

# The Mediation Effect of Community Empowerment and Good Governance in Relation to Forest Productivity in Indonesia

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This study aims to test the relationship between transglobal leadership (intelligence and behaviour) and forest productivity, by means of the mediating effect of community empowerment and good governance (in this case, good forest governance). The population in this study was all regencies which implement HTR development in Indonesia. The population size was 127 regencies. Using the Slovin formula with 10% error rate in precision, a sample size of 50 regencies was collected for data analysis in this study. The data analysis technique used is the Generalised Structural Component Analysis (GSCA). First, Transglobal Leadership Intelligence has a direct effect on Transglobal Leadership Behaviour, Community Empowerment, Good Governance-based Forest Management, but no direct effect on Forest Productivity. Transglobal Leadership Intelligence didn't have a direct effect on Forest Productivity, but it had a mediation effect on Community Empowerment and Good Governance-based Forest Management. Second Transglobal Leadership Behaviour had a direct influence on Community Empowerment, Good Governance-based Forest Management, but no direct effect on Forest Productivity. This is one of few studies which investigates comprehensively the relationship between transglobal leadership in the public sector, community empowerment, good governance, and forest productivity, especially in Indonesia.

**Keywords:** *Transglobal Leadership, Community Empowerment, Good Governance, Forest Productivity in Indonesia.*

## Introduction

This study aims to test the relationship between transglobal leadership (intelligence and behaviour) and forest productivity, by means of the mediating effect of community empowerment and good governance (in this case, good forest governance). This is one of few studies which investigates comprehensively the relationship between transglobal leadership in the public sector, community empowerment, good governance, and forest productivity, especially in Indonesia.

Prior to more comprehensive analysis, several theories of public administration are outlined. Public administration holds a very vital and strategic role for continuity of the life of the people and of the nation. All nation orders need to be regulated in a good, effective and efficient administration framework, so that they can satisfy the required target. The strategic function of public administration as stated by General Director of BUK (2015) suggest that in public administration, more dominantly (Strategic Functions) are applied (Public Administration) both in regional and central government in local and central government. The wheel of government will run smoothly if the government is able to improve the organisation, especially to build and develop an administration philosophy which can resolve public affairs. It is consistent with General Director of BUK (2015) who suggests that the strength of a nation, even the reciprocation of human civilisation, and the survival of nations in the world are not due to war or catastrophe, but dependent on the good or bad administration they have. Therefore, it is explicit and clear that administration is a very significant thing in the life of people and of a nation.

Various issues emerge related to HTR (Hutan Tanaman Rakyat in Indonesian, or Plantation Forest Folk) policies (Source: Directorate General of BUK, Ministry of Forestry, General Director of BUK (2015)), as follows:

- (i) First, the HTR licensing process. Based on the data of Directorate General of BUK (Bina Usaha Kehutanan in Indonesian or Forestry Enterprises) of the Ministry of Forestry on June 2015, from 746.220 hectares of forest, only 194.465 hectares had received licenses from regional heads or only 26.06% has received licenses. On the other hand, from 194.465 hectares which had been licensed, only 14.390 hectares or 7.40% has been realised. On average the percentage of licensing and realisation was 16.73%. It showed a problem in forest management in terms of the leadership of a regional head. The support of the HTR development budget in provinces instead of regencies, as well as time delay between the legalisation of the central government (ministry) and realisation in regions enables leadership succession in regions (processes before and after local elections which cause leadership change).
- (ii) Second, the community empowerment process. Until now, people haven't fully understood the HTR program, although it has been socialised by regional and

central governments. A major question is raised: Can the people manage HTR? Facts show that ventures in economic activities, mainly agricultural commodities (oil palm, cocoa, rubber, etc.) and forestry commodities, aren't the main activities yet. On the other hand, people who work and establish enterprises in agroforestry when there is no legality. With HTR, there will be legality, and they will be formal economic actors.

