STUDY OF THE ROLE OF

INDONESIAN GOVERNMENT RESEARCH UNITS ('BALITBANG')

IN BRIDGING RESEARCH AND DEVELOPMENT POLICY

Final Report 18 June 2011[1]

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Executive Summary

This study was undertaken to develop an understanding the Policy Research Centres in Balitbang and related think-tank processes in Government by which the Ministries undertake policy research and analysis with a view to influencing policy-making. The researchers consulted individual senior officials in the Health and Education Balitbang, the National Planning Agency (Bappenas), the Ministry of Women's Empowerment and Child Protection, the Ministry of Research and Technology and a limited range of stakeholders drawn from development partners, the higher education sector and research organisations.

The findings on the strengths and weaknesses of the Balitbang, the common challenges they face and their preferred futures have been used to generate proposals for AusAID consideration in support of the knowledge sector in Government.

A key finding is that there are both **similarities and differences** between the two major Balitbang. They both face significant challenges as a result of the low qualifications, low skill levels and low remuneration of researchers; and challenges to responsiveness and flexibility arising from rigid budget and procurement procedures and the influence of allowances on work plans and practices. However the context within the Ministries and level and type of activities undertaken vary hugely. An implication of this is that strengthening Balitbang to bridge policy and research will require a number of Ministry-specific development processes as well as broader knowledge sector strengthening, particularly in the higher education sector.

The **Education Balitbang** is supported by the Minister but its role within the Ministry has been compromised by the extent to which it is bypassed by DGs in the policy research and analysis process. The extent to which it is bypassed results from many factors including structural arrangements within the Ministry, perceptions about the relevance, quality and timeliness of the Centre's outputs and the tendency of development partners to work directly with DGs and the Minister's Office. This situation is not regarded as insurmountable and there are indications under new leadership that the Centre will be able to take a more proactive role.

The **Health Balitbang** has some significant operating advantages over the Education Balitbang - it has a relatively higher (and rapidly increasing) share of the Ministry budget, a clear work plan of periodic surveys and "breakthrough" research, a program of continuous in-house training at five levels from beginner to advanced, eleven decentralised units and an effective communications plan.

The **Ministry of Women's Empowerment and Child Protection** is a small Ministry and has no Balitbang. As its objectives are implemented by other Ministries it has an important role to advocate, lead, support and monitor the efforts of Ministries to achieve the Government's objectives in gender and child protection issues. It is extremely challenged in this role as it has little in-house research expertise in conducting or commissioning research and undertaking analyses of secondary data. Formerly it was able to rely on a stream of

research from the 120 Womens' Studies Centres and Gender Research Centres established in universities but very few of these are operational now that the seeding grants have been terminated.

The **Think Tank model** operating in Bappenas demonstrates effective development of a methodology for rapid analysis and provision of policy options to the Minister while at the same time identifying a lack of standard operating procedures and manuals for teams throughout the Agency. The idea of having, or being, a think-tank appears to be gaining popular appeal in Government however, the requirements of a think tank are not well understood and there appear to be few staff in the Balitbang we studied with the capability to operate in new ways.

A **key problem** for each of the above units, is the low quality of researchers – both in terms of academic training and professional attitudes. This can only be addressed effectively through a multi-pronged approach including: review of the roles, classifications, remuneration and promotion frameworks to improve the status, knowledge and skills of researchers, review of appointment and procurement processes and revitalisation of universities to teach and conduct high quality research.

Possibly because of the variable quality of research outputs, **communication and coordination of research is poor.** There are few high quality publications and very few publications in international journals. Ministry staff and stakeholders identified a need for greater coordination and sharing of research, perhaps through a clearing-house mechanism.

Universities and private research organisations appear to have played a more important role in policy research in the past than they do at present. This may be in response to both the cessation of research seeding grants and the overall lack of good teaching in universities of research skills and policy analysis. Few universities have Public Policy Departments.

It is important to recognise that some **policy research functions need to be replicated in local government.** For Health, the regular national surveys, data analysis and publications undertaken by the Balitbang have provided a good platform for policy dialogue at provincial and district level and have been a means of developing skills at regional level through partnership with local government and local universities. Training modules are being shared and the joint analysis and verification of findings creates a good partnership. The partnership also strengthens the understanding of context and policy implementation issues by central Balitbang researchers, thereby enriching their analyses and interpretations. The Education Balitbang has established a network in over 200 districts but as yet only a few of these are operating effectively and significant funding and capacity development will be needed to improve the situation.

Development Partners have contributed high levels of expertise and technical assistance to the knowledge sector, especially in Ministries over a long period. In many cases the research has been collaborative but there is an emerging risk that substitution for the work of Balitbang, especially in Education, will weaken the Balitbang and impact negatively on the long term goal to strengthen the knowledge sector in Indonesia.

It was recognised by the Balitbang and others that even with enhanced skills and capacity **the Balitbang cannot do everything** and there will always be a need for various models and approaches, and various players, to be involved. The Balitbang however see a strong role for themselves as coordinators of research and the body most responsible for developing policy implications from research that may have been conducted by others.

The **preferred future** expressed by all informants was for a government-wide culture of critical enquiry, and provision of high quality and timely research by experts in policy analysis and the formulation of options based on evidence. This was seen to require significant reform in the status, conditions and remuneration of researchers, removal of structural and organisational barriers and significant strengthening of the government's key partners in knowledge creation – universities, research institutes and private organisations.

Options for AusAID consideration have been developed which target the Balitbang, the Ministries in which they are situated, the mechanisms of Government responsible for removing current barriers and creating the conditions for more effective performance of research and policy functions and equally critical, the higher education sector. These options can be viewed as activities which can be achieved in the short term, medium term and long term.

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Acknowledgements

1. Introduction

The study forms one piece in a comprehensive program of diagnostic research that has been commissioned by the AusAID initiative for "Revitalising Indonesia's Knowledge Sector for Development Policy". The diagnostics include (i) analyses of Indonesia's historical and contemporary knowledge sector environment and comparative international models; (ii) consultations with key stakeholders; (iii) piloting long term capacity development of select institutions.

The Balitbang (Research and Development Units) in larger Ministries of the Indonesian Government are responsible for Policy Research. They are therefore key players in the production of policy research and advice for government. This study aims to provide an understanding of the contribution of the Balitbang to the knowledge sector and their relative place in the knowledge sector environment, their successes, failures, the constraints they face and recommendations for whether they could be improved.

The TOR for the study include to:

(A) Undertake an analytical review of the Balitbang role in bridging research to development policy in Indonesia. In particular:

   (i)   Detail the strengths and weaknesses of select Balitbang activities (Balitbang DEPDIKNAS, Bappenas Public Policy Analysis Unit, Balitbang in Ministry of Health) to date in cultivating high-quality research for development policy (ie. not technology or hard sciences);

   (ii)   Provide a breakdown of the cost structures that the Balitbang operate under; and

   (iii)   Determine whether AusAID's program in this area should include support to the Balitbang and implementing any required institutional reforms, and any potential risks associated with this; and

   (iv)   Detail the reforms / activities this would entail.

(B) Produce a detailed analytical report for the Government of Indonesia and AusAID, and present a synopsis to the Knowledge Sector Management Committee outlining the issues above, and provide recommendations for how this initiative could best proceed in their efforts to revitalise the sector.

Two researchers were commissioned through the Education Resource Facility in Canberra – one international education and management expert and one national education researcher/higher education lecturer. They conducted the interviews and analysed relevant documents to provide an overall assessment of the Balitbang selected for the study as well as some contextual information about alternative sources of policy research and analysis used by Government.

2. Key Themes in the "diagnostics" relevant to the Balitbang study

Current context

The Government of Indonesia recognises the imperative of a vibrant, highly adept and scientifically based policy research and advisory capability to underpin policy making. However, the present level of engagement of development partners in significant research and policy advisory activities and the focus on Think Tanks are signs that the Government is not entirely satisfied with the current capacity of its Balitbang. The diagnostics commissioned by AusAID shed light on current issues and practices and suggest actions that can be taken to strengthen the Balitbang and other key institutions in the knowledge sector. The following section summarises some of the key findings of the diagnostic studies which are relevant to the Balitbang.

Funding of the knowledge sector

Indonesia's spend on research and development is very low (0.05% of GDP) by comparison with selected other countries where the average is reported to be 2%. The paper by Nielsen[2] (2010) suggests that the low level of expenditure is a significant causal factor in government dissatisfaction with the volume, quality and utility of research, the high reliance on foreign technical advice, the lack of coherent research programs and a predominance of short-term commissioned studies, a proliferation of small think tanks that struggle to remain viable, limited opportunities for developing researcher capacity and limited Indonesian publications.

