TRANSFORMATION OF PUBLIC LEADERSHIP IN INDONESIAN INDUSTRIAL REGIONS IN THE LAST TWO DECADES

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Abstract

This article aims to explain the transformation of public leadership in the city of Batam. The research method used is semi-qualitative (quasy qualitative) and the results show that as an industrial society, charismatic leadership still takes place in the city of Batam. This type of leadership is mainly found in associations with the main basis of ethnic and tribal ties. Charismatic leadership is maintained through the preservation of the culture of origin in the city of Batam and events involving the heads of the ethnic origin areas. Transactional and transformational leadership does not work due to the dominance of the bureaucracy which is subject to the direction of the major. Even though each department has a work program and vision and mission, they are not a guide for leaders in moving the organization. The work program was defeated by the 'major's directive'. This happened because of the high dependence of service heads on the major. Bureaucratic domination supports the blunting of transformational leadership. The mayor who is directly elected by the people is a central figure in Batam so that the direction of change and resource mobilization can only come from the mayor. For this reason, continuous bureaucratic reform with transparent financial accountability is needed in order to restore transactional leadership. The mayor who is directly elected by the people is a central figure in Batam so that the direction of change and resource mobilization can only come from the mayor. For this reason, continuous bureaucratic reform with transparent financial accountability is needed in order to restore transactional leadership. The mayor who is directly elected by the people is a central figure in Batam so that the direction of change and resource mobilization can only come from the mayor. For this reason, continuous bureaucratic reform with transparent financial accountability is needed in order to restore transactional leadership.

Keywords: Transformation, Leadership, Charismatic, Transactional, Transformational, Batam
INTRODUCTION

Leadership is still being debated in the social science literature. Starting from the process, performance, results achieved to the identification of factors that make a difference (Bunce, 1980; Yukl, 1989; Bass, 1990; Ahnaf & Lussier, 2019; Puni et al., 2021). Changes in the source and style of leadership do not take place linearly as expected by modernization theories. Indigenous leadership which is predicted by modernization theories to disappear along with increasing rationalization, in the post-industrial era still survives (Sandefur & Deloria, 2018).

In pre-industrial societies emerged 'big man' leadership characterized by intelligence, self-confidence, integrity and emotional maturity (Yukl, 1989). Meanwhile, in the era of industrialization, leadership studies gave rise to situational or contextual theory, transactional and transformational theory. These concepts are still in the mainstream of contemporary debate (Backhaus & Vogel, 2022; Carranza et al., 2023). On the other hand, scholars also focus on the role of institutions such as the bureaucracy, the military, scholars and clerics in leading social change. Institutional leadership is considered more explanatory, especially in developing countries due to socio-economic conditions (Fritzsche et al., 2022; Boettcher, 2022).

The link between individual and institutional roles in leadership studies continues in the study of public and corporate organizations. The rapid development of global corporations and accompanying leadership studies, drowned attention to public sector leadership including society. This field is considered not to occupy an autonomous domain and only follows the flow of corporate leadership. Changes occurred in the early 2000s after Van Wart (2003) published the results of his research on the theory of public sector leadership. He concluded six stages of the development of leadership theory, namely the big man era, trait, contingency, transformational, servant and multifaceted. Through this research, van Wart also succeeded in revealing the characteristics of public sector organizations such as complex planning, organizational complexity and special leadership values (Orazi et al., 2013) shows that public leadership has a different domain from corporate leadership. The optimal leadership style is an integrated style adapted to the actual challenges faced.