- (iii) Third, forest management. Aside from good public governance, especially good forest governance, there are several obstacles in the field related to the HTR program. Beside the problem of the support of the HTR development budget at a provincial level, salary payment and supplementary operation aren't on time.

Leadership position and paradigm of public administration according to Bass (1985), are: 1) As a rolling process which is characterised by the dependence of government and people on the leadership capacity of a person; 2) As a governing process: a governing practice based on ethical consensus between government and society; 3) As an administering process which is characterised by the establishment of a legal system which is strong and comprehensive, by means of names of all administration working orderly and regularly.

The role of a leader is very dominant in a public organisation, the dominant role does not reduce, or even neglect the importance of the necessary role and must be played by the executives. They must be guided, built, directed and driven in such a way so that they are eager and able to influence energy, time, and skills for the public organisation. One realisation of public organisation is in the case of forestry. The implementation of leadership can be perceived as determining a success of an organisation and good governance, if it is implemented in a forestry object, then one kind of success in the organisation is forest productivity.

The phenomenon above shows that the leader is currently weak in intelligence dimension, especially morally, culturally, in business, and globally. Theoretically, (Sharkey et al. (2012); Ripley (1985)) mentioned that those three things have been contained in the type of transglobal leadership, which have not been owned by transactional leadership (Kartasasmita (1996)), or transformational leadership (Friedmann (1992)) which only perceives from a transaction aspect or transformation system between a leader and subordinates, which is still local (have scale), which has not considered a global aspect related to wider public interest. Therefore, it can be concluded that the theory of transglobal leadership needs to be implemented in forest management in Indonesia. A district head with a transglobal soul in the sense of having a high level of intelligence either in cognitive, moral, business, culture, global, or emotion is more superior compared to several preceding leadership theories (transactional or transformational). By intelligence leadership (transglobal leadership) is expected to be able to improve the performance in forestry (in this case, forest productivity).

## Theoretical Background

Several preceding studies in administration and other fields, have strongly illustrated the relationship between variables analysed explicitly or implicitly as follows: (1) A study by Duthy and Bolo (2003) and Trends (2003) shows the relationship between intelligence and behaviours of transglobal leadership and characteristics of good governance-based forest management, (2) A study by Heath and Norman (2004) which shows the relationship between intelligence and behaviours of transglobal leadership and forest productivity, and (3) A study by Raasay Raasay (2003), Agrawal Agrawal, et al. (2008), Lachapelle, et al (2004), Koirala, et al. (2011), Poudyal Poudyal, et al, (2013), and Mahanty, et al (2006) which show the relationship between good governance-based forest management and forest productivity.

Sharkey, et al., (2012) analysed the theoretical problem concerning transactional or transformational leadership classified in local type of leadership. In initial development, leadership style emerges in a local form (version) which is not able to reach a global aspect. Therefore, Sharkey, et al., (2012) constructs a more global type of leadership, known as transglobal leadership. Transglobal leadership is leadership whose influence is universal (between nations) and makes a major contribution to humanity. Transglobal leaders makes people's lives more interesting, more beautiful, more prosperous, more dignified, or better. A transglobal leader takes their idea and adapts to new environment which is wider and more complex. A transglobal leader is more likely to support and help establish a unique approach toward work, whereas a local leader does great in stable operation and builds a team having similar thought which will reach the goal recurrently and reliably.

**Figure 1.** Transglobal Leadership Model



Figure 1 explains the link between behaviours of transglobal leadership and organisation success (in this case is productivity). Sharkey, et al., (2012) clarifies that transglobal leadership style has 5 characteristics, which are uncertainty resilience, team connectivity, pragmatic flexibility, perspective responsiveness, and talent orientation. These are able to improve effectiveness and the success of leadership which will go to an outcome in the form of organisation performance. This strongly illustrates theoretically the evidence of the relationship between leadership and organisation performance.

