the aspect of human resource management, the implementation is also off the track.

Based on the interviews, 4 of 16 action plans cannot be implemented due to the reason that FETA does not have authority to push other units to implement the action plans.

4.2.3. Management Support

The third focus which taskforce team want to achieve is management support. This focus highlights the establishment of Project Management Office, human resource development linkage, and strategic alliances with other universities or other educational institutions.

Table 29 management support realization
Own construction

Management Support Outputs	Action Plan as Indicator	Realization	Description
C1. Project Management of CU Program	C1.1. creating Project Management Office (PMO)	YES	has been created
C2. Linkage with human resource development unit in other echelon	C2.1. the set up of human resource development unit as the coordinator of Skill Group Owner (SGO)	YES	has been created
C3. Strategic Alliances.	C3.1. the signing of MoU (Memorandum of Understanding) with several universities related with the lecture in state finance	NO	Off track, the draft and design have been created, but the signing and implementation have not yet been done. Involve in Global Council of Corporate Universities and National Training Agency Forum
	C3.2. the implementation of Memorandum of Understanding.	NO	
	C3.3. creating cooperation with universities in various fields	NO	
C4. Survey Readiness	C4.1. the implementation of readiness survey in Finance Education and Training Agency (FETA)	YES	has been done in FETA level
	C4.2. the implementation of readiness survey in MoF	NO	
C5. CU Socialization	C5.1. Internal socialization in FETA	YES	has been done
	C5.2. Socialization for jobs which have big impact in creating CU	YES	

The first output is the establishment of Project Management Office. This output is well-achieved as there is a clear physical office and governance structure of this project management office. This office is delegated to Head of Organization and Management Division of FETA as Chief Operation Officer, and below the COO there are several chiefs in research and development, quality assurance, learning

environment development, learning delivery, learning organization development, knowledge management development, and alliance and partnership. Each chief is coming from echelon 2 officials in FETA.

The second output is linkage with human resource development unit. This output has been achieved since the indicator, which is the set-up of human resource development unit as the coordinator of Skill Group Owner (SGO), has been established. Now, every human resource development unit in every echelon I is appointed as the coordinator of SGO.

The third output is Strategic Alliances. This output is planned to be realized by conducting the signing of MoU (Memorandum of Understanding) with several universities related with the lecture in state finance; the implementation of the MoU; and creating cooperation with universities in various fields. However, FETA failed to actualize them, and the realization is off the track. The only thing that FETA has been done regarding this expected output is creating the draft and the design.

Fourth output is readiness survey. This output is half-success since only 1 of the two actions plans can be objectified. FETA planned to implement readiness survey in Finance Education and Training Agency (FETA) and MoF. But, only survey readiness in FETA that has managed to be conducted.

The last output is CU Socialization. This socialization is expected to be completed by executing internal socialization in FETA and socialization for jobs which have a big impact on promoting CU. These 2 action plans are successfully realized by FETA. However, setting the socialization to the external units at the end of the project is not an effective way. Internalizing the CU concept into all the MoF's employees needs step-by-step and longer time. So, socialization should be executed both internally and externally at the same time. Delayed socialization has caused the misconception of CU in employee's perception. Based on my interview with alumni and employee from other units, they think that CU is the Polytechnic of State Finance because a word 'university' attached to it.
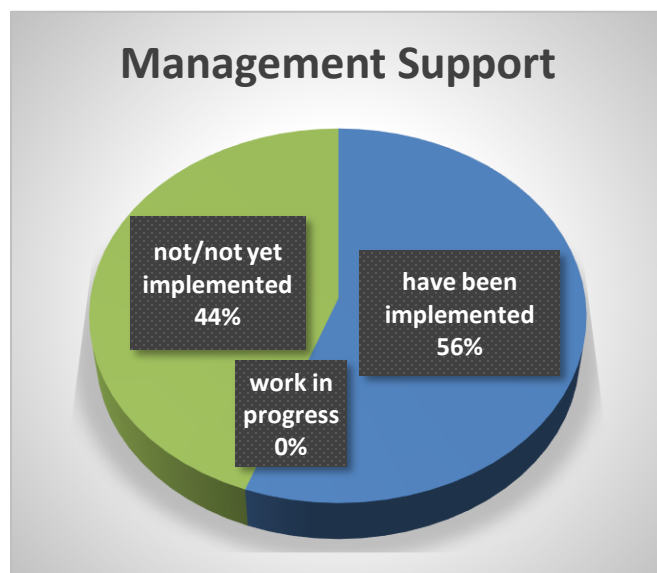
chart 6 management support realization
Own construction