Although leadership in the public sector (government) is different from community leadership, there is a cut and continuity from the track record of community leadership to government leadership. Sources of leaders such as social movements, political parties, scholars, entrepreneurs and intellectuals emerge from the community. The leadership of the public sector, especially in the legislature, is occupied by people who have won the support of the people through general elections. The public leadership structure represents the structure of society. When the structure of society is fragmented by ethnic ties, the tribal chief becomes the center of power (Sandefur & Deloria, 2018). After the social transformation took place, through social movements that opposed authoritarian power both against the monarchy and against colonialism, charismatic leadership emerged. In this view the leaders of the movement are considered to have divinely given talents and strengths (Turner, 2015). Another view states that charismatic leadership is related to extraordinary personality, "supernatural, superhuman, or at least specifically exceptional powers or qualities" (Weber, 1978:241). The failure of leaders to meet the expectations of the people or to carry out routines quickly reduces the prestige and charisma. Even so, family members can use the charisma of the movement leader as political capital for their political career. Leaders such as Soekarno, Mahadma Gandhi, Ali Butho, Aung San, Lee Kuan Yew, became political capital for their children and grandchildren.

Modernization, which has become the concern of post-colonial leaders, has created a new economic class and highly educated class. Economic and political elites in developing countries are decomposing. The impact is that the sources of leadership are increasingly varied and spread both at the central and regional levels. The position of the military as an elite also becomes a source of public leadership, moreover advances in weapons technology place the military as a modernist group. The post-colonial leadership transformation gave the military...
and civilian bureaucracy a broad role in leading the government. In Indonesia at the beginning of Suharto's leadership, there was a triangle that supports each other, a formula put forward by (Feith, 1964), the military maintains political stability through a security approach, economists and technologists carry out development planning and the bureaucracy implements it.

The wave of democracy that has taken place in developing countries since the late 1970s was driven, among other things, by economic developments and political leadership (Huntington, 1991). The transformation to a democratic political system gave birth to political leadership. Competition between political parties in the fight for leadership requires capital, so that the owners of capital compete directly either by establishing political parties or funding politicians. A more personal direct election, money really determines someone's election. For every additional 100 million rupiah, the probability of being selected will increase by up to 5 percentage points (Virananda et al., 2021). In the era of democracy, public leadership, both executive and legislative, come from various backgrounds, such as scientists, politicians, businessmen, social movement leaders, clerics, military and bureaucrats.

LITERATURE REVIEW
Socio-Economic Transformation in Batam

Batam City is an island in the northwest of Indonesia and is the gateway to Indonesia's exit and entry. Its area of 715 km2 is almost the same as that of Singapore. Until 1960, the island of Batam was still an arid land and minimal infrastructure. The population at that time was around 30 thousand people, most of whom were ethnic Malays. Their main occupation is fishing and living on the beach. Education and health facilities do not yet exist. If someone is sick, they are taken to a bomoh (traditional healer), a person who is believed to be able to cure illnesses by using plants. Most of the population mobility uses small boats to reach other islands around Batam. The connecting land road between villages is still dirt and muddy if it rains.

Its strategic location encourages the government to make Batam a business center for Southeast Asia which is expected to receive an abundance of goods and services that are not managed by Singapore. Based on an analysis of regional economic growth, Singapore is predicted to need surrounding areas to support its economy (Hutchison & Chong, 2016). Indonesia (Riau archipelago) which is over-labored will be used as a region for low-value, labor-intensive manufacturing (Hutchinson & van Grunsven, 2018). Singapore's idea was warmly welcomed by the Indonesian government and together with Malaysia, an economic growth triangle was formed by taking advantage of comparative advantage. The idea of forming Sijori (Singapore-Johor-Riau) received strong support from Indonesian technocrats after failing to make Batam a base for oil refining and distribution. As oil production decreased and Indonesia was no longer an oil exporting country, Batam was transformed into an export-oriented industrial zone (Hutchinson & van Grunsven, 2018). The campaign to attract foreign investors was carried out on a large scale with various inducements such as cheap labor wages, a promising market for industrial goods, abundant raw materials and tax holidays.