The demand of good governance implementation, it is not only a formal juridical demand, but more than that is real evidence of the demand on improvement of service to society. This has impacted the shift of the public sector (government) management paradigm, which leads to government realisation which is democratic, responsive, accountable, and the improvement of governmental organisation performance in providing services to public. The substance of paradigm reformation of public service is the shift of public service implementation which is initially government-oriented as the provider into government as a servant focusing on compliance of public needs as the users. The significant consequence for government in response to the shift of this pattern of public service implementation is that the government must listen to public voices by giving spaces for society's participation.

In the Theory of Dynamic Governance (Hargadon (2003)), to implement bureaucracy reformation and good governance, it takes a leader who is able to think ahead and think more. Those three types have been covered by intelligence of transglobal leadership, which is cognitive, moral, emotion, culture, business and global intelligence. This shows clearly the dimensions and behaviours of transglobal leadership to implement good governance.

Furthermore, Mardiasmo (2004) explained that the Theory of Good Governance that shows the demand of organisation system development, especially good governance-based governmental institution with efficient, effective, open, fair, responsible and accountable principles. One of them is bureaucracy reformation directed at the attempts to prevent and accelerate combating corruption, continuously, to create a good, clean, and prestigious government (good governance), a clean government, free from collusion, corruption and nepotism.

Brackertz (2006) proves that the success of a good public service highly depends on how big the capacity of facilities and infrastructures owned by an organisation in providing the service are. To measure the effectiveness of public service in fact can be measured by comparing the differences between expectations and perceived performance.

Essentially the concept of “empowerment” and “empower” contain two definitions. The first definition is “to give power or authority to” which means to give, switch power and delegate authority to other parties. The second definition is “to give ability to or enable”, is defined as

an attempt to give abilities or empowerment. On the other hand, empowerment based on semantics is defined as power derived from the “inside” which can be supported by elements from the “outside” (Dwiyanto (2007)).

In the context of society empowerment in Indonesia, there are three things which are necessary to be performed through ACTORS theory. First, the development needs to be directed to structural change. Second, the development is directed to society empowerment to alleviate the discrepancy issue in the form of unemployment, poverty, and inequality by giving greater spaces and opportunities to people to participate in the development. Third, the development needs to be directed to cross-sector coordination covering inter-sector, inter-regional, and specific development program. In practice, those three directions must be performed integrally, directionally and systematically, and they are inseparable. Eventually, the allocation of greater spaces and opportunities to society to participate in the development can synergise with the attempt to overcome unemployment, poverty, and inequality (Hulme & Turner (2002)). Empowerment framework can be perceived from the acronym “ACTORS” consisting of: A = authority by giving trust, C = confidence and competence, T = trust, O = opportunities, R = responsibilities, and S = support.

Productivity is a term in production activity of the comparison between output and input. According to Herjanto (2007), productivity is a measurement stating how well the resource is managed and utilised to achieve optimal results. Productivity can be used as benchmark of an industry success or SME in producing goods or services. Therefore, the higher the comparison, the higher the productivity. The amount of productivity can be varied, depending on output and input aspects used as basic aggregate, such as: labour productivity index, direct cost productivity, total cost productivity, energy productivity, raw material productivity etc (Budiwati (1965)). The productivity amount employed in this study is first, Economic: meaning minimal input in planning is sought, then in practice the cost is also expected to be low. Second, Efficiency: meaning that by objective input or planning then optimal or efficient output can be achieved. Third, Effective: the targeted output will be similar to the output realised.

Productivity when associated to forestry is forest productivity. Forest productivity is declining along with the deforestation improvement rate, illegal logging and forest land conversion. Meanwhile, the demand on forest products is increasing along with the population growth, property and industry. Forest product supplies is closely related to forest land productivity, if the supply is supposed to rise, forest productivity must be improved.