The chart shows that from all the action plans 5 of 9 action plans (56 %) have been implemented, while 4 of 9 action plans (46%) have not been implemented at all. The implementation of CU in this aspect can be considered on-track if all the action plans up until 2017 have been achieved or at least still in progress and likely achievable in this year. Therefore, it can be concluded that although more than a half of the action plans have been implemented, the realization of this aspect is still off the track and unable to be fully realized in 2017. Based on the interview with taskforce team, the reasons for these are due to internal factors such as internal management problem and priority action. Strategic alliances

cannot be implemented because Polytechnic of State Finance as the executor now focusing on fixing the internal problem such as recruiting lecturer. For readiness survey in MoF, the problem is that taskforce team now still focus and put the priority on building the knowledge management system (KMS).

4.2.4. General Support

The next focus is general support. This general support consists of 2 major outputs which are smart class room and learning cost efficiency. The first output comprises the criteria arrangement for smart classroom and piloting classroom action plan, which 100% already realized. The latter output is not yet implemented, which is learning cost efficiency calculation.

General Support Outputs	Action Plan as Indicator	Realization	Description
D1. Smart classroom	D1.1. the criteria arrangement for smart classroom	YES	piloting has been done
	D1.2. Piloting smart classroom.	YES	
D2. Learning Cost Efficiency	D2.1. Learning Cost Efficiency calculation	NO	not yet implemented

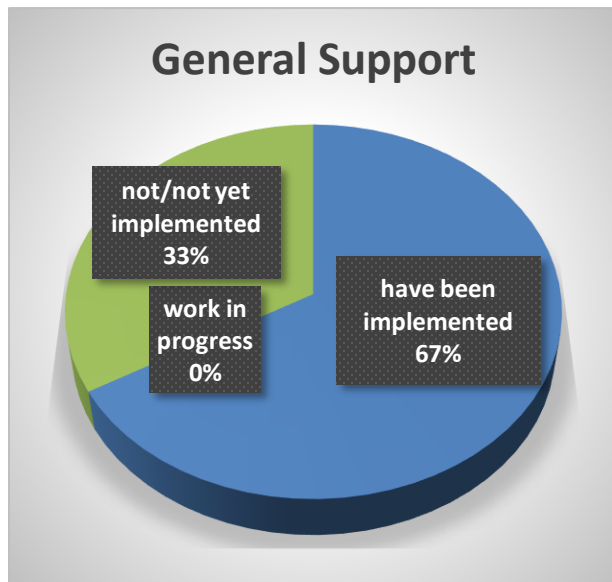*Table 30 general support realization*
Own construction

chart 7 general support realization

Own construction

As for the general support, the chart depicts that 2 of 3 actions plans has been done (66,7%). Although more than half of the action plan have been implemented, the realization of this aspect is out of the track of realization in 2017.

4.2.5. Knowledge Management

Knowledge Management Outputs	Action Plan as Indicator	Realization	Description
E. Knowledge Management System	E1. creating knowledge management system	YES	has been implemented in Kemenkeu Learning Center (KLC) www.klc.kemenkeu.go.id

Table 31 KM realization
Own construction

The expected outcome for the knowledge management has successfully managed by FETA by implementing the knowledge management system in *Kemenkeu Learning Centre* (KLC). This system can be accessed in www.klc.kemenkeu.go.id. It can be concluded that this is the only aspect which is on-the track and successful. During my observation, this aspect is heavily encouraged and massively involve all unit in MoF. May be due to their focus on this aspect cause the other aspects are abondened.

4.3. Other Findings

After further examining of the aspects planned by FETA and then compared to the best practices of the implementation of CU, there is one important aspect that is not used as a priority aspect. The aspect is learning culture. In planning, FETA did put learning culture into human resource management aspect, but its action plan did not reflect the effort of shifting learning culture. Seeing that how important this learning culture, Kiely (2007) said that learning culture is the organization's DNA. She added, "if the education does not focus on the organization's DNA, our programs will be at best a missed opportunity and waste disposal of money and time."