Nielsen's paper proposes that the knowledge sector is a type of ecosystem with many interacting and co-dependent elements. For example, the author shows that in other countries which have invested in research and development, the government is not the only source of demand, nor is it the only source of supply. Demand stimulates domestic capacity, both government and private sector, to provide a dynamic, highly expert research capability. The ecosystem metaphor is useful in understanding the context for the Balitbang as one element of the ecosystem.

Universities as producers of research and researchers

A critical element in the knowledge sector ecosystem is the higher education sector. Universities in Indonesia studied by Karet Ji[3], despite having strong combinations of foreign and domestic graduates, were found to lack sufficient human, organisational and process capital to meet the demand for high quality research capability.

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[2] Greta Nielsen: *Synthesis of Comparative Experiences of Five Middle Income Countries.* Report for *Revitalising Indonesia's Knowledge Sector for Development Policy,* AusAID, April 2010.

[3] Petrarca Chawaro Karet Ji: Indonesian Knowledge Sector. Report for *Revitalising Indonesia's Knowledge Sector for Development Policy,* AusAID, September 2010.

In respect of human capital, problems and issues included lack of career paths for researchers, limited incentives for lecturers to continue research, fragmentation rather than consolidation of expertise, recruitment processes being mainly internal nomination, imbalance of human capital across all the functions that support research and lack of a culture of academic criticism as a part of continuous learning.

On the organisational side, the paper cites Hal Hill of the Australian National University, who asserts that only a few Indonesian universities would meet international criteria such as having a clear mandate, having the right mix of people, having core funding which is not vulnerable to changing donor priorities and having a strong commitment to quality and integrity. This view is consistent with the small number of Indonesian universities that have been ranked in the top 100 in Asia[4] or the top 1000 in World rankings[5].

On the process side, Karet Ji observed that many researchers appear to lack technical skills in research and that research data bases, local conceptual frameworks and opportunities for maintenance of expertise are under-developed. This impacts on the teaching of research skills and the quality of graduates to work in the field of policy research.

The knowledge sector outside of higher education, also suffers from the impacts of low human, organisational and process capital. Sherlock's paper[6] identifies key demand-side and supply-side barriers which impact on the human, organisational and process capital of knowledge workers in government.

Barriers on both the demand-side and the supply-side

Within Government, there are some key issues in the regulatory environment which hinder the capacity of government to formulate its knowledge need and to develop evidence-based policy. These issues, which are clearly evident in the Balitbang studied, include: the vested interests of various agencies and individuals (eg DGs commissioning their own research) ; divisions between the different categories of staff (*researcher* and *social engineer*) which create barriers between policy expertise and policy decision-making processes; and regulations which impose arbitrary divisions between *functional* (specialist) and *structural* (administrative) staff.

On the supply-side Sherlock cites a range of problems created by procurement processes. These are mainly associated with the complexity and ambiguity of the Decree on procurement and the range of interpretations rather than the actual intent of the Decree. These processes make it difficult for Balitbang to respond quickly and flexibly and tend to entrench inefficient work practices.

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[4] World University Ranking of Top 100 Universities and Colleges in Asia, 2011.
[5] University Ranking by Academic Performance (URAP), 2010.
[6] Stephen Sherlock: *Knowledge for Policy: Regulatory obstacles to the growth of a knowledge market in Indonesia.* Report for *Revitalising Indonesia's Knowledge Sector for Development Policy,* AusAID, June 2010.

The above factors, together with long standing work practices about the use of allowances in a context where salaries are low create powerful disincentives for change. Sherlock proposes that a successful reform of the knowledge sector for policy making will require: allocation of funds, human and intellectual resources by the Indonesian government; a substantial commitment of donor funding and the coordinated involvement of the major bilateral and multilateral donors; a partnership between the government, donors and the research community; continuing analytical work by all three parties to the partnership; discussion, negotiation and planning that includes all relevant stakeholders in government, the private sector and the non-government sector; and a phased and flexible strategy for implementation.

Sherlock proposes that "one of the first initiatives should be to engage with international donor agencies to rethink donor strategies in the knowledge sector. This is because donors have taken on a long-term functional role in the provision of knowledge to the policy process, thus eliminating a major incentive for reform".

Re-shaping the role of development partners in the reform process is critical.

The contribution of development partners is not sustainable in its current form

To date development partners have largely substituted for effective in-house policy research and analysis. This is partly because capacity within government is low, for the many reasons outlined above, and also because expert policy advice in rapidly expanding service provision (such as education) is so urgent. It is also because capacity development is a long term commitment (beyond the timescale of most projects) and is difficult under current conditions of incomplete or inadequate reform efforts.

The study of the Balitbang reported in this diagnostic paper indicates that there are many strengths to build on. In both the Health and Education Balitbang there is a clear roadmap for capacity development. Subject to political will, strong leadership and significant reform in the civil sector and in the remuneration of researchers, development partners should expect to achieve substantial success from focussing their efforts on capacity development. Within a decade, it is not unreasonable to envision that the current pre-eminent role of development partners in direct policy research will be largely replaced by a strong and well-supported local knowledge development sector taking the lead in partnership with its international colleagues.

3. Methodology

The methodology required the consultant team to

a. conduct a brief literature review summarising what is known from published materials and publicly available GOI and donor reviews of the Balitbang, and prepare an inception report outlining proposing a research methodology for data collection and interviews.

b. determine Balitbang performance in the sector, the consultant is required to consult a cross-section of GOI Policy Makers (Bappenas, MENRISTEK and MONE), donor groupings, including at least three major bilateral donors and three multilaterals/NGOs institutions.

In practice, a comprehensive review had already been undertaken by consultants for earlier diagnostic studies commissioned by AusAID and it was agreed that the key themes emerging from the diagnostic studies would inform the preparation for the Balitabang study.

Informants selected for the study

In consultation with AusAID a list of organisations was drawn up for interview by the two researchers. The list included
- the Policy Research Centres in the Education and Health Balitbang
- a smaller Ministry without portfolio (the Ministry for Women's Empowerment and Child Protection) to explore the approach to policy research in the absence of a Balitbang
- an informal Think Tank in the National Development Planning Agency, BAPPENAS
- a new Think Tank established under the Vice President's Office to accelerate the reduction of poverty
- representatives of development partners in the education sector – UNICEF, JICA, US AID, AusAID, European Commission
- a researcher working within the University of Indonesia, Faculty of Social and Political Sciences
- a researcher from a private research organisation, Survey Meter.

Data collection and ongoing analysis

A structured interview guide was developed and piloted in the Ministry of National Education. The two researchers jointly interviewed nominated personnel from the selected organisations and independently made notes which were subsequently discussed and an agreed record prepared. The record was reviewed weekly for emerging themes and two progress reports provided to AusAID as the data emerged.

Documents including budgets, organisation charts and research products from the two Balitbang, all in Bahasa Indonesia, were reviewed by the national expert. The overall findings and recommendations were developed jointly.

4.0 Findings on the current situation

4.1 The role and functions of Balitbang in Education and Health

By Ministerial decree, the Balitbang in the Education and Health Ministries have similar responsibilities in reseach and development.

These responsibilities are to: (i) develop technical policy, plans, and programs for reseach and development in the field of education/health, (ii) execute the reseach and development in the field of education/health and (iii) monitor, evaluate, and report on reseach and development in the field of education/health (Minister of Education Decree no. 36 year 2010, dated 22 December 2010/ Minister of Health Decree no. 1144 year 2010, dated 22 December 2010).

"Similar, but different"

These decrees do not specifically identify the purpose of the research, for example to inform policy and decision-making or to advance knowledge in the fields of education or health. This is left to the Ministries to determine internally and as a result there is some variation between Health and Education in how the role of each Balitbang has developed and the extent to which other units within the Ministry either create a demand for the Balitbang to conduct policy research or make other arrangements - for example to conduct their own research, to commission a university or research institute, or to engage with a development partner.

This somewhat ambiguous situation in Education has been clarified recently by the Minister who made a strong statement[7] at a recent regular monthly meeting of Echelon 1 and 2 officers that he expected policy advice to be based on sound research and that it was the role of the Balitbang in Education to provide that research. The Director-General of the Health Balitbang affirmed that the Health Minister has made similar statements. This suggests that while the Decrees may not be explicit, the Ministers have clearly communicated their expectations that policy advice should be based on research evidence and that the Balitbang have the prime responsibility for providing such advice.

The Balitbang in Education consists of three Centres and one Secretariat located in Jakarta: the Policy Research Centre (Puslit), the Curriculum and Book Center, and the Educational Assessment Centre. While the Centres have different roles, there is some overlap. For example, the Educational Assessment Centre also conducts policy research in the area of student assessment – this makes sense because of the political and media sensitivities involved and the very specific technical (psychometric) expertise located at the Education Assessment Centre which is not replicated in the Policy Research Centre.