The current forest condition is undergoing a productivity decline along with the declining forest width. According to The Straits Times in Anonymous (2006), forest width in Indonesia is noted as 143,57 million hectares. Nevertheless, in the past 20 years the forest width in Indonesia of 103,904 hectares remains consisting of 29,959 million hectares of fixed production forest and

17,173 million hectares of convertible production forest (Bureau of Forest Planning, Bureau of Forest Planning (2013)). The deforestation rate in 1990-1996 was 1.87 million hectares, which intensively increased in 1996-2000 to 3.51 million hectares. However, since 2000 up to now, the deforestation rate has declined to 1.08 million hectares in 2000-2003, 1.17 million hectares in 2003-2006, and 830 thousand hectares in 2006-2009. In the latest development, the forest deforestation rate in 2009-2011 was 450 thousand hectares. Productivity decline of tropical forest was directly perceived in the decline of nutrient content in forest land. This is caused by much nutrient tropical area being stored in biomass (vegetation) on land as the form of a closed system of nutrient cycle, so that when biomass is taken the implication is that most forest nutrient is taken as well.

### **Conceptual and Methodology**

Several theories in administration or other fields, have been quite strong illustrating the relationship between variables analysed either explicitly or implicitly as follows: (1) Theory Bureaucracy Reformation (Mardiasmo (2004)), Theory of Decentralisation (Budiwati (1965), Rondenelli (1983)), theory of Dynamic Governance (Hargadon (2003)), Theory of Transglobal (Sharkey, et al., (2012)) which show the relationship between Intelligence and Behaviours of Transglobal Leadership and Characteristics of Good Governance-Based Forest Management, (3) Theory of Transglobal (Burns (1978)), Theory of Dynamic Governance (Hargadon (2003)), Theory of Organisational performance (Cask & Fischer (1986)) which show the relationship between Good Governance-Based Forest Management and Forest Productivity.

Several preceding studies in administration or other fields, have strongly illustrated the relationship between variables analysed explicitly or implicitly as follows: (1) A study Duthy and Bolo (2003), Trend (2013) which shows the relationship between Intelligence and Behaviours of Transglobal Leadership and Characteristics of Good Governance-Based Forest Management, (2) A study Heath and Norman (2004) which show the relationship between Intelligence and Behaviours of Transglobal leadership and Forest Productivity, and (3) A study Raasay (2003), Agrawal, et al. (2008), Lachapelle, et al (2004), Koirala, et al. (2011), Poudyal, et al, (2013), and Mahanty, et al (2006) which show the relationship between Good Governance-Based Forest Management and Forest Productivity.

The population in this study was all regencies which implement HTR development in Indonesia. The population size was 127 regencies. Using the Slovin formula with a 10% error rate in precision, a sample size of 50 regencies was collected to be used for data analysis in this study. The data analysis technique used is Generalised Structural Component Analysis (GSCA) using the Sobel Test with Transglobal Leadership Intelligence (X1) as the exogenous variable, Transglobal Leadership Behaviour (Y1), Community Empowerment (Y2) and Good

Governance-based Forest Management (Y3) as the intervening endogenous variables, and Forest Productivity (Y4) as the pure endogenous variable.

### Analysis Results

The result of the GSCA analysis shows the relationship between the variables tested. This is presented in Table 1. The relationship between the variables influence is significant if Critical Ratio (CR) > 1.96 (1.96 is critical value from Z Statistic Table). In the first relationship, which was the effect of Transglobal Leadership Intelligence (X1) on Transglobal Leadership Behaviour (Y1), the coefficient value of structural model is 0.446, and the Critical Ratio (CR) is 2.64. Considering CR > 1.96, and the structural model coefficient is positive, Transglobal Leadership Intelligence (X1) had significant and positive influence on Transglobal Leadership Behaviour (Y1). It produced a conclusion that the higher the Transglobal Leadership Intelligence (X1) reflected in IQ, emotional, business, cultural, global, and moral intelligences of a Regional Head, the higher the Transglobal Leadership Behaviour (Y1), which was shown a Regional Head's resistance to uncertainty, team connectivity, pragmatic flexibility, perspective responsiveness, and talent orientation. The result also shows a significant effect of relationship number 2, 3, 5, 6, 8, and 9.