Changing culture is difficult and time-consuming. Therefore, this change from the beginning should be a priority and carefully planned. What FETA is doing now is like building a structure but without a solid foundation. Kiely (2007) explains step by step how to build this CU culture (figure 4). In creating CU, the most crucial part is embodying learning culture.
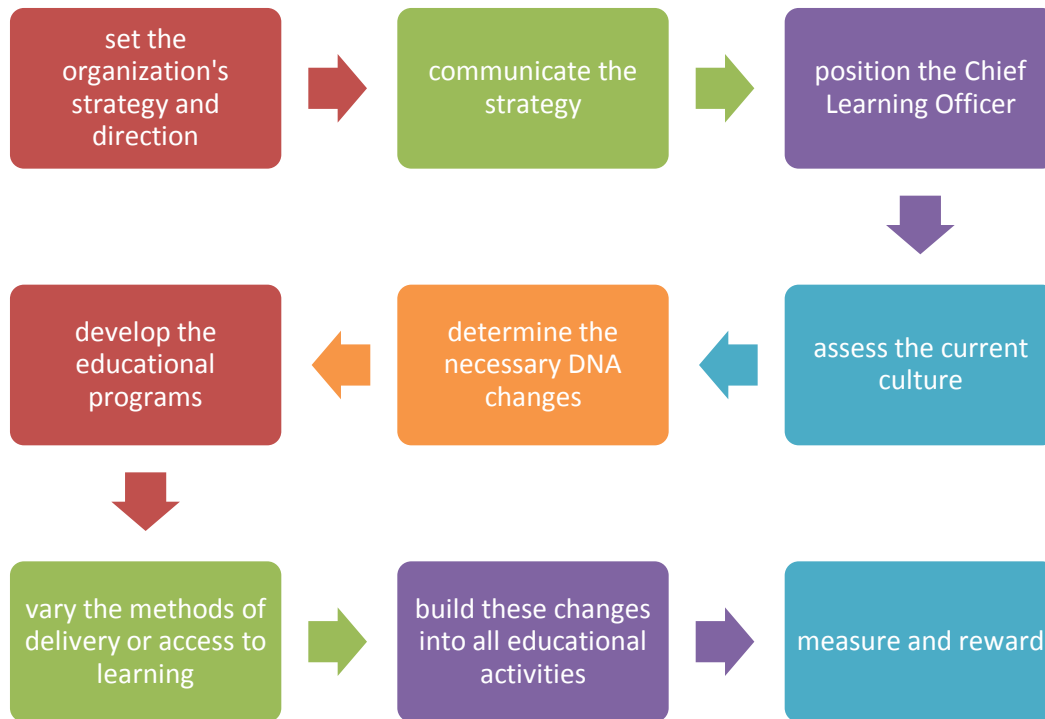
Figure 4 step by step of building CU culture
Source: summarized from Kiely (2007)

Based on the figure above, we can see clearly that assessing the current culture and determining the necessary DNA changes are important to set the CU culture. These aspects are in the heart of the process in building learning culture even before developing the educational program.

Even though the enhancement of learning culture is stated in the action plan, the design of this action does not correspond with the theory in how to build the culture as explain above. The design is more focus on pushing the employee to attend training. Furthermore, this finding is also strengthened by the result of the interview with one of the planning and development manager who has joined Indonesia CU meeting in Yogyakarta. He/she said that during the meeting he/she has chances to ask about the success story of other corporate universities in Indonesia such as Bank Mandiri, PLN, Wika. He/she revealed that embodying learning culture is more crucial than creating the structure of CU. He/she also criticized the taskforce team who prioritize in structuring the physical of CU but leaving the embodiment of learning culture. Both should be done at the same time. On of example of embodiment of learning culture he/she added, is by maximizing coaching and mentoring. Employees do not have to go to FETA to fulfill their competency gap because their 'campus' or 'university' is in their workplace. Senior officers can teach their juniors by giving coaching, mentoring, and on-the-job-training. Regarding this, FETA can actually socialize and push all stakeholder in MoF to apply this culture. In fact, FETA does not put this as a priority and not include this culture-shaping into their strategic plan in CU Implementation.

If compared to the stages in building CU culture as described above, it can be found that there are some stages missed by FETA in implementing this CU. FETA missed the stage of identifying the existing culture and determining the DNA of change. What FETA is doing now is jump to stage 4: developing educational

program. In fact, as explained before, learning culture has been included in the action plan, but it is premature and does not correspond with the theory. Therefore, FETA is imposing the form of CU without the soul of the learning culture. So, culture-shifting will not happen in a shorter period of time. Cultural changes could be done in a matter of months rather than in a matter of years if the culture change was deliberately created and planned (Kiely, 2007).