Balitbang Health consists of four Centres and a Secretariat located in Jakarta and eleven Units spread from Aceh to Papua. Similar to the Education Balitbang, there is Research and Development Centre for Health Systems and Policy.   This Centre's role is to develop policy

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[7] Reported independently to the researchers by both the Director of the Policy Research Centre and by a senior advisor in the office of the Minister for National Education (March 2011).

options, prototypes, products, new technology and to issue publications and information services flowing from research and development activities.

An area of significant difference from Education is that the Health Balitbang conducts a systematic national sample survey of facilities and services which generates detailed provincial reports and forms the basis of advocacy and action plans.

Education Balitbang functions

As mentioned above, the research function in Education is spread over three Centres, but the Policy Research Centre has the major role. The Education Assessment Centre has developed a strong international focus as a result of Indonesia's participation in international tests of student achievement (PISA, TIMSS and PIRLS).

The agenda of the Policy Research Centre appears to be somewhat ad hoc rather than in pursuit of medium and long term strategic priorities. For example, while the Centre develops "Roadmaps" consistent with the RENSTRA, these Roadmaps do not drive the annual research agenda. The annual research agenda is very responsive to urgent requests from the Minister's office or DGs and suggestions from directorates that are irregularly contacted by the Centre.

It is acknowledged widely within the Ministry that considerable research and development activity is undertaken by various DGs and directorates, often with little reference to the Policy Research Centre. In addition, the Balitbang Education Secretariat, whose role is primarily to allocate resources and provide support to the 3 Centres, also has a budget for and conducts research using Policy Research Centre staff in cooperation with universities. The reason cited[8] for this situation is that the Policy Research Centre itself is not able to produce results in the required timeframes.

Health Balitbang functions

Balitbang Health has a very systematic approach to its agenda. It basically conducts two types of research: periodic surveys of health conditions, services and factors affecting them; and applied or developmental research.

The periodic survey research is tagged as a Client Oriented Research Activity (CORA) and provides basic information on health. The basic information to be collected is determined in consultation with stakeholders (e.g. relevant DG or directorates within the Ministry) and covers three focus areas phased over a three year schedule:

(i) community based research *(Rikom)* which investigates the health status of the population and factors that affect it; this research has a three year cycle: Preparation Year 1, Data collection and simple analysis Year 2, Advanced analysis Year 3;

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[8] Informants included the Head of Balitbang, the Director of the Policy Research Unit and a senior advisor in the Minister's Office.

(ii) facility based research *(Rifas)* which investigates service quality of various types of health facilities, including hospitals, laboratories and community health centres;

(iii) special research *(Rikus)* which addresses specific issues of concern such as impacts of industrial pollution on the health status of the population; the relationship of cultural and demographic factors with health. The data to be collected and variables of interest are determined at the Balitbang level. (Table 1).

Table 1: Cycle of periodic research undertaken by the Health Balitbang.

	2009	2010	2011	2012	2013
Preparation	*Rikom*	*Rifas*	*Rikus*	*Rikom*	*Rifas*
Execution & simple analysis		*Rikom*	*Rifas*	*Rikus*	*Rikom*
Advanced analysis			*Rikom*	*Rifas*	*Rikus*

In a rolling cycle each focus area is addressed once every three years. The process is managed efficiently and the national report and regional reports are delivered on time. This is considered an outstanding achievement. The authors of this report were able to inspect the 2010 Reports (35 volumes in April 2011). The reports are well presented and contain meaningful information based on analysis and interpretation, not just a collection of tables and graphs.

The second major type of research activity, applied or development research, has the following objectives: Firstly, to develop breakthroughs on specific health problems, including developing prototypes for health technology, diagnostic procedures, food formulae, and medicine. Secondly, to conduct cohort studies for certain diseases. Planning and determination of priorities is undertaken at the Research Centre level. Resources for breakthrough research are drawn from both government and industry and such research is often the subject of PhD theses of Balitbang staff and other post-graduate students at universities in Indonesia and abroad.

Even though Balitbang Health is the sole unit within Health which is tasked with policy research, other Directorate Generals or directorates outside Balitbang also conduct research. This is usually undertaken in cooperation with universities and is reported to Balitbang.

4.2 Analysis of resource inputs in Education and Health Balitbang and outputs

Budget allocations

In both Education and Health, the Balitbang budget is a small but increasing percentage of the overall budget.

- For Education in 2011 it is 2.22%, up from 1.59% in 2009

- For Health in 2011 it is 1.95%, up from 1.07% in 2009.

Health is overall a much smaller Ministry in budget terms than Education but its Balitbang budget has increased rapidly and at a far greater rate than Education. While the overall Education budget declined between 2009 and 2011, the Education Balitbang allocation continued to increase gradually. In the same time period, the overall Health budget increased significantly (by about 27%) and the Health Balitbang allocation increased by about 140%.

It is important to break down the allocations within the Education Balitbang. In 2011, of the total Balitbang budget, almost half (47.69%) goes to run the National Examinations and almost a quarter (23.73%) goes to the various Boards which report to the Minister. These are the National Accreditation Boards for Education, Higher Education, Non-Formal and Informal Education. This leaves 28.57% or 352.19 billion Rupiah out of Rp 1,232,624 billion for the Balitbang's three Centres of which the Policy Research Centre was allocated 33,795 Billion Rupiah in 2011, 9.6% of the overall Balitbang allocation.

By comparison with Health, it appears that the Education Balitbang may be significantly under-funded for policy research. However one could argue that the periodic survey of health indicators is a similar kind of function to the National Exams and, in effect, policy research receives a very small slice of both Ministry budgets. Both Balitbang reported that while there was little flexibility within the budget there were mechanisms for increasing the budget if required by submissions to Parliament but this was not an easy process.

Table 2: **Trends for Health and Education Balitbang allocations in relation to overall Ministry budgets, 2009 – 2011. (Reported as millions Indonesian Rupiah, IDR)**

	2009	**2010**	**2011**
Ministry of Education budget[9]	62.773,20	55.187,18	55.623,11
Education Balitbang allocation[10]	1.000,00 (1.59%)	1.072,56	1.232,63 (2.22%)
Policy Research Centre (Puslit)			33.795
Ministry of Health budget[11]	20.273,53	24.869,99	27.657,06
Health Balitbang allocation*	216,43 (1.95%)	419,64	540,41 (1.07%)
For comparison purposes -			
Ministry of Women's Empowerment total budget	111,70	183,50	160,10

[9] Data provided by the Secretary, Education Balitbang.

[10] The Education Balitbang budget also supports the National Standards Board and National Examinations.

[11] Data provided by the DG Health Balitbang. *Note – the team was not able to ascertain the disaggregated budget for the Health Balitbang.

The overall growth in funding is a positive sign. The budget growth, both in the proportion to the Ministrial budget and in absolute $ value signals a high commitment to evidence-based policy making and an understanding of the processes and resources required.

Both Ministers are clearly champions for policy research – the Education Minister being formerly the Minister for Information and prior to that, Rector of the Surabaya Institute of Technology, a prestigious university of technology in East Java province. The Minister of Health was formerly a director in Balitbang Health. It is not surprising therefore that both Offices have increased the stakes for provision of reliable information and soundly-based policy advice.

Human Resources Profile of the Education and Health Balitbang

A fundamental difference between the Education and Health Balitbang is the extent to which the structure reflects decentralised administration and service delivery. All units of the Education Balitbang are located in Jakarta. By contrast, even though it does not have a presence in every province, the Health Balitbang has eleven units spread across the country from Aceh to Papua, as well as a substantial central office in Jakarta.

This structure has implications for the number, type of positions and qualifications of personnel: the number of Balitbang staff in Health is 1,166 making it about two and a half times bigger than Education where the Balitbang has only 438 positions, all in Jakarta. This reflects the decentralised structure of the Health Balitbang and the significant periodic data collection on health indicators that is ongoing across the country.

Education Balitbang has made considerable efforts to establish a policy research network (Jarlit) in provinces, districts and municipalities. About 220 have been established of which about 25% are considered active. They are not Education Balitbang staff – their members are drawn from the Local Development Planning Office (Bappeda - province/district level of Bappenas), Local Research and Development Office (BalitbangDa), university and the local Office of Education. Their role is to support decentralization of education by providing inputs for educational policy making at the provincial/district/municipality level through policy research.

As could be predicted, the staff concentrated in Jakarta tend to be more highly qualified than those in regional areas, which means that overall, the Education Balitbang has a higher % of staff with post graduate degrees and the Health Balitbang has a higher % of staff with qualifications at undergraduate and lower level.

