The Influence of the Intelligence of Transglobal Leadership on Good Governance-Based Forest Management

FADEL MUHAMMAD1, BAMBANG HENDROYONO2, BAMBANG SUPRIYONO3, ANDY FEFTA WIJAYA4
1Faculty of Administrative Science, Universitas Brawijaya, Indonesia
2Ministry of Environment and Forestry, Indonesia
3Faculty of Administrative Science, University of Brawijaya, Indonesia
4fadel@muhammad.org, banghen_11@yahoo.co.id, bambangsupriyono@ub.ac.id, andyfeftawijaya@gmail.com

Abstract. In recent years the discussion about leadership in public sector has become an interesting topic which has attracted attention from many people with various backgrounds. In public sector the demand for a great leader has also rapidly increased among society due to the need to provide the effectiveness of policy, resources allocation, time management and mobilizing participation. In Indonesia forestry is seen as one of vulnerable sectors that need better leadership due to the failure of effective policy implementation such as massive illegal logging, forest fires or other problems causing deforestation. This study aims at analyzing the influence of Intelligence of transglobal leadership toward good governance-based forest management by applying quantitative approach with survey method conducted in community forest (HTR) area over 26 Provinces in Indonesia covering regions from Aceh to Papua. The finding of this inquiry indicates significant influence of intelligence of transglobal leadership toward good governance based forest management by positive value of 0.359 on its coefficient structural model and 2.38 on Critical Ratio. It can be inferred that the intelligence of transglobal leadership is essential for policy maker within forestry sector in Indonesia.

Keywords: transglobal leadership, good governance, forest management

INTRODUCTION

Public administration is one of essential aspect that is required to build a governmental system in a country (Cheema, 2005). It is sometimes said that public administration will infiltrate to all strategic function within governmental bodies whether on central or local level (Lepawsky in Siagian, 2006). Public Administration literature in both classic and modern perspectives generally discussed the state as a static container that require a driving machine in the form of management (Monteiro, 2002). The confluence of the elements of state and government as driving machine will result in a provision, rule, or law generally called public policy as the main locus of public administration (Dwiyanto, 2007).

In a further discussion, the government can utilize the policy as the primary instrument to improve public behavior, to find a solution for public affairs that reflects the effort of domestic policy with distributive, protective, competitive, and redistributive attributes (Ripley, 1985). However, the implementation of those efforts requires support from leadership aspect (Lasswell and Kaplan, 1950). In addition, public administration provides guidance, leadership and control of the efforts of a group and individuals towards some common goals (Newman, 2012). Therefore, leadership in public administration is necessary.

In recent years the discussion about leadership in public sector has become an interesting discussion which is attracting many attentions of people from various backgrounds (Balogun, 2003). Under this circumstance,
they believe that the public sector leadership is vital component to push the implementation of public policy to create society’s welfare (Curristine, et al., 2007). In a more detailed look, the leadership is a determinant to run the effective policy implementation through right decision, effective resources allocation, time management, mobilizing participation and other principles that might appear in good governance literature (Dendhart&Denhardt, 2007). Conversely, the failure to deliver appropriate leadership resulted in lack of efficiency toward policy implementation, public service delivery, natural resources management or lead to other mal administration disease. It sometimes becomes the trigger for society to launch a critique toward policy maker to eliminate these problems and demand more efficient leadership style for better policy implementation.

One of sector in Indonesia that is recently seen vulnerable toward these problems is forestry. The forest management in Indonesia is notoriously known for its failure to prevent illegal logging for years. This study is carried out in forest sector for various reasons. One of the six primary policies on forestry development of Year 2010-2014 is the Revitalization of Forest Utilization and Forestry Industry. The utilization of natural forests to meet the needs of the forest industry cannot be expected anymore. Natural forests are degraded due to illegal logging and fires, causing the decrease of wood supply for the forest industry. The development of forest plantations, both industrial forest plantation and community forest plantation, is one of way to meet the needs of national timber industry.