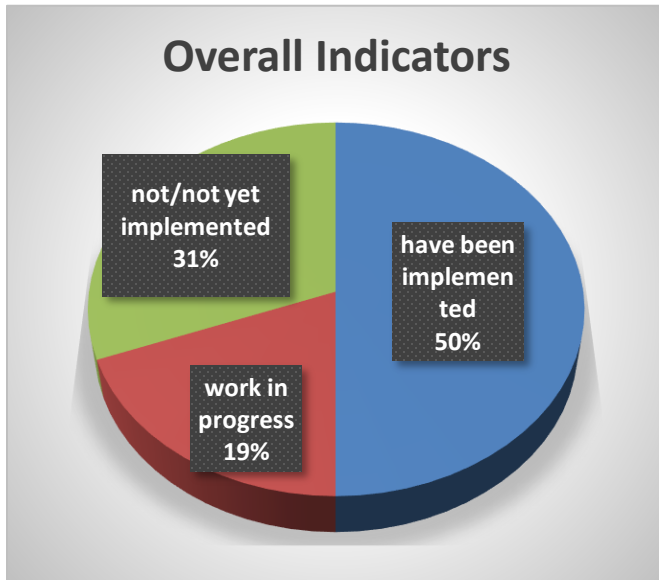## 4.4. Overall Analysis of Mid-term Evaluation

chart 8 Overall evaluation
own construction

From the overall analysis, 26 of 52 action plans (50%) are implemented. 16 of 52 action plans (31%) are not implemented. 10 of 52 action plans (19%) are still in progress. From that achievement, it can be concluded that the implementation of MoF CU is not effective. Since this chapter is about mid-term evaluation, there is a difference definition of the effectiveness compared to the definition in end-term evaluation. Instead of defining the effectiveness as the effect of activities, this research defines effectiveness as the fulfillment of planned action. In theory, it can be categorized as operational evaluation. As the result of this mid-term evaluation, we can see clearly if there is no change in the implementation of CU, this program will not accomplish on-time. With this delay, the objectives that are planned to be achieved after the implementation of CU may not be achieved on-time. Furthermore, the absence of sufficient learning culture as explain in the previous section may discourage the CU concept and hinder the final objectives of CU.

Moreover, If this condition is allowed, the goals of this program will not be achieved which is the development of human resource. According to Grindle and Hilderbrand (1995), if human resource as the baseline of a capacity framework cannot be raised, it cannot go further for bigger capacity: organization.

Overall, based on the analyses above, the implementation of CU is not much difference with the previous system, i.e. training center concept. The implementation of CU in MoF still focus on class learning and e-learning activities. Several aspects which differentiate CU with training center, i.e. coaching/mentoring and culture change, have not fully adopted. CU has just become a gimmick.

Chapter 5

Impact Evaluation of Procurement of Goods and Services Training Program

To get a deeper analysis of mid-term evaluation, I try to see the impact of CU implementation to one of the training program. The terminology of 'impact' refers to only the program effect as explained in chapter 3. I choose 'Procurement of Goods and Services' training program. As one of the piloting training program using blended learning, this training is followed by all unit in MoF. This training is also suitable for Double Difference Method as it has been implemented before and after the application of CU concept. Before I explain the impact evaluation of the training, I would like to explain the training program briefly.

5.1. Procurement of Goods and Services Training Program

The procurement of goods and services training program is intended to improve the knowledge and skills of prospective Committing Officers, Procurement Services Unit, procurement officers, and other procurement managers. After attending this training, the participants are expected to be able to:

1. describes the general introduction of procurement of government goods/services;
2. carry out the stages of preparation of procurement of government goods/services;
3. carry out the stages of procurement of government goods/services through providers;
4. implement the stages of procurement of goods/services of government with self-management, utilization of domestic production, Foreign Grant Loans, and E-Procurement; and
5. Operate Electronic Procurement System.

Based on the curriculum, the difference between the training program before and after CU implementation is on the way the learning process is given. Before CU, the program was only done on the class learning which took 10 days of training. In the meantime, the training program after CU, applies blended learning which spent only 5 days of class learning (face to face learning) and 13 days (2 hours each day) for self-studying using e-learning. This new curriculum is aimed to highlight the use of technology in learning, effective and efficient learning process, and to create learning culture by using self-study.