Figure 1: % of Balitbang staff with qualifications at doctoral, masters, undergraduate and below undergraduate level (2010)[12]
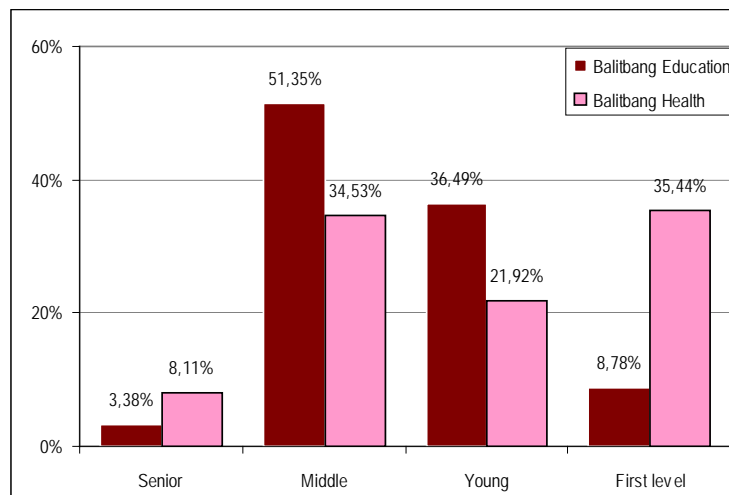
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[12] Data provided by the DG Health Balitbang and the Secretary, Education Balitbang.
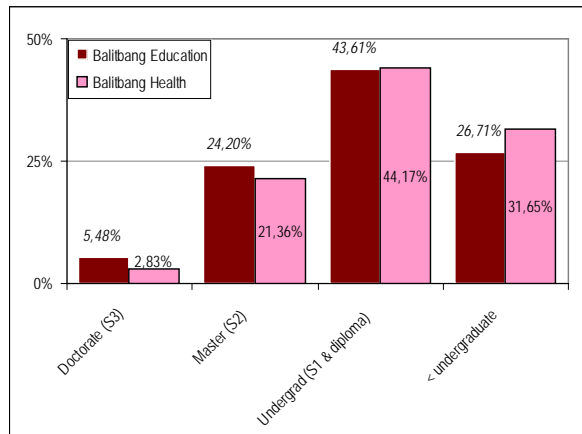
There are two categories of staff in Balitbang - researcher and social engineer. Some staff have a dual classification. In general, the role of the researcher is to conduct research and the role of the social engineer is to innovate or to develop new ideas and products, building on the research that has been conducted. These classifications and prescribed roles are the responsibility of two separate agencies: Researchers are certified by the National Institute of Research (LIPI) and social engineers by the National Institute of Technology Research and Application (BPPT). Both offices are units of the Ministry of Research and Technology. There are different conditions and remuneration attached to these positions.

Balitbang Health has more researchers (333) compared to Balitbang Education (148) however when considered as a % of their total Balitbang staff, the proportion of researchers is not markedly different – 34% and 29%. See Figure 2.

Figure 2. Levels of experience of researchers (including social engineers) as a % of the total number of researchers and social engineers, 2010.[13]

The recent rapid growth and the decentralised nature of the Health Balitbang results in a higher proportion of less qualified and less experienced researchers and social engineers than in Education which is more stable and is totally centralised. However, Health has a small group of very highly qualified (first level) researchers – possibly because of the power to draw elite personnel from the physical sciences and medicine. Despite this, the

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[13] Data provided by the DG Health Balitbang and the Secretary, Education Balitbang.

educational profile of Balitbang Health staff is of concern to the Director General whose vision is that 50% of Health researchers should have a PhD degree and that the number of staff classified as professor should increase from the current 5 to about 100.

Both Balitbang expressed the need for staff to have greater access to upgrading opportunities at each level - master, doctorate, and post-doctorate levels. At present the opportunities provided by the Ministries are very limited and are confined to national universities because of the high cost of international study. International study is considered more desirable by the Balitbang because it is seen to simultaneously facilitate international networking, joint international research, and foreign language proficiency. These are key objectives which would assist to overcome a keenly felt weakness – the very low rate of Indonesian research published internationally.

Human Resource Development in Balitbang

Enhancing the qualifications, skills and professionalism of Balitbang staff can be approached through a number of interdependent strategies. Firstly, the academic preparation at university is considered weak and not likely to improve until a number of structural and incentives issues are addressed in order for the teaching of research, particularly policy research, to receive a higher priority and to attract high calibre professors and students. One informant in this study from the University of Indonesia suggested that there needed to be a radical transformation in the teaching of research – "too many lecturers are using old paradigms and not able to engage in, let alone develop, critical thinking". Enhancing the teaching of research at universities is clearly important for both the initial preparation of undergraduate and post-graduate researchers and also for the lifelong professional development of research staff through study opportunities and joint research. A vibrant culture of policy research within universities is also necessary as the government and private sector are very reliant on university consortia and research institutes to undertake research that cannot be managed by Balitbang or other government mechanisms.

In this context, both the Health and Education Balitbang feel they are not getting high quality new recruits. This is an issue of supply and also of inadequate recruitment procedures – for example, the extent to which vacancie**s** in Education Balitbang have only been advertised internally. Health, with its eleven decentralised units faces an additional problem of supply in regional areas.

Assuming that new staff can be recruited with the appropriate level of knowledge and expertise, nurturing a higher calibre of researchers and social engineers requires an internal culture of learning and enquiry and opportunities to upgrade knowledge, skills and qualifications. Unfortunately, such opportunities are limited and the emphasis in many areas of the civil service tends to be more on the upgrading of *qualifications* for personal instrumental gain rather than the upgrading of *skills and knowledge* to enhance job performance and satisfaction.

The Health Balitbang has taken a systematic and strategic approach to upgrading skills and knowledge and creating a culture of continuous learning. It has instituted five levels of training beyond the basic research training mandated and provided by the National Institute of Research (LIPI). The training provision is classified into basic training level one, basic training level two, intermediate training level one, intermediate training level two, and advanced level. The advanced level is currently still being finalised. The training modules are developed jointly by in-house experts and research experts from selected national universities which have public-health schools of high reputation. The goal is for continuous training and upgrading in Jakarta and in the regional areas using local university partners for delivery.

The Education Balitbang also conducts training for researchers beyond the level mandated and provided by the National Research Institute (LIPI). For social engineers training is provided beyond the mandated level by the National Technology Research and Development Agency (BPPT). The in-house training is conducted in partnership with universities. At present this is limited to only one level of basic training and there are no plans for extension, however the Balitbang is keen to have training that is integrated with ongoing research.

Communicating the outcomes of research activities

Balitbang Health's research activities appear to be well communicated to its stakeholders, including the society at large. There is a formal annual meeting to report research findings to all DGs, directorates, and other units within the Ministry. The formal reports of the periodic research are well produced, attractive documents with evidence of analysis and interpretation. These reports are considered by the local government as critical indicators of the health system. The public has access to all the reports through the Balitbang website and that of each of the units. It is very easy to find titles of the research, lead researcher's name, and source of finance for each activity undertaken within a unit. It is also very easy to access results of the past research, either as an abstract in English or full document. The website also includes a user-friendly and easily down-loadable Electronic Policy Memoranda System which demonstrates the policy outcomes of research. Balitbang Health also makes all data freely available to students and researchers for further analysis. These actions are all indicators of a strong culture of enquiry and the high value that is placed on communication of research findings.

Balitbang Education's research activities are less well communicated to its stakeholders, including society at large. In this study several development partners expressed frustration at how difficult it was to get reliable and consistent data about education and how little information was available about research being undertaken within the Ministry and in collaboration with other development partners. Common practice in the past was for the Policy Research Centre to report directly the result of research to the requesting DGs or directorates. It is only recently that abstracts of research studies have been tabled in

hardcopy in the National Coordination Meetings that are attended by all education leaders from the central, provincial and district government.

This apparent level of under-reporting does not imply however that the Balitbang Education research is not used for policy making. Current examples were quoted that illustrated the bridge between policy research and decision-making For example, determination of the initial per capita school grants (BOS) in the 2005/2006 school year was based on findings of an education finance study conducted by Balitbang Education in 2003 which was reported in early 2004. Furthermore, Balitbang undertook follow-up studies (2006, 2007 and 2008) which were reported to the Minister and which have continued to influence the refinement of the school grants system.

Clearly there is useful research being reported to the Minister but there is no well-established practice of outwards communication as there is in Health. There is also a significant difference between the policy environment for Education and Health which is typical of many countries: education is subject to more media scrutiny and public engagement and consequently national and local parliaments and others take a more active role in driving implementation in particular directions. This generates a need for reactive policy advice more than planned periodic monitoring. However it appears there may also be other reasons for the difference in publications and outward orientation between the two Balitbang, including some lack of confidence in the quality of the work, inadequate writing skills in English, little budget allocated to communication and website maintenance and low recognition of the value of communication and dissemination.

4.3 Comparison with the policy research and knowledge functions in a Ministry without a Balitbang and the Think Tank model in Bappenas.

The Ministry for Women's Empowerment and Child Protection is a small Ministry and therefore has few staff and no Balitbang. It is also one of the "Ministries without Portfolio" in that its objectives are implemented by other Ministries. This means that it has to use its human resources very strategically to advocate for, lead, support and monitor the efforts of other Ministries to achieve the Government's objectives in gender and child protection issues.