In a short time there was a rapid socio-economic transformation in Batam. The population in 1980 was only 47 thousand people, in 1990 it was 136 thousand and twenty years later it had multiplied seven times (Batam, 2010). As an industrial area, Batam is a magnet that attracts workers from outside. Natural population growth is 1.4 percent per year, while in-migration averages 2 percent per year. In 2022, the population density has reached 1,674/km2 (Darmanto, 2022). Meanwhile the number of investors continues to increase from year to year. If in 2010 there were only 1324 companies, 40 percent of them were foreign investment (Batam, 2010), in 2022 there will be 8,308 companies and 46 percent of them are FDI. This increase was followed by an increase in the number of workers, in 2010 the number was 260,350 and in 2022 it will increase 3 times to 720 thousand (Darmanto, 2022). As an industrial area, the city
of Batam is one of the destinations for finding work. Labor wages in Batam are the highest in Indonesia. This is due to its location which borders with Malaysia and Singapore. Manufacturing industry workers are the largest workforce. This industry contributes 59.3 percent of Gross Domestic Regional Product. Labor wages have an impact on people's welfare. In 2010 per capita regional income was 23.8 million IDR (2,542 USD) and in 2022 it increased rapidly to 144.7 million IDR (9,646 USD) (Yudhistira & Firdaus, 2022).

Economic transformation has an impact on education and health transformation. 99.2 percent of elementary school age children (7-12 years) are taking basic education. This figure is for junior high school and senior high school education respectively 89.5 percent and 72.6 percent (Darmanto, 2022), above the national average. Educational progress has been followed by increased health services where the ratio of doctors to population is 1:1281, close to the ideal number according to the World Health Organization (WHO) standards. However, inter-ethnic conflict over underground economic resources continues. In Batam there are 22 ethnic groups, including ethnic Malays who are natives. The conflict between the Batak and Flores ethnic groups since 2009 has been over control of parking areas, guarding land owned by businessmen, guarding shops and other business premises. Ethnicity is a unifying tool in this industrial area and is led by charismatic figures who were brought up by their experiences dealing with social problems in Batam. Tribal solidarity is fostered through informal meetings and assistance when members face crises such as illness and death. There is a feeling of indebtedness among the members towards the association's board and it makes it easier to mobilize for the benefit of other members, for example supporting a particular candidate in the mayoral election or a candidate for a member of the legislature.

As an area inhabited by various ethnicities, the division of labor in Batam is uneven among the existing ethnicities. The economy is controlled by ethnic Chinese, they control trade, and other goods distribution sectors. Most of the hotels and restaurants are also occupied by ethnic Chinese even though they only make up about 7 percent of the population. Batak and Minang ethnic groups work in the transportation sector, both land and sea. Meanwhile, ethnic Malays, who make up the majority (26 percent of the population), are engaged in the traditional economy, such as agriculture, fishing and animal husbandry. Those with secondary or higher education fill various positions in the bureaucracy. Javanese ethnicity is the second majority with a composition of 18 percent, mostly working in the construction and industrial labor sectors. Many Javanese work in hotels, restaurants and shops. Ethnic Flores or East Nusa Tenggara and Ambon, which account for only about 1 percent, mostly fill positions as company security guards (Satpam), as well as housing security. Professional groups such as teachers, lecturers, doctors and lawyers are occupied by migrants. The division of labor based on ethnicity occurs because of the pattern of recruitment where immigrant pioneers will tend to recruit workers from the area of origin. Those who were recruited, temporarily housed and employed, felt indebted and reciprocated with loyalty. The division of labor based on ethnicity occurs because of the pattern of recruitment where immigrant pioneers will tend to recruit workers from the area of origin. Those who were recruited, temporarily housed and employed, felt indebted and reciprocated with loyalty. The division of labor based on ethnicity occurs because of the pattern of recruitment where immigrant pioneers will tend to recruit workers

1Interview with Damanhuri, Official of the Batam City National Unity and Political Agency on January 25, 2023

2Interview with Nuryanto, chairman of the Central Java association in Batam and chairman of the Batam City DPRD on January 25, 2023.
from the area of origin. Those who were recruited, temporarily housed and employed, felt indebted and reciprocated with loyalty.3

Charismatic Leadership

According to Weber (1978), charisma undergoes a transformation from an extraordinary personal relationship to an established authority. In the process of depersonalization, charisma develops into hereditary charisma or "fam" whose locus is in the royal family for example, or institutional charisma attached to positions such as religious leaders. However, depersonalization that is not maintained by morality and social norms can quickly reduce the authority of the leader including his family (Tucker, 1968). An important force that is rapidly degrading traditional values is modernization. Is there charismatic leadership in industrial society? If you can survive, in what way is it done? To answer this question, data is presented about the role of formal leaders in both the executive and legislative branches in the association.