The Community Forest, hereinafter refers to HTR is an abbreviation from “Hutan Tanaman Rakyat”. It is a forest plantation that is built by the community in order to increase the potential and quality of production forests by applying silviculture that ensures the sustainability of forest resources. Some of the basic policies of HTR are the Government Regulation No. 6 of 2007 on the amendment to Government Regulation No. 3 of 2008 on Forest Management and Forest Management Planning as well as Forest Utilization, the Regulation of the Ministry of Forestry No P.55/Menhut-II/2011 on Procedure for Application for Business License for Utilization of Timber Forest Product on Community Plantation Forest within Plantation Forest (IUPHHK-HTR), the Regulation of the Ministry of Forestry No P.3/Menhut-II/2012 on the Work Plan on Forest Timber Utilization of Industrial Plantation Forest, the Regulation of the Director General No P.04/VI-BUHT/2012 on Guideline on Cultivation of Community Forest, and the Regulation of the Ministry of Forestry No P.05/VI-BUHT/2012 on Procedures for Selection and Development Assistance of Community Forest. The characteristics of Plantation Forest are: (1) located at an unproductive production forest, (2) unencumbered by other permits, (3) without reforestation and rehabilitation, (4) having a community dependent on forests and forest products without license (Directorate General of Forestry Production Development of Ministry of Forestry, 2010).

Policies on HTR are government policies aiming at reducing poverty (pro-poor), creating new jobs (pro-job) and improving the quality of growth through proportional investments among economic actors (pro-growth). These policies provide more access to forest resources management. The Government Regulation No. 6 of 2007 on Forest Management and Forest Management Planning, as well as Forest Utilization, particularly in Articles 40 and 41, regulates the establishment of areas for HTR, access to financial institutions, and base pricing of HTR timber to protect and provide market access to communities. Thus, the policies are also the efforts of public economic empowerment to overcome poverty through giving wider access to law, financial institution, and market.

There are various problems related to policies related to HTR. First, the permitting process of HTR. Based on the data from Directorate General of Forestry Business Development of Ministry of Forestry in June 2015, only 194,465 hectares or 26.06% from 746,220 hectares of forest have the license from the head of region. On the other hand, only 14,390 hectares or 7.40% from those 194,465 hectares of forest have had the licenses, showing the average of the percentage of license and realization of 16.73%. It indicates a problem in forest management in terms of the leadership of the head of region. The budget provided to support the development of HTR is held by the province, not by the district. There is also a delay between the ratification by the central government (ministries) and the realization in the regions, allowing the succession of leadership in the region (the process of pre-election and post-election causing a shift in leadership).

Second, in the process of community empowerment, the community has not fully understood the HTR program, though socialization has frequently been carried out by both local and central government (Directorate General of Forestry Production Development of Ministry of Forestry, 2010). A substantial question arises: can the community manage HTR? The facts indicate that the community is expanding for economic activities, mainly agricultural commodities (palm oil, cocoa, rubber, etc.). Forest commodities have not been the main activities. On the other hand, the community is trying to be an entrepreneur in the activities of agroforestry without legality. HTR allows legality to exist and becomes a formal economic agent.

Third, related to forest management. Some problems in the field are related to HTR. In addition to the issue of development budget for HTR held at the provincial level, the payment of salaries and counterpart operations are not on time (Directorate General of Forestry Production Development of Ministry of Forestry, 2010).

The aforementioned problems are the results of low productivity of production forests in HTR. It is seen from the realization that only 26.06% of forest has been licensed while the remaining 73.94% has not, and only 7.40% has been realized, while the remaining 92.60%
has not. The issue of leadership in forest management in Indonesia is quite serious (Directorate General of Forestry Production Development of Ministry of Forestry, 2010). The recent case shows an abuse of authority in forest management in Indonesia by the head of regions. It seems that the issue arises due to the weakness of the leadership. The lack of moral aspect from a leader may cause a failure of an organization to reach the goal in the case of forest productivity. On the other hand, it is obvious that the leader does not have global thinking yet, namely to understand legality, economy, government, and procedure within which the leader has a role of functioning. Moreover, the leader does not have good business aspect in forest management, namely to understand the components of successful business that defines the forests within the scope of business life of individual rather than community, even though forests are common property. The delay in issuing a certificate for HTR also shows weak cultural intelligence of the head of region. Cultural intelligence is required by a leader in forest management since this country has highly diverse culture. The difference in color of political parties should not be an obstacle in issuing the license.