5.2. The Analysis of Impact Evaluation of Procurement of Goods and Services Training Program

As mentioned in the methodology, I use double difference method to evaluate the impact of CU on employee's performance. The impact terminology in this research is defined as short-term or direct effect of a program or intervention. In conducting KPI data collection, I found a problem that there was low rate of response from participants. From 448 participants who I have emailed, there were only 37 participants who response but only 34 participants who send their KPI data. Seeing this result, I try to contact them via whatsapp messenger. From all process of getting the KPI data, I only got 40 participants who send their KPI's data. 15 participants were from 2016 batch and 25 participants from 2017 batch.

Nevertheless, from those collected KPI's data, there were only 6 participants who has in-line KPI with the training. This alignment between KPI and training is imperative to make sure that KPI is justified for measuring the effect of training. Based on the those KPI's data, I conduct double difference calculation with the result as follows:

Control Group				Intervened Group				Double Difference
Alumni 2016	KPI After (2016)	KPI before (2015)	difference	Alumni 2017	KPI After (2017)	KPI before (2016)	difference	
Alumni 1	92	92	0	Alumni 1	92	92	0	0
Alumni 2	92	92	0	Alumni 2	92	92	0	0
Alumni 3	92	92	0	Alumni 3	75.33	92	-16.67	-16.67

Table 32 DD calculation
own construction

Based on the table above, there is no increase in the control group, but in the intervened group there is one participant who experienced a decrease in KPI. As observed in the double difference column, the implementation of CU did not give positive impact compared to control group who applied the traditional concept. However, these findings have one major deficiency, i.e., the lack of KPI data collected.

However, based on the analysis, I found another finding. There is a mismatch between the objectives of the training and the participants. This phenomenon can be observed from the small number of KPI data that suit or in-line with the objective of the training. This finding shows that the implementation of CU is still not align with the skills needed by the organization. From the 246 participants who follow the training of Procurement of Goods and Services in 2017 only few who actually work in direct contact with the job related to the procurement of goods and services. Thus, the actual practice of the knowledge that they got in training will be very minimum. In the end, the training which adopts CU concept could not support the organizational performance.

Based on the observation, this condition occurred because old cultural habits are still used. There was a tendency to only meet the quota of training participants without considering their relation to organizational performance. As the results, the training is only used by participants as a means of

refreshing from office hectic. This condition is exacerbated by the habit of training organizer. They tend to train participants as many as possible since it is their organizational KPI. In addition, the knowledge that participants obtained in the training will quickly disappear if it is not practiced immediately. This is actually very detrimental to the organization considering the budget that they have spent to finance this training is huge.

Chapter 6

SWOT Analysis of Ministry of Finance Corporate University

In this chapter, I will explain the strengths, weaknesses, and challenges which FETA will face using SWOT analysis. The SWOT analysis mainly comes from the interviews, observation, and findings from mid-term evaluation. I have done interviews with taskforce team, human resource development division in every unit, planning and development division in every training center, and alumni. To keep the confidentiality, I will not mention the name of the interviewees.

The resume of SWOT analysis is depicted in this matrix:

Strengths
- FETA's top management support
- Availability of Knowledge Management System
- Availability of supportive training
- Adequate human resources
- Adequate facilities and infrastructure

Weaknesses
- Mindset changing
- Hard to measure the success rate
- Inadequate program socialization
- Convincing internal management

SWOT Analysis

Opportunities
- Support from other units
- Becoming first Corporate University in Public Sector in Indonesia
- Becoming trigger unit to improve human resource development in public sector