An issue for this Ministry is that while it should be informing policy across Government it has little in-house research expertise. In the absence of adequate researchers in house, this advice has to be out-sourced in various ways. It has a budget allocation for this which in 2009 was about half that of Health Balitbang and just over one tenth that of Education Balitbang. In 2011, the allocation fell slightly from 2009 while Education and Health continued to increase.

Figure 3. Comparison of research budgets of the Ministry of Women's Empowerment and Child Protection with Health and Education Balitbang budgets
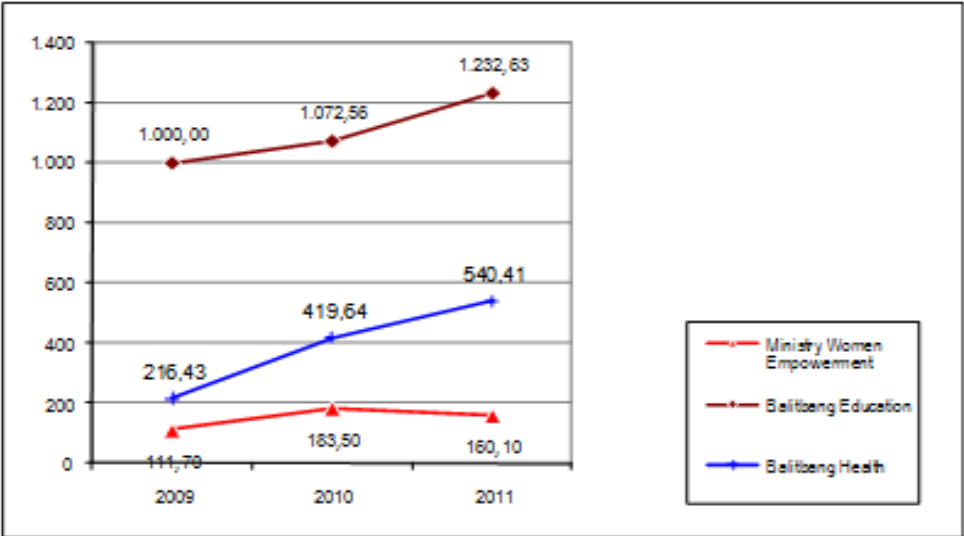
Until recently, significant sources of policy research and advice on issues of importance to the Ministry have been the Women's Studies Centres (PSW) and Gender Research Centres (PSG) established in 120 universities around the country. These Centres were provided with seeding grants to foster relevant research and develop policy advice and communications based on their research. This was an important avenue of knowledge production for a small Ministry without a dedicated research and development unit.

Universities were expected to move towards establishing the Centres on a revenue generating basis – for example through conducting reviews or advising corporations on gender policy, for a fee. When these grants were terminated in 2010, about 75% of the Centres became 'inactive'. The lessons learned from this scenario include the importance of (i) the need for clear communication and understanding of the nature, purpose and timeframes of seeding grants, (ii) the need for systematic preparation and support for entrepreneurship, (iii) the role of leadership in developing entrepreneurship.

Currently about 30 Centres, including Gadjah Mada University in Yogyakarta, Airlangga University in Surabaya, and Brawijaya University in Malang, are active in conducting research and providing their results to the Ministry. These Centres are within universities that foster entrepreneurial leadership across disciplines and are successful in tapping the resources of the private sector, international and national NGOs and development partners.

Without significant ongoing output from Centres, the Ministry struggles to fulfil its mandate. It does not have adequate in-house expertise in research methodology or statistics to properly supervise the research it contracts out or to act as a Think Tank for the Minister; it

has insufficient staff with high level expertise in the core area of gender to engender other Ministries; [14] it does not have an ongoing communications plan.

When faced with the need to provide information on strategic issues or to inform policy choices, it turns to the usual mechanisms used across Government. These are to:

- convene an expert group to discuss the issues and propose solutions,
- outsource specific research to a university or research institute and then to undertake analysis of the findings and propose policy options,
- a combination of the above.

These are very challenging tasks for a Ministry that lacks a critical mass of research expertise.

Think Tanks in Ministries

A semi-permanent or full-time expert group tends to be referred to as a Think Tank. There are many instances of these being used in the past and the concept seems to be currently going through a resurgence in popularity.

For purposes of comparison with the Balitbang model, this study looked briefly at two groups referred to as a Think Tank; the Policy Advisory Group in Bappenas and a Think Tank unit such as TNP2K in the Vice President's Office.

Bappenas, as the Planning Coordination Ministry, does not have a separate Balitbang – the function is embedded in all units. The Think-Tank (Policy Analysis Group to the Minister) is an example of a Unit that conducts rapid assessment well and produces policy advice. It has developed a methodology for quick (less than one month) turn-around of policy advice based on evidence. This usually involves the combination of methods above utilising regional government and university partners who have expertise and on-ground knowledge of the issue. This process is helped by the presence of decentralised planning functions at local level.

While the Policy Analysis unit appears to be very successful in addressing this function, it also sees the need to develop standard operating procedures for the Ministry, manuals and ongoing training to support staff in all Units to provide quality advice. This fits with the idea of Bappenas itself being a Think Tank for Government.

The Policy Analysis Unit in Bappenas reported that it more frequently uses the experts' knowledge approach for generation of knowledge rather than to commission an external research unit to conduct policy oriented research. The usual methodology involves convening an experts' meeting or workshop to analyse the problems, identify the relevant factors impacting on it and then develop feasible solutions and policy to address the issue or

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[14] View put by Bappenas and confirmed by the Secretary, Ministry of Women's Empowerment and Child Protection.

prevent similar problems from occurring in the future. This model works well in circumstances where the experts are aware of research and information from the field and there is not a lot to be gained from additional field studies. See Figure 4 (b).

PN2PK *Think Tank* **approach**

The TNP2K is a new Think Tank established under the Vice President to accelerate poverty reduction. It draws on some of the principles underpinning SMERU, described in a separate Diagnostic. [15]

The Coordinator of this Think Tank describes its role as "an interface between knowledge and decisions". It produces knowledge by outsourcing, advocating, liaising and communicating with many sources – university, government, research institutes, multi-nationals, development partners, experts and the private sector. It then interprets, scans and synthesises research with the aim of providing a two page policy brief with clear options to the Minister. The recognition that policy advice should be succinct is a break-through in the Indonesian context where many important documents appear to be valued by weight.

In relation to Balitbang in Ministries, the Coordinator commented that "Balitbang can't behave like a Think Tank because they are bound by bureaucracy and procurement is a problem. This makes them process-oriented, not output-oriented. However it is possible with good leadership to have a good Balitbang and possibly there will always be a place for Balitbang and Think Tank models side by side".

Figure 4: Two models for production of policy research and analysis in government[16]

Fig. 4(a) Policy options development: the Balitbang approach

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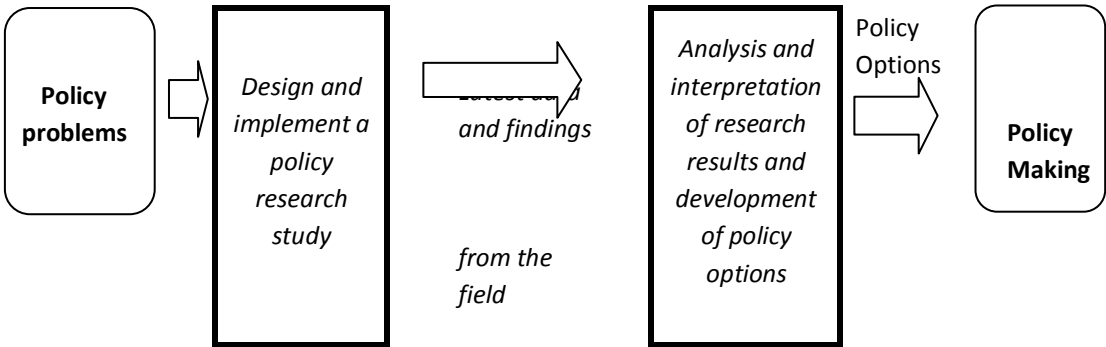
[15] Sudarno Sumato *The SMERU Research Institute – History and Lessons Learned*. Paper prepared for *Revitalising Indonesia's Knowledge Sector for Development Policy*, AusAID, January 2011.

[16] Agung Purwadi, University of Syarif Hidayatullah, Jakarta. April 2011.