This phenomenon shows that today leader has weak intelligence, primarily moral, cultural, or global. Theoretically, Sharkey et al. (2012) mentions those three attributes as the intelligence of transglobal leadership that is not owned by transactional leadership (Burns, 1978) and transformational leadership (Bass, 1985) that merely observe transactional side and transformational system between leader and subordinate and have not considered global aspects related to broader public interest. Thus, it can be concluded that transglobal leadership needs to be implemented in forest management in Indonesia.

The head of region—whose transglobal soul in the sense of having high cognitive, moral, business, cultural, global, and emotional intelligence—is capable of being superior to some transactional and transformational leaders. This study is carried out based on this phenomenon associated with the general theory of public administration, namely the theory of leadership, and more specific theory of transglobal leadership and the management of good governance-based government. The question of this study is: does the intelligence of transglobal leadership have significant influence on good governance-based forest management? Furthermore, this study will take a similar scenario as Joseph and Norman (2004), Stephen and Bolo (2003) that is examining the influence of intelligence leadership toward good governance and society empowerment. However, this study will directly affect the policy implementation of HTR rather than the good governance concept in general.

In addition to both of previous studies above, this study will highlight the good governance principles derived from its influences toward productivity and policy implementation as sought by (Raasay, 2013; Agrawal et al., 2008; Lachapelle et al., 2011; Mahanty, 2006). Compare to previous studies such as Joseph and Norman (2004), Stephen and Bolo (2003) or Raaysay (2013) which are mainly talk about the influence of intelligence leadership toward good governance and society empowerment in general perspective, this study tend to consider the good governance as an attribute within forest management in Indonesia. Therefore, on this occasion the policy of HTR has familiarly paired with the intelligence dimension of transglobal leadership. In a more detailed look, this study also filling the gap between the discussion of transglobal leadership literature in public sector such as (Sharkey, 2012) and policy implementation literature such as (Raasay, 2013; Agrawal et al., 2008; Lachapelle et al., 2011; Mahanty, 2006).

The first concept used in this research is the concept of transglobal leadership intelligence. The extant literature of leadership highlighted the correlation between leadership style with organizational behavior and its performance (Pasalong, 2008). However, most of them only put their attention for management issues and less attention toward governance and its development (Denhardt & Denhardt, 2007) Furthermore, the development of leadership theory has been transformed into several patterns following its paradigm while the paradigm itself is adjusted their position due to the change or development of science, technology, culture and other factor that may influence people behavior (Gosling et al., 2003). Recently, the globalization age has also affect the paradigm of leadership style. The shift of rapid information and the development of science, technology, as well as culture have enable people to demand a new characteristic of leader that is reflect the new paradigm of globalization (Bass, 1994; Yukl, 1997).

The conception of leadership that is reflecting the global principle will be later called as transglobal leadership (Hermawati, 2014; Hermawati & Nasaruddin, 2016). The concept of transglobal leadership derived from the extension of transformational leadership by emphasizing toward six key primary intelligence principles (Sharkey et al., 2012). The first intelligence principle is cognitive intelligence that is measurable by IQ, then continued by moral intelligence, emotional intelligence, cultural intelligence, business intelligence, and global intelligence (Sharkey et al., 2012). The success of implementation of transglobal leadership will highly depend on the characteristic of leader intelligence whether they can implement these six key primary principles fully or some of them in some circumstances.

Various occurring crises have indicated the importance of the aspects of leadership and intelligence, particularly after the discovery of a wider range of functions of the brain and mind. It implies the necessity of an understanding of the aspects of intelligence in relation to the leadership and the optimal utilization of the potential of brain or mind to attain leadership competence to address existing challenges to achieve optimal leadership performance. Transglobal Leadership included in the leadership competence can be achieved through learning (study, observation, and experience)
and mentoring to obtain rational, emotional, and spiritual intelligence for a great leader.