According to Damanhuri, Secretary of the Batam City Politics and National Unity Service, there are 32 associations in Batam. This paguyuban is an ethnic or regional community formed by figures with the aim of strengthening ties and helping migrants to Batam.4

Almost all informants are active in the association. They also sit as leaders in the association. It is clear that both regional and ethnic ties remain strong in industrial areas. This fact refutes the premise of modernization theory, that industrialization will be followed by a decrease in ethnic or regional ties (Bernstein, 1971). This theory follows the Durkheimian division of labor regarding mechanical and organic solidarity. Industrial society is predicted to give up mechanical solidarity. The data above also shows that charismatic leadership is strong among migrants. It is evident that leaders are often asked for advice (100%) and provide economic assistance to members (100%). According to Nuryanto, Linawati and Lubis, community leaders in Batam, the community has an important role. First, as a medium of communication between community members. At least once every 3 months they hold a

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3Interview with Nuryanto, chairman of the Central Java association in Batam and chairman of the Batam city DPRD on January 25 2023, also with Dr. Liniayati lecturer at the University of Riau Islands and Management of the Lombok Association in Batam on January 26 2023.

4Interview with Damanhuri, Official of the Batam City National Unity and Political Agency on January 25, 2023
meeting with an arisan event or just share information from their area of origin. This kind of meeting takes place intensively if there are important events that require the mobilization of members, for example ahead of regional head and legislative elections. Second, raise funds to help the area of origin.

The Paguyuban often invites regents from their regions to meet migrants in Batam. During the event, the bupati raised issues requiring financial assistance from migrants. Third, helping people from the area to find a place to live and work. Immigrants in Batam who do not have a place to live and work, are trying to be found by the association. Fourth, helping members when facing social and economic problems. Immigrants in Batam who do not have a place to live and work, are trying to be found by the association. Fourth, helping members when facing social and economic problems.

These facts are different from indigenous leadership as stated by Sandefur & Deloria (2018) where the leader has a tribal obligation to maintain the culture of the tribes. In indigenous leadership, leaders are culturally bound, and full of practices of nepotism, factionalism, corruption and are clearly ineffective. Therefore, the failure of the leadership of the tribes stems from their passivity in administrative matters and the delay in mobilizing resources to be truly effective. However, community leadership practices the actions Jackson discovered (Horikoshi, 1975) when researching Darul Islam in West Java, namely the traditional authority relationship. That between leaders and followers long enough social relations are built, the leader's role is to give advice and economic assistance, while the followers respond with obedience.

**Transactional and Transformational Leadership**

In summary, transactional leadership is leadership based on transactions between managers and employees (Bass, 1990; Jensen et al., 2019). Even though in transactions both parties are active, the leader determines the requirements and rewards employees who meet the requirements. Transactional leadership turns into transformational leadership when the leader establishes a vision and mission and moves the group to achieve it. The leader builds awareness of the vision and mission of group members. Furthermore, group members contribute to achieving the vision and mission that has been set (Bass, 1990). According to research, Puni et al. (2021) in Developing Countries, transactional and transformational leadership can interact and contribute positively to the performance of subordinates. Until now, the two leadership concepts are still referred to by social scientists and management in improving organizational performance (Avolio et al., 1999; Orazi et al., 2013).
Figure 2 shows that the leader does not always ask for the opinion of his subordinates in making decisions. Asking subordinates' opinion 'sometimes' reached 75% and 'never' reached 20%. This undermines the hallmarks of transactional leadership. Staff participation in the decision-making process is an important principle in implementing transactional leadership. Asking for the opinion of subordinates besides strengthening the weight of decisions can also increase the responsibility of all members of the organization in carrying out decisions. Even in transactions, the leader's position is stronger and uses power to achieve results.