Fig. 4 (b)   Policy options development: the Think-Tank and Bappenas policy analysis unit approach
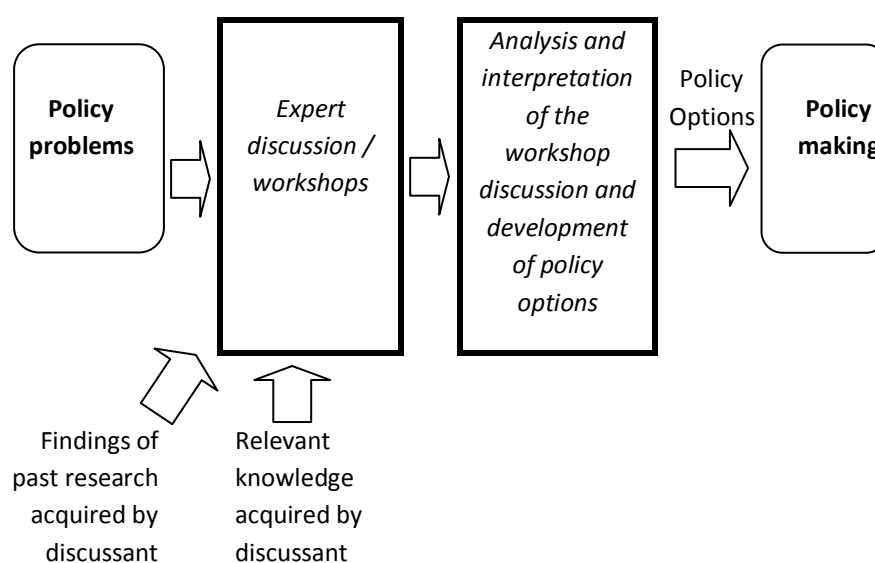
5.0 Conclusions - Summary of the Strengths and Weaknesses of the Balitbang

Conclusions about the relative strengths and weaknesses of the Balitbang must be referenced to the extent to which they can be seen to fulfil their roles in helping to shape policy decisions through high quality research and policy advice which is timely, relevant, feasible and strategic. In fulfilling their roles, the two Balitbang studied have demonstrated different operating contexts, different approaches to the annual work plan, different level of outputs and different orientation to communication of research.

Education Balitbang Strengths

The Policy Research Centre is in theory, well positioned to make the connection between research and policy formulation. It has the support of the current Minister who has publicly stated his expectation that the Centre should be the leader in policy research and advice in the Ministry. This legitimises the Centre as the preferred source of policy research, despite the past tendency for DGs to bypass it.

Although the Centre receives only around a quarter of the total Balitbang budget it feels this is adequate and if not, a request can be made for supplementation. However, if the Centre actually undertook a significant portion of the research that lies within its mandate but which is currently being undertaken by others, it would need a greatly expanded budget and more personnel.

The current personnel are regarded as "reasonably well qualified" in terms of their educational attainments and knowledge of research. They have skills in research design but

low capacity in analysis and interpretation. The establishment in the Ministry of National Education of the Analytic and Capacity Development Partnership (ACDP) could provide an excellent opportunity for capacity building and for the Policy Research Centre to benefit from working closely and with international technical assistance under the ACDP, however at present it appears that this level of engagement is not planned by the ACDP.

The Centre has established many partnerships and Memoranda of Understanding with provincial and districts government and universities and there is potentially a strong network available to it. Within a limited budget the centre is attempting to establish and maintain research networks at decentralised level.
See Appendix 3: Decentralisation efforts – a note on local education research networks.

The Centre has a newly appointed director who is enthusiastic and eager to establish confidence in the Centre within the Ministry.

Education Balitbang Weaknesses

There are many factors which impinge on the efficiency and effectiveness of the Policy Research Centre. Some of these factors are internal to the Centre but some are the impact of the operating environment in the Ministry and others are a consequence of the broader environment for researchers in Indonesia. These factors interact.

While there are signs of change, the Policy Research Centre is currently largely by-passed for policy advice: it has become common for DGs to commission their own research and for development partners work directly with DGs, not with the Centre. The Balitbang Secretariat is also able to conduct research in cooperation with university research centres and this diminishes the role of the Policy Research Centre.

This tendency to bypass the Centre is exacerbated by the "silo" structure of the Ministry. From the highest level, the Policy Research Centre is perceived to be slow to respond and to have low quality of research. This perception may not be warranted but reinforces the tendency to bypass and generates a downwards spiral in confidence. In some cases the quality of the research reflects the low skill level of the staff but it also reflects the lack of staff exposure to basic policy issues and the burning issues of the moment. The issue of timeliness is possibly a consequence of entrenched work habits in which a research project is planned to take 12 months, and sometimes longer. In addition, many staff are involved in too many research projects concurrently as financial rewards are attached to the number of research activities in which individuals are involved.

The Centre does not have strong communication systems (eg a well-functioning website) or an outward orientation in sharing and publishing research. There are likely many reasons for this, including the confidence and writing skills of staff and the perceived quality of the research itself.

Many of these factors have not been helped by many changes in leadership – four directors in four years and the fact that the Centre is underfunded for the significance of the role it should be playing in Education.

Figure 5: Factors influencing the current performance of Education Balitbang.
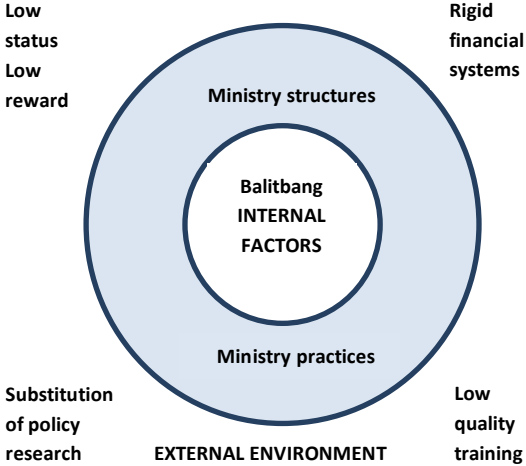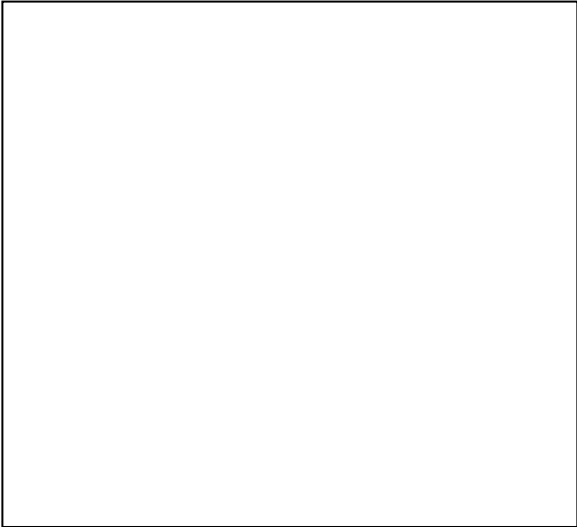
Note – the factors in the external environment apply to both the Education and Health Balitbang and will require the efforts of others to mitigate. For example: the low status and low rewards are issues that must be resolved by the Ministry of Apparatus and the Ministry of Finance; the rigid financial systems which impact on the degree of responsiveness of Balitbang is a responsibility of the Ministry of Finance; the low quality of training received by researchers in universities must be addressed by the higher education sector; the abundance of donor and development partner support to Ministries for policy research and analysis brings a high risk of substitution effect, reinforcing the tendency to bi-pass Policy Research Centres and therefore perpetuating low capacity rather than providing capacity development.

Health Balitbang Strengths

The key strengths of the Health Balitbang stem from a very systematic work plan and a commitment to continuous in-house training and development at various levels from beginner to advanced level. While the Health Balitbang has similar problems to the Education Balitbang in the quality and level of qualifications of new recruits, the five levels of training provided in-house build skills and confidence. This in turn creates a professional learning culture and positive work environment which support team work and cooperation.

There is strong stakeholder involvement in determining the data to be collected in the periodic surveys and a strong regional presence through the eleven units based outside of Jakarta. This facilitates good communication with provincial officials and users of the data from the surveys. The periodic survey reports on Health Indicators are timely and well produced. Good analysis is evident and informs policy making at local and national levels.

The Balitbang has a strong external communications focus as evidenced by its website and the quality of reports. Data is made freely available to universities for research and there are good connections with Public Health Departments in the key universities. These features build a positive image of the Balitbang.

On top of this, the Health Balitbang clearly has continuing support from the Minister as can be seen in the trend for budget increases, year on year. The Minister has also made definitive statements about the important role of the Balitbang in leading policy research and analysis.

Health Balitbang weaknesses

The DG of the Health Balitbang asserted that because of the initial low quality of many researchers and the current personnel practices, the Centre has to "carry a lot of unproductive people". He is especially concerned about the low level technical skills of researchers - "that is why we have constant training". The low level of technical expertise impacts especially on the Units outside Jakarta where there are fewer opportunities for higher degree study and if these exist, the quality of research teaching at Masters level is often low. In addition, many of the senior researchers are reported to have an entrenched mindset which does not match the required work culture but it is very difficult to displace such people.