Intelligence is mental, emotional, and spiritual capability involving human ability to think, plan, imagine, solve problems, understand and comprehend complex ideas and be able to transform experience into knowledge. Therefore, this issue is highly relevant for both leaders and followers. Basically, the main function of a leader is to design the future of his nation or organization. The concerned leader is required to be brave and able to deal with change. Due to the importance of the functions of a leader, the greatness requires a great leader and a great leader requires great leadership. A leader is required to have the ability to build executive intelligence on him and his staff. A study in this area indicates that all great leaders have executive intelligence (Minister of Health, 2006). Brain power (executive intelligence) will determine the leadership qualities of a leader in establishing a vision and creating or choosing the right strategy to achieve organizational goals.

The six intelligence principles include cognitive intelligence, moral intelligence, emotional intelligence, cultural intelligence, business intelligence, and global intelligence (Sharkey et al., 2012). Cognitive intelligence is related to a leader who has a high cleverness. Moral intelligence is correlated to a leader who has a clear ethic guideline. A leader also shows an empathy to others as the emotional intelligence principle. A leader concern to the culture considered as an cultural intelligence. Business intelligence is a component leadership owned by a leader who has a good instinct to develop business activity. A leader must understand economic, law, governmental and procedural conditions considered as the global intelligence principle (Sharkey et al., 2012).

The second concept used in this research is good-governance-based forest management. Good governance is the most important issue in the management of public administration today. The public demand for the government to enforce good governance is in line with the increase of public knowledge and the effects of globalization. The success of good governance is largely determined by the involvement and synergy of the three main actors, namely the government, the community, and the private sector. Within governance conception, government officials are one of the most important actors to control the ongoing process of good governance (Bevir, 2007). The involvement of the government apparatus in supporting the success of governance is largely determined by an understanding of the concept of good governance and excellent experience of bureaucracy and the management of government bureaucracy.

The emergence of good governance does not only transform the government into an institution, but also into a multi-way process involving the elements of policy-making outside the government such as the community and private sectors. By maximizing the role of these three elements, people-based good governance will be realized. From the point of view of state officials, the governance is interpreted as the implementation of political, economic, and administrative authority to manage the affairs of the nation, mechanisms, processes, and complex relationships between citizens and groups articulating their interests (requiring the implementation of their rights and obligations) and mediate or facilitate differences between them (Mardiasmo, 2004:30). Therefore, it is proper for each local government official to have sufficient understanding of the principles of good governance. To achieve good governance requires accountability, transparency system, and public participation that will have implications for the role, performance and quality of the financial reports it produces. However, there is a lack of transparency in the administration of the existing government today. Although the government system is a democratic system that upholds openness, discussion and consensus, many practices of nepotism that harm the country and the community are found.

Although, discussions about forestry has attracted attentions from various elements of society such as academicians, policymakers, development agencies, or even private society but the realization of good governance in forest sector still remains vague (Hinkel, 2014). In Indonesia, the term good governance for forest sector refers to forestry management which is closely related to the authorized institution as well as policy makers. In addition, discussions about forestry within Indonesian perspective directly involve regional autonomy literature because Indonesia has adopted decentralization concept. This concept enables the local government in all region across Indonesia to control or at least be responsible for their own territory.

The implementation of decentralization is expected to provide some positive influences on the function of bureaucratic services to the community in the region with some underlying reasons: First, through regional autonomy, bureaucratic path from Central to Local Government will be shorter. Second, the process of bureaucratic reform through regional autonomy will strengthen public participation. Third, bureaucratic reform will increase competition between regions. Fourth, the competition will increase the awareness and responsibility of bureaucracy in public service to accelerate the development process in order to improve public welfare. Fifth, regional autonomy will be the steering structure in the implementation of local good governance, namely the Regional Government based on transparency, accountability, participatory democracy, and rule of law (Prasojo, 2003b). In other words, the elements of good governance can be implemented effectively by the Local Government if the decentralization units become the motor and catalyst for the development and transformation in the region. Thus, the political decentralization and the support of the local Public Administration are the important instruments in the implementation of good governance.
RESEARCH METHOD

A quantitative approach is used in this research because this study want to test relationships among variables. This approach is chosen due to its suitability to cover various phenomena as they are and allow a wider assessment due to the relationships between various variables studied.