Threats
- Less action from other unit
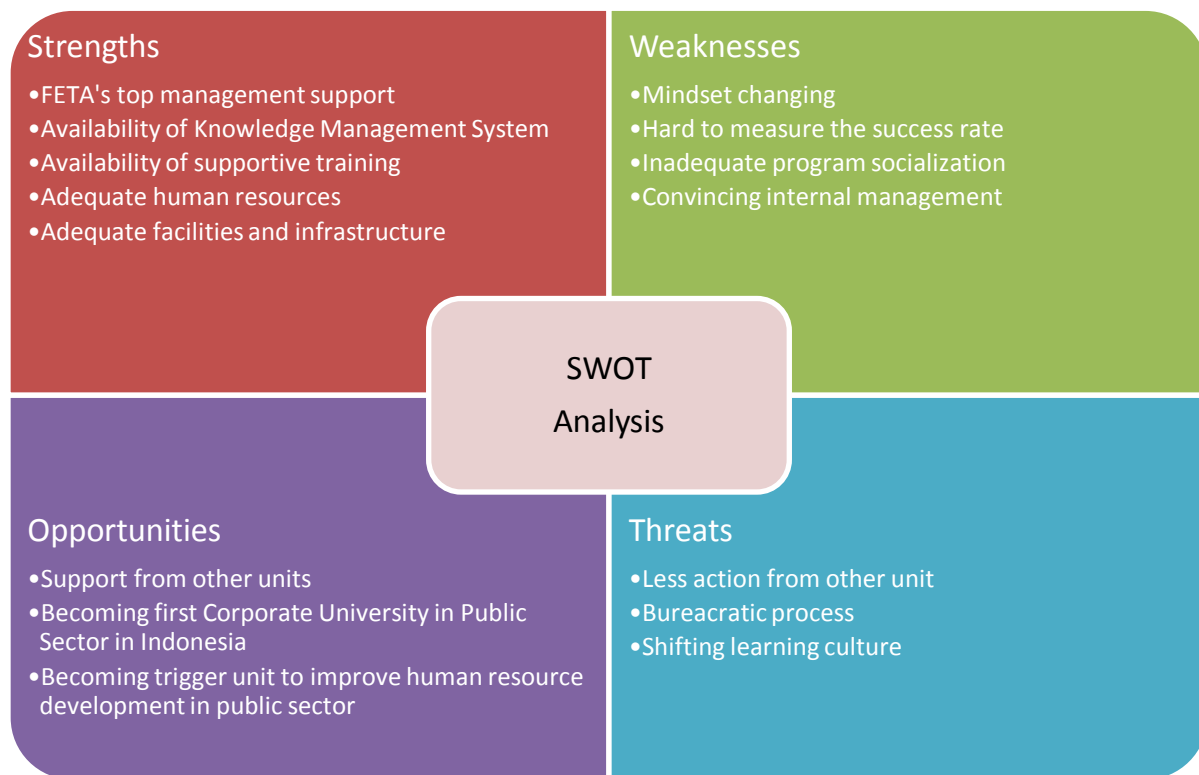- Bureacratic process
- Shifting learning culture

Figure 5 SWOT analysis

own construction

6.1. Strengths

Based on the fieldwork that I had done in Indonesia, I argue that there are strengths that can promote CU implementation in MoF. They are FETA's top management support, availability of knowledge management system, availability of supportive training, adequate infrastructures, and qualified human resources.

First is FETA's top management support. Head of FETA instructed all the training units under FETA's authority to execute CU implementation steps provided by the taskforce team. Meanwhile, Head of FETA also appeals all of others echelon 1 leaders to change their paradigm from classical training to CU training. Furthermore, CU is one of the strategic initiatives from MoF. MoF's strategic initiatives become the priority for the ministry, therefore it is definitely well-funded and well-supported.

Second is the availability of knowledge management system (KMS). Knowledge management system is already accessible for all unit in MoF. Moreover, all echelon 1 units enthusiasm toward KMS can be seen on the participation number from the MoF employees. Although KMS implementation still in early stage, all units already support with the material and expand the database in https: klc.kemenkeu.go.id

The third is the availability of supportive training. FETA already implemented sufficient training system. According to the interview, training program no longer top-down from FETA but already accommodate the user needs. The user units propose competencies requirements and custom-made class. The result is a more targeted and less time-consuming training programs.

Fourth is adequate infrastructure. In fact, FETA is empowered with 12 training centers in cities across Indonesia. All training centers are equipped with standard classroom facilities, information, communication and technology laboratory, and sufficient internet network. Furthermore, initial assessment for CU readiness, regarding infrastructure, FETA is more than ready.

Last is qualified human resources. FETA is empowered by qualified human resources. Not only come from general recruitment, FETA employees input also dominated by Polytechnic of State Finance alumni. From top management until staff are filled with adequate employees. Hence, implementing CU should be encountered fewer challenges regarding human resource quality.

6.2. Weaknesses

Based on Interview with some respondents, it can be implied that there are several weaknesses hindering the performance of FETA in executing its role. First, the reluctance of employees to change their mindset. The objective of CU is not only limited to change the written duties of the FETA employee but also the perception and the behavior of them. Beforehand, employees are forced to attend available training with the proportion of 10% training hour compared to the whole work hour. However, the outcome of the training and the contribution of the new knowledge and ability gained from training does not become a

serious concern. Therefore, CU offers the new perception that the reason for holding a training should be the competency growth. Moreover, training is not always the solution to fill the gap of competency since there are other means to it such as on the job training, coaching and mentoring.