**Table 1:** Analysis Result of GSCA

No	Relationships	Coefficient	CR	Result
1	Transglobal Leadership Intelligence (X1) to Transglobal Leadership Behaviour (Y1)	0.446	2.64	Significant
2	Transglobal Leadership Intelligence (X1) to Community Empowerment (Y2)	0.495	3.08	Significant
3	Transglobal Leadership Intelligence (X1) to Good Governance-based Forest Management (Y3)	0.381	2.38	Significant
4	Transglobal Leadership Intelligence (X1) to Forest Productivity (Y4)	0.106	0.67	Not-significant
5	Transglobal Leadership Behaviour (Y1) to Community Empowerment (Y2)	0.390	2.52	Significant
6	Transglobal Leadership Behaviour (Y1) to Good Governance-based Forest Management (Y3)	0.359	2.36	Significant
7	Transglobal Leadership Behaviour (Y1) to Forest Productivity (Y4)	0.099	0.64	Not-significant
8	Community Empowerment (Y2) to Forest Productivity (Y4)	0.373	2.26	Significant

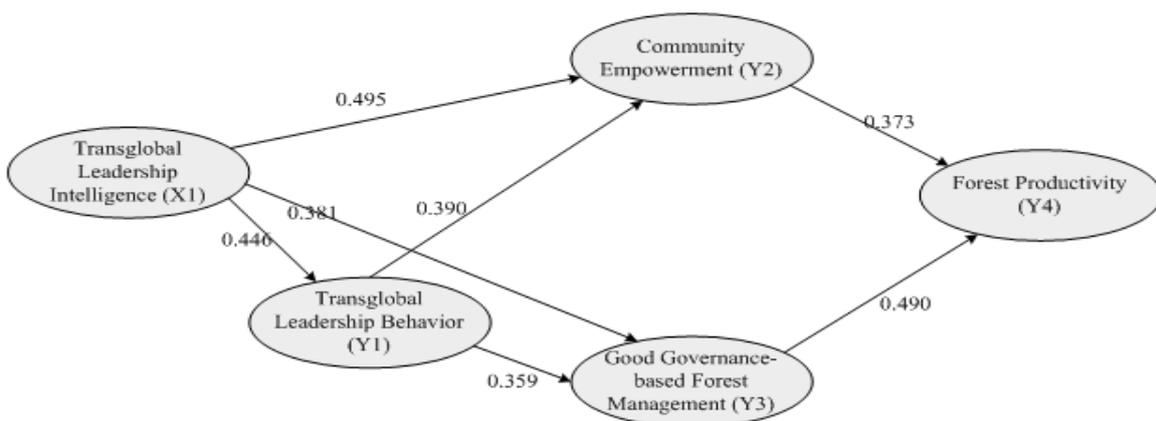
No	Relationships	Coefficient	CR	Result
9	Good Governance-based Forest Management (Y3) to Forest Productivity (Y4)	0.490	3.00	Significant

The fourth relationship was the effect of Transglobal Leadership Intelligence (X1) on Forest Productivity (Y4) which showed a structural model coefficient of 0.106 and Critical Ratio (CR) of 0.67. Considering  $CR < 1.96$ , it indicated that Transglobal Leadership Intelligence (X1) didn't have significant influence on Community Empowerment (Y2). Therefore, the fourth relationship was rejected. The result also shows a not-significant effect of relationship number 7.