The study is located in HTR area throughout Indonesia, spread over 26 provinces in Indonesia ranging from Aceh to Papua. The location of these forests is spread over 127 districts in Indonesia with a reserve area of 746,220 hectares up to June 2015. So far, the realization of IUPHHK-HTR amounted to 194,465 Ha or 26.06% of the reserves (Directorate General of Forestry Business Development of Ministry of Forestry, June 2015). The data is collected from November 2015 until January 2016. Qualitative information is obtained from in-depth interview with some informants selected from the respondents. Thus, in-depth interview is carried out after the data is analyzed statistically at the discussion of the study.

The variables in this study are the Intelligence of Transglobal Leadership, the Behavior of Transglobal Leadership, Community Empowerment, Good Governance, and Forest Productivity. In addition, the sample and the analysis unit in this study are in the form of regions, namely the districts implementing HTR development. The determination of sample units in the form of districts considers the management of HTR by government organizations at the district level.

The population in this study is all districts implementing HTR development in Indonesia. In this study, the population involved is 127 districts implementing HTR program in Indonesia. This study takes a third of the total population of 50 selected districts. The districts are selected by considering the representation of the population.

Table 1. The Sample of the Study

<table>
<thead>
<tr>
<th>No.</th>
<th>Criteria</th>
<th>Population</th>
<th>Sample</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Consideration of the Region</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sulawesi</td>
<td>47</td>
<td>19</td>
</tr>
<tr>
<td>2</td>
<td>Java, NT, Kalimantan</td>
<td>30</td>
<td>16</td>
</tr>
<tr>
<td>3</td>
<td>Sulawesi, Maluku, Papua</td>
<td>50</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>127</td>
<td>50</td>
</tr>
<tr>
<td></td>
<td>Consideration of the Percentage of HTR</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>0-5%</td>
<td>59</td>
<td>20</td>
</tr>
<tr>
<td>2</td>
<td>6-49%</td>
<td>44</td>
<td>13</td>
</tr>
<tr>
<td>3</td>
<td>50-100%</td>
<td>24</td>
<td>17</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>127</td>
<td>50</td>
</tr>
</tbody>
</table>

Source: Field research data collection, 2016

The sample and analysis unit in this study is the regions (the district government). Therefore, the respondents are the stakeholders who understand each variable measured. The respondents for the Intelligence of Transglobal Leadership (X) and Good Governance-Based Forest Management (Y) are the Heads of Forestry Office in each district.

This study consists of one concept consisting of 6 variables. Each variable is measured in several dimensions (identical dimensions with indicator), and each indicator is measured in several items. The concept that is applied in this study is the forest management concept consisting of several theories of leadership, empowerment, forest governance, and forest productivity. The following is the definition of each variable along with the operationalization and item of each indicator.

The Intelligence of Transglobal Leadership (X) is the dimension of intelligence owned by the heads of regions regarding their contribution to permitting process of HTR as well as the development of production forest based on Transglobal Leadership. This variable is measured/assessed by the Head of the Forestry Office (as respondent) assessing the Intelligence of the Leadership of the Head of Region (Regent). The measurement of this variable is based on 6 indicators, comprised of IQ/Cognitive intelligence (X1), Emotional Intelligence (X2), Business intelligence (X3), Cultural Intelligence (X4), Global Intelligence (X5), Moral Intelligence (X6). Then, the Good Governance-Based Forest Management (Y) is forest management by the (central and local) government based on good governance. This variable is measured/assessed by the Head of Forestry Office (as respondent) assessing the Officer of Forestry Office regarding Good Governance-Based Forest Management. The measurement of this variable is based on 4 indicators, consisted of: Openness (Y1), Accountability (Y2), Fairness (Y3), and Participation (Y4).

This instrument uses Likert Scale, with 5 (five) items of response, namely from strongly disagree to strongly agree. The scoring is given 5 for strongly agree and 1 for strongly disagree. Sekaran (2006) explains that the Likert Scale used has a scale of interval data since the categories of answers (1-5) are equally spaced, so the data meets the interval scale. If associated with the
analytical tool, GSCA requires the measurement scale of each variable to be an interval/ratio.