Leaders focus on goals and mobilize all organizational resources to achieve goals. Subordinates are personal who have various backgrounds and work motivations. The role of the leader is to unite these various backgrounds and motivations in achieving goals. For this reason, the leader gives rewards to staff who excel otherwise gives punishment to those who deviate. 70 percent of leaders admit that they 'sometimes' give rewards. This means that reward is not an important instrument to move subordinates in achieving goals. This data is congruent with the attitude of the leadership in prioritizing programs.

There are 81 percent of regional leaders who do not prioritize programs. Taking into account figures 1 and 2 above, it can be concluded that the public leadership in the city of Batam does not follow the transactional concept. 70 percent of leaders admit that they 'sometimes' give rewards. This means that reward is not an important instrument to move subordinates in achieving goals. This data is congruent with the attitude of the leadership in prioritizing programs. There are 81 percent of regional leaders who do not prioritize programs. Taking into account figures 1 and 2 above, it can be concluded that the public leadership in the city of Batam does not follow the transactional concept. 70 percent of leaders admit that they 'sometimes' give rewards. This means that reward is not an important instrument to move subordinates in achieving goals. This data is congruent with the attitude of the leadership in prioritizing programs. There are 81 percent of regional leaders who do not prioritize programs. Taking into account figures 1 and 2 above, it can be concluded that the public leadership in the city of Batam does not follow the transactional concept.

What about transformational leadership? Paying attention to figure 2, there are two dimensions that can show the implementation of transformational leadership, namely problem identification and leadership adherence to the vision and mission. It turned out that only 14 percent of Batam city officials identified the problem before making a decision. Problem mapping is an important element in transformational leadership. Leaders solve problems based on identifying and prioritizing urgent and important things for society.

However, there are 66 percent of leaders who set a vision and mission and use it to change the organization. Even so, the use of vision and mission alone is not enough because it is only a formality requirement. Vision-mission requires operationalization by compiling work programs to make it happen. Meanwhile, adherence to the program is only 15 percent. This means that the vision and mission do not become a guide for carrying out organizational transformation. Transformational leaders are personal who aim to make positive changes in achieving organizational goals. Visions and missions become dreams for leaders to achieve. Therefore the change should be large-scale.

The changes made are often very basic and dramatic with the aim of changing the organizational culture. Leaders make their subordinates aware of the importance of their contribution in achieving goals. Each personnel contribution is calculated and promotion or demotion is carried out based on this contribution. Transformational leaders are personal who aim to make positive changes in achieving organizational goals. Visions and missions become dreams for leaders to achieve. Therefore the change should be large-scale. The changes made are often very basic and dramatic with the aim of changing the organizational culture. Leaders make their subordinates aware of the importance of their contribution in achieving goals. Each
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RESEARCH METHODS
The city of Batam-Indonesia was chosen as the study location for several reasons. First, in this city there is a rapid socio-economic and political transformation. From a 'no man's land' in 1970 to the largest industrial area with the highest labor wages in Indonesia. Second, the city of Batam is located on the borders of Indonesia-Malaysia and Indonesia-Singapore. This position allows for very high mobility of people and goods, thus demanding competent government management. Primary and secondary data are used together. Primary data was obtained through a questionnaire survey of members of the regional people's representative council, heads of agencies and heads of services, totaling 79. They are decision makers or current holders of public leadership. Surveys do not measure variables and do not look for relationships between variables. but collects information on the career paths of regional leaders, such as educational background, occupation, membership of political parties, and ties to their region of origin. In addition, interviews were conducted with executive officials and members of the legislature. Informants were selected purposively. Data analysis was carried out illustratively where the data was described, compared with the theories and concepts that had been developed by other researchers, then the researchers drew conclusions based on the data (Neumann, 2011).