In order to change the mindset of its employees, one of the human resource managers in one of MoF unit said, "So far, to implement a new change in government, it will become easier if the transformation is included in the Key Performance Indicator of the organization or employee". For instance, previously, all the top management in all directorate in MoF are obliged to give a lecture in training center. But, after Secretariat General disposed of the duty, the top leaders from some directorate generals are not giving any lecture anymore. However, because of the importance of value-added given by the top leaders in their teaching, it would be better if they still give lecture even though it's not mandatorily ordered by MoF.

From the interview results, it was found that another weakness of the CU program in the MoF is the difficulty to measure the success rate of program implementation. In the private sector, the measurement of the success of the CU program can be done relatively easier than in the public sector, i.e., by calculating Return on Investment (ROI). Meanwhile, in the public sector, the success of the CU program does not directly affect improved performance in the field. For example, in evaluating the effect of a training program for X-ray operator, we cannot directly use the number of catches of illegal goods by X-ray operators in Customs as a measurement unit since the number of catches is not merely due to the ability of the X-Ray operators, it may be supported by intelligence reports or other supports form different divisions. Furthermore, based on the interviews, the MoF is only able to design the measurement of the success of the CU program only up to level 4 of Kirkpatrick evaluation model. It means the measurement unit used by the MoF only can measure the improvement of knowledge, skills, behavior, and attitude of the human resources after following the training. Though in theory, the CU measurement unit has five levels of measurement that is 1) knowledge, 2) skill, 3) behavior, 4) attitude and 5) Return on Training Investment (ROTI).

Another weakness in the implementation of the CU also laid in inadequate program socialization. As explained, CU is not a program of FETA alone, but a program designed to support the achievement of the MoF's goals. Thus, support from other units within the MoF is fundamental. However, based on interview results, it was found that the CU program has not been widely disseminated to all stakeholders in the MoF. The socialization process that has been done still focuses on internal socialization in FETA, especially at the echelon 2 level. Meanwhile, socialization to units outside FETA has not been done intensively. The external socialization is still at the level of general introduction of CU program. This situation occurs because the FETA still wants to finalize the best suitable concept of CU for the MoF. This situation will threaten the full implementation of this program targeted in 2018 since the participation of other units, as human resource users, in the planning and implementation of the CU is imperative. Without the involvement of user units, the planning and implementation of CU program may not fulfill and fit with their needs of human resources.

Based on the interviews, it was found that the reluctance from FETA's internal management is becoming the weakness to implement the CU program. Many parties argue that with the implementation of CU will make FETA loses a lot of its jobs and functions. One example that is often used by them is the implementation of CU in the Astra company. After the implementation of CU, the training unit in the Astra company experienced a decrease in the amount of training while Astra is the largest automotive company in Indonesia with more than 200,000 employees. This condition occurs because the implementation of education and training in Astra has no longer conducted in its training unit but in its working units. This such example raises fear and reluctance among FETA's employees to implement the CU program. In fact, the CU program in MoF is not designed to decrease the role of FETA. It is hoped to enhance the role of FETA not only as a training facilities provider but also as an integrated human resources development center.

6.3. Opportunities

Opportunities are factors coming from outside FETA which can support the success of MoF CU implementation. One of the opportunities which FETA had is that the project is supported by other top management in other units. Firstly, this policy is supported by Minister of Finance by issuing Minister Decree which includes the implementation of CU in its strategic initiatives. By the release of this regulation, It is official that FETA as the training center of MoF become the owner and organization in charge of this strategic initiative. In fact, FETA has the strength and political support from the highest leaders.

Besides the support from Minister of Finance, based on interviews with human resource managers in other echelon units, all said that their units support the policy. They say, "our leaders are committed to succeeding this CU." Example of their support is in the analysis of learning activities and individual performance dialog. Technical units such as Budget and Treasury Unit and Tax Unit are welcoming FETA by giving their technical competencies in the Knowledge Management System.