The validity test is carried out by calculating the correlation coefficient between indicator score and total score for each variable. The instrument of the study (indicator) is valid if it has correlation coefficient of \( r \geq 0.30 \) (Indriantoro and Supomo, 2002). Bungin (2011) states that a reliable instrument is an instrument that will produce similar data even when being used multiple times to measure the same object. Reliability is an index indicating the extent of reliability of the instrument. The reliability of these questionnaires is tested with internal consistency method by calculating the coefficient of Cronbach Alpha. The questionnaire of each variable is said to be reliable if it has \( \alpha \geq 0.60 \). In addition, the descriptive analysis is provided in the form of frequency table and average value with standard deviation. The results of this analysis can be used to explain the results of hypothesis testing, namely GSCA results. In addition, the results of this analysis are useful to determine the degree of poor-excellent or low-high value of each variable studied.

RESULT AND DISCUSSION

This study uses Ramsey Reset Test with software R to carry out linearity assumption and it shows P-value >0.05 which indicated that linearity assumption is fulfilled. Furthermore, the general structured component analysis (GSCA) is applied to measure the model in both Intelligence of transglobal leadership (X) as well as good governance based-forest management.

The measurement model in GSCA is the measurement for each indicator of the variables. The indicator is significant if Critical Ratio (CR) > 1.96 (1.96 is the critical value of Statistic Z Table). The coefficient of loading factor shows the weight of each indicator. The indicator with the highest loading factor is the dominant (strongest) indicator as the measurement of variable.

Table 2 shows the measurement model of the Intelligence of Transglobal Leadership (X). This variable is the dimension of intelligence of heads of regions regarding their contribution to permitting process of HTR as well as the development of production forest based on Transglobal Leadership. This variable is measured or assessed by the Head of the Forestry Office (as respondent) assessing the Intelligence of the Leadership of the Head of the Region (Regent). There are six indicators to measure this variable, namely IQ/Cognitive Intelligence (X1), Emotional Intelligence (X2), Business Intelligence (X3), Cultural Intelligence (X4), Global Intelligence (X5), and Moral intelligence (X6). The following table 2 provides a complete analysis of the measurement model of the Intelligence of Transglobal Leadership in tabulation and graphic.

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Loading Factor</th>
<th>Critical Ratio (CR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cognitive Intelligence (X1)</td>
<td>0.545</td>
<td>2.72</td>
</tr>
<tr>
<td>Emotional Intelligence (X2)</td>
<td>0.576</td>
<td>2.75</td>
</tr>
<tr>
<td>Business Intelligence (X3)</td>
<td>0.546</td>
<td>2.73</td>
</tr>
<tr>
<td>Cultural Intelligence (X4)</td>
<td>0.571</td>
<td>3.04</td>
</tr>
<tr>
<td>Global Intelligence (X5)</td>
<td>0.574</td>
<td>2.54</td>
</tr>
<tr>
<td>Moral Intelligence (X6)</td>
<td>0.592</td>
<td>3.23</td>
</tr>
</tbody>
</table>

Source: Field research data collection, 2016

The first indicator Cognitive Intelligence (X1) has loading factor of 0.545 and CR of 2.72. It indicates that Cognitive Intelligence (X1) is a significant measurement of the Intelligence of Transglobal Leadership (X). It concludes that a head of region (regent) must have high IQ intelligence in forest management, particularly HTR. The second indicator Emotional Intelligence (X2) shows the loading factor of 0.576 and CR of 2.75. It indicates that Emotional Intelligence (X2) is a significant measurement of the Intelligence of Transglobal Leadership (X). A head of region should have emotional intelligence in terms of forest management. A head of region should have empathy and connect with others at a good social and emotional level, particularly with regard to forest management. The third indicator is Business Intelligence (X3). The third indicator Business Intelligence (X3) shows the loading factor of 0.546 and CR of 2.73. It indicates that Business Intelligence (X3) is a significant measurement of the Intelligence of Transglobal Leadership (X). In addition to IQ and EQ, a head of the region must understand properly the components of every successful business, primarily in forest management, in detail regarding the process, data and information, and perspectives (not merely from financial perspective).