The Balitbang has a low rate of publication in international journals – reported to be lower than that of Thailand. This is considered an embarrassment and does not recognise the cutting edge research that has been done or the quality of the survey reports. The DG is encouraging teams to start writing in English and try to get publications in English but considerable training and support is likely to be required for this to become a reality.

Similar to Education, some DGs in Health bypass the Balitbang and go direct to universities or development partners for research. The DG Balitbang is not overly concerned about this as long as there is coordination and the knowledge is shared.

Challenges common to both Balitbang

Largely beyond the control of the Balitbang or the Ministries is the lack of a critical number of people with skills in analysis and interpretation. This is a direct consequence of the lack of quality teaching in policy analysis and research at university level. Although university accreditation systems have been established, there is little follow-up or support for remedial action. In addition, few universities have established public policy departments. Understandably the output of well qualified researchers with a grounding in public policy is extremely low.

What happens in universities is also a reflection of the lack of critical thinking skills and an enquiry approach to learning earlier in the education ladder. The practice of peer review is not widely implemented in the workplace or academia and many social groups robust analysis and critical questioning is inhibited by hierarchical sensitivity.

Overlaid on these personnel issues is the assertion, made within and outside the Balitbang, that the remuneration and status of researchers are not adequate to attract the best people, even taking into account the opportunities for allowances which, typically, more than quadruple the salary. AusAID may be able support and accelerate the actions already being undertaken by LIPI in reviewing the remunerations and conditions of researchers.

The low remuneration and the dependence on allowances do not just effect individuals. These issues have serious negative impacts on work practices and workplace relations and tend to entrench the status quo. New ways of doing things are resisted in favour of what will maintain the expected levels of remuneration, even if inefficient. In Health some agreements have been struck informally to get around this by sharing allowances among the team however significant reform in the civil service will be needed to overcome these challenges.

 The Government's planning and resourcing model works against the Balitbang being responsive and flexible. Aspects of annual budget procedures and procurement systems designed to minimise corruption have been only marginally effective but at the same time have strangled the capacity of Balitbang to be sufficiently responsive to a Minister's needs for quick advice. Discussions need to be held with Ministry of Finance on how it can contribute to enhanced productivity and flexibility in the Balitbang while maintaining high levels of accountability. This is particularly needed in education where there is constant political and media pressure on the Minister to respond to issues with policy statements but there is almost zero capacity for the Balitbang to undertake un-planned and rapid policy research. Strategies to address this could include incorporation of a line item in the budget for Minister's urgent policy research and the provision of Supplementary Budget from re-distribution of funds towards the end of the fiscal year.

Resources to support decentralised policy research/analysis functions are inadequate. Qualifications, skills, awareness of local staff in the Health Units or the Education Networks

must be upgraded for them to have a real impact on the quality of policy advice at local level and to demonstrate the importance of evidence for policy making. The Knowledge Sector initiative will require a strong sub-national focus to match the inevitable movement towards increasing policy research functions in local government.

6.0 Preferred Futures and Considerations for AusAID

The vision of both Education and Health Balitbang was to have a Policy Research Centre staffed by well qualified and highly professional staff, working productively in teams and able to deliver high quality research products. All staff would be selected on merit and be remunerated adequately, thereby removing the often perverse impact of incentives allowances. Career pathways, promotions structures and high job satisfaction would create a high demand for appointment to the Balitbang and a culture of critical questioning, competitiveness and innovation.

As well as having excellent academic qualifications and a professional work ethic, these researchers would utilise and contribute to the constant improvement of a consistent in-house methodology and research tools. All staff would participate in training and continuous professional learning. They would be well informed in their technical fields and be well informed on both the Ministry's strategic issues and its current controversial issues so that their advice would always be relevant and well-targeted. The Centres would have the confidence of the Minister and other DGs in the Ministry and would be able to respond rapidly to Ministerial and DG requests with relevant, succinct and credible policy advice. They would be the coordinators of all research undertaken in the Ministry, "rather like a conductor of an orchestra".

Centres would work in partnership with universities and research institutes and there would be a high degree of mutual learning and capacity development both ways. Efficient and transparent procurement practices would facilitate strong links and effective working partnerships. The Balitbang would do some in-house research but their real strengths would be the analysis and interpretation of commissioned research and joint research. This would enhance their response times and the value of their expertise and enable them to extend the scope of their periodic surveys and data collections.

Stronger links between the users and producers of research would ensure the relevance findings and feasibility of advice. Networks across the country and with international partners would be supported by joint work, study visits and electronic communications.

Research being undertaken by the Ministry, institutes and development partners would be coordinated and findings captured in some form of clearing house or data base ensuring that research constantly built on and added to previous efforts.

A comprehensive communications plan would include an effective and up to date website, stakeholder seminars and a range of well-produced communications. Increasing publication in international journals would both reward and motivate staff to aspire to excellence.

Opportunities for AusAID consideration:

To help the Government of Indonesia to strengthen the Balitbang and others in their role as producers and coordinators of knowledge that informs policy, AusAID support could be developed with the National Ministry of Research and Technology and be focussed on –

1. **Strengthening the major Balitbang** - through opportunities for skills upgrading via scholarships, short courses, study visits and support of existing in-house training, production of manuals and standard operating procedures; revitalising and supporting networks with seeding and maintenance grants; supporting the communications function with writing and publications skills and revitalising the SEAMO ERnet and other regional cooperative ventures; enhancing the capacity of regional units and networks through comprehensive program of capacity development; supporting dialogue within the Ministry of the coordination of research and the role of the Balitbang and others in generating policy advice; facilitating links between the Balitbang to share training modules, manuals, strategies for regional strengthening and communications; supporting the leadership of Balitbang to advocate with other DGs and to secure a budget line for emerging policy research needs of the Ministry in order to respond quickly and flexibly to emergent needs.

2. **Strengthening the research and policy analysis functions of Ministries without a Balitbang -** through needs assessment and identification of key roles and skills, support for individual skills upgrading and expertise in commissioning research and interpreting findings, placements within a Balitbang and vice versa, development of manuals specific for their needs. The concept of a think tank needs to be clarified and advice and support provided for various models to be established in a number of Ministries.

3. **Enhanced coordination within and between Ministries and with development partners and NGOs who commission, produce and use research –** all parties must be encouraged to coordinate, communicate and share research more systematically than occurs at present. This may have to include a funded clearing house function as well as joint development of quality standards and publication guidelines which should be helpful, not burdensome, on producers of research. There appears to be little sharing between Ministries at present. A culture of peer review and quality assurance should be fostered perhaps by AusAID taking the lead. Dialogue is also needed on the extent to which "substitution" of high quality research has short term benefits and long term negative impacts. For example AusAID and EC must ensure this does not happen with the ACDP.

4. **Reforms related to the qualifications, conditions, remunerations and pathways for knowledge workers in the civil service –** AusAID could support civil service reform efforts which are already underway in the Ministry of Apparatus to improve the conditions, remunerations and pathways for knowledge workers. This is critical to revitalising and growing the knowledge sector[17] at national and sub-national levels and is part of the overall governance reform program. AusAID contributions can include technical support to accelerate the process, evaluate the pilots and highlight good practice and successes through awards for and communications of successes and outcomes.

5. **Increasing the efficiency and effectiveness of universities in leading and supporting the preparation of high quality researchers** - Universities require incentives and support to invest in the teaching of research and especially the teaching of policy research skills. Incentives could include the establishment of Chairs and institutes at a small number of universities keen to partner with AusAID in a knowledge regeneration effort. A program could be developed with elements such as twinning with international universities and opportunities to undertake major, prestigious research activities funded by AusAID. This would provide learning opportunities for postgraduate students and their lecturers to be involved in significant studies that would be published internationally. Writing and publication skills can be enhanced across faculties through short course and in-house expertise.

6. **Targeted support to the higher education sector, research centres and private research institutes as producers of knowledge -** Given the history and demand for SMERU services, there is possibly a need for another Think Tank to be funded as a philanthropic/donor venture. On a smaller scale, small research institutes and private sector businesses could be funded through competitive application to expand their skills and become specialists in particular techniques or regions. For example the Asia Foundation recently provided a grant to Survey Meter to develop expertise in qualitative methodologies, working with Duke University at Harvard.

7. **Supporting a culture of enquiry, thinking skills, innovation –** the long term strategy most likely to support a culture of enquiry, thinking skills and innovation begins in schools and communities with enhanced entrepreneurial leadership and teaching of critical thinking skills. Such a plan would require collaboration with the Ministry of Education regarding curriculum, teacher training, awards programs and study opportunities. Opportunities should also be expanded for local research which involves and benefits communities. A national plan and high level leadership is needed for engagement of the private sector and philanthropists to invest in a knowledge society. A country of the size and resources of Indonesia now has this potential.