Moreover, the implementation of CU concept in MoF is an opportunity for FETA to become a role model in the application of CU in public institutions. Although the CU concept has been widely accepted in private sector, this does not guarantee that CU can be easily implemented in the public sector. Furthermore, MoF, in this case, FETA, is the first public institution who try to apply the concept in Indonesia. So, this is a fight for FETA whether it can succeed in implementing this CU concept or not. One action that has been taken to support the program is by joining the Global Council of CU. Through this participation, FETA can learn from other institutions from all over the world in implementing CU. Once the program succeeds, FETA can be a role model in using CU concept to improve human resource development in the public sector in Indonesia.

6.4. Threats

The term 'threats' here means every negative factor which comes from outside of FETA. The first threat of FETA in succeeding this project is the less action of leaders in other units. Indeed, they said that they support the implementation of CU. However, they also revealed that they have not been able to push further the implementation of this CU because they think this is the realm of FETA as the owner of the strategic initiative of this MoF CU. In addition, one of the human resource managers said, "each echelon I unit has its own strategic initiatives that should be prioritized, we support FETA initiative, but we also have to succeed our initiatives." They support all FETA policies related to this CU and wait for instructions from FETA. On the other hand, the Head of Planning and Development Division in one of FETA training center argued that the reason why they do not react massively to this policy because they don't know how big benefit that they can get if they apply this CU concept.

Another threat which might hinder the implementation of CU is the bureaucratic process. No doubt that the process of bureaucracy in the government still takes a long time and procedure. To produce one rule, it does not take a short time. One example of a time-consuming process in the implementation of MoF CU is the establishment of rules relating to Performance-Based TNA (Training Need Analysis) and ISD (Instructional System Design). Up to now, there have been several mediations with other units, especially the secretariat general to finalize this new rule. It takes tiered bureaucracy from internal management of FETA to discussion with related units. This process takes a long time until it can be set in the rules. The separate structure of FETA with the business units is also the cause of the long bureaucratic process. As one of the Head of Planning and Development Division in FETA explained, "Structure also becomes a constraint, in CU there is no separation between development unit with business process owner, learning partner in one roof."

In the implementation of CU, shifting learning culture is the most difficult aspect. CU is not just about improving institutions of education and training providers in an organization, but rather about the learning culture in an organization. Unlike the conventional training system that does the training by a separate training unit, CU focuses more on self-learning activities in the implementing units. For example, basic skills training such as administration skill can be done through direction and assistance by senior or manager in the implementing units. Through this scheme, many training programs can be implemented quickly and without interrupting the work of the implementing unit. In some types of training, self-directed and on-the-job-learning are often more effective than conventional learning design. However, to be able to create a self-learning system, an organization requires the learning culture as its base. Furthermore, the cultivation of a learning culture in an organization takes a long time and strong commitment from all stakeholders. So that without the learning culture, it would be impossible to build a CU program that is entrenched and embedded within an organization.

Chapter 7

Conclusion

Based on the analyses above, we can conclude that the implementation of MoF CU is not running as its planned or in other words, it is not effectively implemented. From five aspects which become the focus of the implementation, only one aspect is achieved, and the rest cannot be implemented. There are three main reasons which cause these plans cannot be achieved: internal management problem, priority focus, and out of control. Although half of action plans have been accomplished, the rest action plan will become a burden in the next implementing year, and the completion target will retreat.

According to the aspects which been endorsed by taskforce team, there is one important aspect which not become a priority: learning culture. In best practices of CU implementation, this aspect is the DNA of CU (Kiely, 2007). If this aspect does not become one of the focus, the project will only waste money and time (ibid.). It is suggested that shifting learning culture should be planned since the beginning. Culture shifting indeed will take a long time, but it will be longer if the step-by-step plan has not been made.

Based on the impact evaluation which I have done in one of the piloting CU training, i.e., Procurement of Goods and Services, the implementation of CU did not give positive impact. However, this conclusion is derived from a relatively small sample. Nevertheless, there is another major finding based on this analysis. I found that the implementation of CU is still not align with the competencies or skills needed by the organization. It can be seen from the participants who joined the training were not the targeted participants in the training. As a result, the training which adopts CU concept could not support the strategy and business performance of an organization.

Lastly, the sustainability of this program is now being questioned. As seen in the SWOT analysis and the result of the mid-term evaluation, the weaknesses and threats clearly will hinder the project to be completely implemented. I argue that this project cannot be fully accomplished in 2018. The structure of CU might be formed, but the sustainable learning culture of MoF CU will take a longer time to be adopted.

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