The fourth indicator Cultural Intelligence (X4) shows the loading factor of 0.571, and CR of 3.04. It indicates that Cultural Intelligence (X4) is a significant measurement of the Intelligence of Transglobal Leadership (X). It concludes that a head of region should have a good understanding of critical cultural norms and local customs associated with forest management. The fifth indicator Global Intelligence (X5) shows the loading factor of 0.574 and CR of 2.54. It indicates that Global Intelligence (X5) is a significant measurement of the Intelligence of Transglobal Leadership (X). A head of region should understand the legal, economic, government and procedural aspects related to forest management. The sixth indicator Moral Intelligence (X6) shows the loading factor of 0.592 and CR of 3.23.
It indicates that Moral Intelligence (X6) is a significant measurement of the Intelligence of Transglobal Leadership (X). This indicator has the highest loading factor compared to other indicators, meaning that Moral Intelligence (X6) is the most dominant (strongest) indicator. In addition to IQ, emotional intelligence, business intelligence, cultural intelligence, and global intelligence, a head of region must have clear ethics and understand the products of forest management. Thus, moral intelligence is the main aspect reflecting high Intelligence of Transglobal Leadership (X) of a head of region.

The six indicators are significant for the Intelligence of Transglobal Leadership (X). It indicates that a head of region must have high intelligence in terms of cognitive, emotional, business, culture, global, and, the most important, moral intelligence. This finding strengthens the description by Sharkey, et al. (2012) that various occurring crises have indicated the importance of the aspects of leadership and intelligence, particularly after the discovery of a wider range of functions of the brain and mind. The arising implication is an understanding of the aspects of intelligence in relation to leadership is required.

Good Governance-Based Forest Management (Y) is forest management by the (central and local) government based on good governance. This variable is measured/assessed by the head of forestry office (as respondent) assessing the officers of forestry office regarding good governance-based forest management. The measurement of this variable is based on 4 indicators, namely Openness (Y1), accountability (Y2), fairness (Y3), and participation (Y4). Table 3 draws a complete analysis of the measurement model of good governance-based forest management (Y) in tabulation and graphic.

Table 3. The Measurement Model of Good Governance-Based Forest Management (Y)

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Loading Factor</th>
<th>Critical Ratio (CR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Openness (Y1)</td>
<td>0.614</td>
<td>3.01</td>
</tr>
<tr>
<td>Accountability (Y2)</td>
<td>0.592</td>
<td>2.87</td>
</tr>
<tr>
<td>Fairness (Y3)</td>
<td>0.504</td>
<td>2.78</td>
</tr>
<tr>
<td>Participation (Y4)</td>
<td>0.636</td>
<td>3.30</td>
</tr>
</tbody>
</table>

Source: Field research data collection, 2016

Table 3 shows the measurement model of the indicators for the good governance variable. The first indicator Openness (Y1) shows the loading factor of 0.614 and CR of 3.01. It indicates that openness (Y1) is a significant measurement of good governance-based forest management (Y). It concludes that (central and regional) government apparatus must meet the aspect of openness regarding forest management. The second indicators Accountability (Y2) shows the loading factor of 0.592 and CR of 2.87. It indicates that Accountability (Y2) is a significant measurement of Good Governance-Based Forest Management (Y). It concludes that (central and regional) government apparatus must meet the aspect of accountability regarding forest management. The third indicator Fairness (Y3) shows the loading factor of 0.504 and CR of 2.78. It indicates that Fairness (Y3) is a significant measurement of Good Governance-Based Forest Management (Y). In addition to openness and accountability, forest management (by state/regional apparatus) should be managed fairly. The fourth indicator Participation (Y4) shows the loading factor of 0.636 and CR of 3.30. It indicates that Participation (Y4) a significant measurement of Good Governance-Based Forest Management (Y). It concludes that forest management (by state/regional apparatus) should actively involve the participation of other stakeholders. Good Governance-Based Forest Management (Y) is reflected in Openness (Y1), Accountability (Y2), Fairness (Y3), and Participation (Y4) of the (central and local) government apparatus in forest management. Participation (Y4) with the highest loading factor is the dominant/strongest indicator as the measurement of good governance-based forest management (Y), meaning that good governance-based forest management (Y) is seen from the high participation of various stakeholders in forest management in the program of HTR.