RESULT AND DISCUSSION
If transformational leadership which is an important characteristic of current leadership is not implemented by the leaders in the city of Batam, what model of leadership is it implementing? To answer this question, the researcher refers to a common phenomenon that occurs in Indonesia, namely bureaucratic politics. This concept was first put forward by Karl D. Jackson (1978) to explain the important role of the bureaucracy in program planning, implementation and evaluation. So unlike in Max Weber's theory which explains the ideal type of bureaucracy where bureaucracy is separate from politics. Bureaucratic politics occurs because of a historical process in which the bureaucracy since it was formed has been involved with state affairs.(Huque & Ferdous, 2019), the Indonesian bureaucracy including at the local level plays a big role because of the historical legacy laid down by Suharto's leadership(Crouch, 1979);(Liddle, 1973).

The domination of the bureaucracy and its obedience to the mayor defeats the vision and mission and does not prioritize programs. In other words, the consideration of power is greater than others. Because officials are the mayor's people, they show great obedience to the mayor. Identification of problems, work programs and their vision and mission, but only the formal requirements of an organization. The bureaucracy is implementing policies that are
decided by the political executive. In many Developing Countries, the bureaucracy assumes a dominant role in shaping policy and governance.

What is stated above illustrates the leadership in the city of Batam well in the last two decades. Since its establishment in 1983, the position of mayor has been held by bureaucrats or former bureaucrats. Raja Usman Draman, the first mayor was appointed by the president at the suggestion of the governor of Riau. The second mayor, Raja Abdul Aziz was elected by the regional parliament. So did the third mayor, Nyat Kadir (2001-2005) and the fourth mayor, Ahmad Dahlan (2006-2011). From 2011 to 2016, Ahmad Dahlan returned to serve as mayor after winning direct elections. These mayors pursued their careers as civil servants in the city of Batam, and previously held echelon one positions such as head of agency, head of service or regional secretary. They come from ethnic Malays even though they are not originally from Batam. Although the process varies, the choice is on bureaucrats/former bureaucrats who have material capabilities, Malay ethnicity, and no less important factors are the support of the Batam Business Entity Agency (BP Batam). The bureaucracy is the source of leadership and has a broad role in shaping policies and decisions by influencing politically institutionalized authority. Follow the concept Huque & Ferdous (2019) Such a role constitutes bureaucratic leadership.

Aspects of leadership may be attached to the personality of a leader. Although the principles of leadership can be found in patterns, the specific and practical challenges of leadership evolve and change significantly over time. For example, currently regional leaders face various forms of abuse of power such as corruption and nepotism. Besides that, the decline in resources due to the Covid-19 pandemic. Various literatures show leaders focus on results, followers, change and leadership systems (Van Wart, 2013). Challenges that are no less important besides external factors are divisions within groups, emergence of factions, ingroup-outgroup contradictions, and the strengthening of identity politics. In situations like this, leaders who have the expertise to transform organizations and society are needed. Transformational leaders do not rely on charisma, but on expertise and innovation (Backhaus & Vogel, 2022). To be carried out in the city of Batam may face big challenges from associations that are dominated by ethnic ties.

CONCLUSION

Leadership transformation in the city of Batam, which is an industrial area, does not follow the usual pattern as desired by modernization theories. In modernization theory, changes take place linearly starting with the fading of traditional society and the birth of industrial society. In this last society, the mass media, education and population mobility take place intensively so that humans are not tied to their place of birth. Modernization and then globalization gave birth to global people who do mobility between regions (countries) and the right leadership is transformational leadership. As leaders of industrial society, Batam city leaders do not practice transformational leadership. This happened because of the excess power of the mayor, supported by a strong bureaucracy. The mayor controls the heads of departments and departments control local financing sources. The dependence of regional executives on mayors is very high which causes easy changes in work programs and lack of adherence to vision and mission. To make changes more constructive, it is necessary to restore transformational leadership which is still believed to be the best type of leadership.

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