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[17] These are well documented in the report by Stephen Sherlock*: Knowledge for Policy: Regulatory obstacles to the growth of a knowledge market in Indonesia. Report for Revitalising Indonesia's Knowledge Sector for Development Policy, AusAID, June 2010.*

Phasing of efforts

Plans for strengthening the Balitbang and the policy research environment in Indonesia should be realistic in terms of the timeframes needed to achieve the desired outcomes. Institutional capacity development and organisational change require time frames of at least ten years and consistent effort throughout that period.

Planning also needs to recognise initiatives of GOI which are planned or already underway (eg. the work of the Ministry of Apparatus in reforming the remuneration and allowances of civil servants) and the efforts of both GOI and development partners in capacity building.

The following matrix is offered as an indicative phased plan for the actions described above in terms of the key responsible agencies and time frame needed for the outcomes to be achieved. It is a sample only of the types of actions that may be included in the design.

Table 3: An indicative Action Plan for strengthening the Balitbang and the policy research and analysis environment in Indonesia

Realistic timeframe	*Key Objectives*	*Indicative actions*	*Responsibility*
Short term achievements expected 2011 – 2014 and ongoing	1. Strengthening the major Balitbang. 2. Strengthening the research and policy functions of Ministries without a Balitbang. 3. Enhanced coordination and sharing of research within and between Ministries and among development partners and NGOs who commission, produce and use research.	Needs assessment; establish partnership arrangements; donor and development partner coordination; skills upgrading in analysis and interpretation eg for secondary analysis of large data e-sets such as those available from the Bureau of Census (BPS); scholarships, short courses, study visits and support of existing in-house training, production of manuals and standard operating procedures; revitalising and supporting networks; supporting the communications functions; regional cooperative ventures. Strengthening the regional units (Health) and the research networks (Education) of the Balitbang through increased access to training at various levels; promotion of the value of local policy research; short course, scholarships and other awards. Supporting dialogue within the Ministry on the coordination of research and the role of the Balitbang and others in generating policy advice; supporting advocacy by the Balitbang for adequate resources including a line item in the budget to enable them to respond quickly and flexibly to emergent needs of the Minister; facilitating links between the Balitbang to share training modules, manuals, strategies for regional strengthening and communications, especially for Ministries without Balitbang.	Ministries of Health, Education, Research and Technology and National Research Institute with support of AusAID and others. Coordination with LIPI and BPPT* Strategic partnerships with higher education institutions and research and data organisations eg ACER in Australia for learning outcomes data and BPS as the source of population data sets in Indonesia. Education Sector Working Group, Thematic Education Dialogue. Health Sector Working group (to be

		Establishment of case studies and baselines to monitor progress as part of good practice. Consider Clearing House models that may be applicable for Indonesia. Bappenas	established) and other forums for dialogue.
Medium term achievements expected (2015 – 2018) and ongoing	4. More highly qualified researchers as a result of reforms related to the qualifications, conditions, remunerations and pathways for knowledge workers in the civil service. 5. More highly qualified researchers through increased efficiency and effectiveness of universities in leading and supporting the preparation of high quality researchers. 6. Targeted support to the higher education sector, research centres and private research institutes as producers of knowledge.	Support for reform efforts by the Ministry of Apparatus to improve the conditions, remunerations and pathways for knowledge workers. Technical assistance to accelerate the process, evaluate the pilots and highlight good practice and successes. Awards for and communications of successes and outcomes. Provide incentives and support for universities to invest in the teaching of policy research skills. Incentives could include the establishment of Chairs and institutes at a small number of universities, scholarships, awards and twinning with international universities; opportunities to undertake major, prestigious research activities funded by AusAID. Enhance writing and publication skills through short course and in-house expertise. Consider provision of embedded TA to enhance the quality of publications and papers. Review the role and feasibility of establishing one or more additional Think Tanks similar to SMERU. Support small research institutes and private sector businesses to expand their skills. Ensure all programs include a sub-national focus matched with GOI decentralisation agenda.	Ministry of Research and Technology. Ministry of Apparatus, Ministry of Finance, relevant line Ministries and Agencies. DG/Ministry of Higher Education, Stakeholders such as the Rectors, selected universities and research institutes. Private sector. AusAID and DEWAR, Universities in Australia, ACER, NCVER.

Long term achievements expected (2019- 2024) and ongoing work	7. A culture of enquiry, research, thinking skills, innovation and entrepreneurship.	Collaborative planning with the Ministry of Education regarding curriculum, teacher training, awards programs and study opportunities to highlight critical thinking. Focus on assessment of these skills as measured on international tests. Promote research and entrepreneurship in communities. Plan for engagement of the private sector and philanthropic investment in the knowledge sector.	Ministry of National Education Bappenas Stakeholders AusAID and other partners.

*BPPT: Agency for Research and Assessment of Technology. Note BPPT, LIPI and various government research offices (such as Mapping and Survey National Coordination Board, Atomic Energy Board) are under the Ministry of Research and Technology.

Appendix (i)

Terms of Reference for the study

1. To undertake an analytical review of the Balitbangs' role in bridging research to development policy in Indonesia. In particular the review will detail:

   a. The strengths and weaknesses of select Balitbangs' activities (Balitbang DEPDIKNAS, Bappenas Public Policy Analysis Unit, Balitbang in Ministry of Health) to date in cultivating high-quality research for development policy (ie. not technology or hard sciences);

   b. A breakdown of the cost structures that the Balitbang operate under; and

   c. Determine whether AusAID's program in this area should include support to the Balitbang and implementing any required institutional reforms, and any potential risks associated with this; and

   d. Detail the reforms / activities this would entail.

2. **To produce a detailed analytical report** for the Government of Indonesia and AusAID, and present a synopsis to the Knowledge Sector Management Committee outlining the issues above, and provide recommendations for how this initiative could best proceed in their efforts to revitalise the sector.

3. **This assignment will require the following tasks:**

   a. Overview of Balitbangs' processes and the approaches they have employed to bridge research to development policy, focussing particularly on overall **strengths and weaknesses of the organisations, their cost structures** and any reforms or capacity building required; and

   b. An overall assessment of the **quality of products** produced (both by Balitbang staff and out-sourced to external research organisations) and related ability of these products to influence policy. Building upon the issues listed above.

4. **Methodology:**

   c. The consultant will conduct a brief literature review summarising what is known from published materials and publicly available GOI and donor reviews of the Balitbang, and prepare an inception report outlining proposing a research methodology for data collection and interviews.

   d. In conducting consultations to determine Balitbang performance in the sector, the consultant is required to consult a cross-section of GOI Policy Makers (Bappenas, MENRISTEK and MONE), donor groupings, including at least three major bilateral donors and three multilaterals/NGOs institutions.

Appendix (iii)

Decentralisation efforts – a note on local education research networks (Jarlit)

Currently there are Research Networks (Jarlit) in 220 provinces, districts, and municipalities. Network members are typically representatives of the Local Development Planning Office (Bappeda or province/district level of Bappenas), Local R&D Office (BalitbangDa), a local university and the Local Office of Education. The purpose of the Networks is to support the effective decentralised delivery of education services by undertaking policy research as a basis for local policy development. This is in accord with the spirit and law on decentralisation in which most responsibility for education rests with the district government, (about 22 responsibilities are articulated) while national government has a smaller number of responsibilities.

The main activities of Networks are to: conduct local policy research to inform educational policy making at the provincial and district levels; to attend key national coordination meetings; to participate in capacity building activities to support policy research. The National Coordination meeting is highly significant as it is the main vehicle by which local government outside of the Local Office of Education receives educational information and policy updates.

Approximately 25% of the established Networks are deemed to be active. These are supported by the Policy Research Centre which provides capacity development at the "beginner" level as very few Networks have skilled and qualified staff at an acceptable level. Common issues faced by the Networks include (i) difficulty in convincing the governor/mayor and local parliament to secure a budget allocation for educational policy research, (ii) inconsistency in Balitbang management priorities, and (iii) limited financial capacity of the Policy Research Centre to provide training and seed money for new Networks.

Recently the Balitbang Secretariat has taken over responsibility for the Network's "National Coordination Meeting". This is seen as an important and prestigious meeting for local Networks however attendance is limited, even though many Networks had planned to use local funds to attend the Meeting. This has recently been an issue of concern locally, not only because of a missed opportunity but also because locally allocated funds which are not expended result in a budget penalty the following fiscal year.

The reason given that so many Networks are deemed inactive is that they find it impossible to demonstrate the benefits of policy research to the governor or mayor, without seed money. They report that only after a new Network can demonstrate the value of policy research to guide policy making will the governor or mayor be willing to allocate a budget for educational policy research.

Suggestions for strengthening the local Networks include (i) provision of seed money for at least two to three years; (ii) increase the capacity of the Policy Research Centre to develop training materials and deliver training that meets demand at all levels from basic through to advanced; (iii) support the networks to promote evidence-based policy making in local government through publications, support for websites; (iv) and more regular communications with Balitbang and other research institutes; (v) scholarships and study opportunities targeting sub-national level.