Consistent with the explanation by Mardiasmo (2004), the theory of good governance provides guidance on the development of organizational system, particularly government institutions based on good governance with the principles of transparency, accountability, fairness, and participation. A case in point is bureaucratic reform directed to the efforts to prevent and eliminate corruption in a sustainable manner to create dignified, clean, and good governance that is free of corruption, collusion and nepotism. The success of the development program is determined by the support of paradigm and culture of the bureaucracy apparatus in providing excellent public service. The efforts to change the paradigm and culture of bureaucratic apparatus are also significant considering big challenges encountered by local governments in this global era.

The result of data analysis indicates the significant values on all six indicator of intelligence of transglobal leadership toward good governance based-forest management. In other words, it can be inferred that head of region must have high intelligence in terms of cognitive, emotional, business, culture, global, and, the most important, moral intelligence. This finding strengthens the description by Sharkey, et al. (2012) that various occurring crises have indicated the importance of the aspects of leadership and intelligence, particularly after the discovery of a wider range of functions of the brain and mind. The arising implication is an understanding of the aspects of intelligence in relation to leadership is required.

The measurement model on good governance-based forest management shows that all four indicators are significant for good governance-based
forest management. Good Governance-Based Forest Management is reflected in openness, accountability, fairness, and participation of the (central and local) government apparatus in forest management. Participation with the highest loading factor is the dominant/strongest indicator as the measurement of good governance-based forest management, meaning that good governance-based forest management is seen from the high participation of various stakeholders in forest management in the program of HTR.

The result of structural model testing to test the influence of Intelligence of Transglobal Leadership on good governance-based forest management shows the coefficient of structural model of 0.359 and Critical Ratio (CR) of 2.38. It indicates that the Intelligence of transglobal leadership has a significant and positive influence on good governance-based forest management. However, the influence is not really strong caused by the fact that the principles' implementation still depending on the local operators who execute the activities. The general conclusion that the higher the Intelligence of transglobal leadership reflected in high cognitive, emotional, business, cultural, global, and moral intelligence of a head of region, the higher the level of good governance-based forest management reflected by (central and regional) government apparatus in managing the forest on the HTR program in an open, accountable, reasonable and participatory manner.

The acceptance of the hypothesis supports the theory of bureaucratic reform (Mardiasmo, 2004: 44), decentralization (Prasojo, 2003b), transglobal (Sharkey, et al. 2012), and the findings of previous studies by Duthy and Bolo (2003), Forest Trends (2013). In the concept of bureaucratic reform (Mardiasmo, 2004:44), there are two destinations to reach by national commitment and leadership in the implementation of good governance in Indonesia. First, the commitment to modernize the bureaucracy, and second, the commitment to enforce the law for every bureaucratic offense ranging from administrative errors, corruption, collusion and nepotism. These two commitments should be administered not only by the Government, and particularly the President as the Head of the State, but also by other state institutions.

CONCLUSION

The transglobal leadership has become new perspective within the extant of leadership literature. This study analyzes the influence of dimension of intelligence within transglobal leadership on the good-governance practiced on forest management in Indonesia. The finding of this study indicates positive value with 0.359 on its coefficient structural model and 2.38 on critical ration, then it can be inferred that there is strong influence between them. In addition, this study gives an exposure about how transglobal leadership play important role toward the implementation of HTR policy in Indonesia. The reason behind this assertion is because the success of HTR will significantly depend on leadership skills of policymaker in every city of Indonesia. This paper is expected to fill the gap occurs within the field of transglobal leadership area and policy implementation through good governance attributes. We strongly suggest to progress the study to elaborate the transglobal discussion in similar perspective to other sectors.

REFERENCES


Department of Home Affairs (Depdagri). 2006. The Regulation of the Ministry of Home Affairs No.23 of 2006 on Technical Guidance and Procedures for Regulating Tariffs of Drinking Water in Regional
MUHAMMAD, ET ALL, THE INFLUENCE OF THE INTELLIGENCE 139

Administration-owned Drinking Companies. Jakarta: Depdagri.


Dutly, S., and Bolo, B. 2003. Empowering People’s Organizations in Community Based Forest Management in the Philippines: the Community Organizing Role of NGOs. Visayas State University Baybay City, Leyte 6521-A Philippines.


Stephen Duthy and Bernadette Bolo, 2003. Empowering People’s Organizations in Community Based Forest Management in the Philippines: The Community Organizing Role of NGOs