**Table 2:** GSCA Sobel Test: Test of Mediating Effect

No	Relationships	Mediation	Coefficient	CR	Result
1	Transglobal Leadership Intelligence (X1) to Forest Productivity (Y4)	Community Empowerment (Y2)	0.185	2.143	Significant
		Good Governance (Y3)	0.187	2.196	Significant
2	Transglobal Leadership Behaviour (Y1) to Forest Productivity (Y4)	Community Empowerment (Y2)	0.145	1.978	Significant
		Good Governance (Y3)	0.176	2.185	Significant

**Figure 2.** Model of Research Findings



Both relationships were studied further in the next test, which was a mediation effect test. Solimun (2010) describes in GSCA model using Sobel Test for Testing the Mediation Effect. The mediation effect in Table 2 is significant if the Critical Ratio (CR)  $> 1.96$  (1.96 is critical

value from Z Statistic Table). The model of research findings presented in Figure 2 show that (1) Transglobal Leadership Intelligence didn't have a direct effect on Forest Productivity, but it had a mediation effect of Forest Productivity and Good Governance-based Forest Management, (2) Transglobal Leadership Behaviour didn't have a direct effect on Forest Productivity, but it had a mediation effect of Forest Productivity and Good Governance-based Forest Management.

## Discussion

The present research which is related to policy implementation of Community Plantation Forests (HTR) has found two significances. Firstly, Transglobal Leadership Intelligence, supported by both Community Empowerment and Good Forest Governance Forest Productivity plays a role as a driver of Forest Productivity. Secondly, Transglobal Leadership Behaviour, supported by both Community Empowerment and Good Forest Governance plays a role as a driver of Forest Productivity. The first global leadership phenomenon is a leader's vision on how to live a more dignified life. In 1862, Abraham Lincoln proclaimed the liberation of slaves. At the meantime, Mahatma Gandhi had a vision for nonviolent struggle as contained in his speech in 1920 at Madras. Martin Luther King echoed a vision on equality for black people in his 1963 speech in Washington. Mother Theresa conveyed a vision of life on the ground of love during the 20th century; hence she was awarded with a Nobel Prize. Similarly, the vision of "a computer on every desk, and in every home" from Bill Gates.

The phenomena of global leaders in Indonesia is reflected in the leadership of Soekarno, the first president of Indonesia who had the characteristics of a global leader recognised by the world. Indonesia once became an extremely respected country in the world, including by the Soviet Union and the United States. The image of Indonesia as a respected country surfaced a dozen years following Indonesia's independence in 1945. It must be recognised, nonetheless, that such a condition is in stark contrast compared to today's condition. Despite having abundant natural resources, Indonesia remains in the position of being dependant on other countries, especially in the economic sector.

Indonesia, in the era of Soekarno, was a highly respected country. The diplomatic expertise of Soekarno at that time was able to handle any disturbance from the outside trying to spoil the sovereignty of the Republic of Indonesia (NKRI). Remarkably, Indonesia had the capability to be accepted by two superpower countries involved in the cold war, namely the Soviet Union and the United States from 1953-1963. The acceptance of Indonesia by those two superpowers was the fruit of free and active politics applied by the leadership of President Soekarno. One success of Soekarno in taking advantage of the cold war situation between the Soviet Union and the United States during 1953-1963 was for Indonesia's interest in the efforts of expelling Dutch colony from West Papua. Using his ingenuity (intelligence), Soekarno told the United

States that Indonesia would get the help from the Soviet Union to expel the Dutch from West Papua. It turned out that his efforts produced results as John F. Kennedy the then United States' leader, immediately asked the Netherlands which was one of its allies, to leave West Papua. President Soekarno was highly respected by the world leaders at that time.

Reflecting on the phenomena above, a leader is needed who understands the economic, cultural, legal and political impacts. A leader who sees himself as the world's population with vast visions and values will be required. Global leadership is highly in need, related to the global trade and technology integration at a global level. Leaders of the future should be able to learn how to cope with global production, marketing, and sales teams to gain competitive advantages.

The leaders, especially in handling forests, should have the intelligence and show the behaviour with the capability to resolve conflicts, such as the proverb, the singer not the song. This expression implies how crucial a leader is in determining the success of the communication process. As leaders, these public officials certainly must have at least one of three characteristics. Aristotle, the philosopher, refers to them with the term *ethos*; covering good sense, good moral character and goodwill. In more contemporary terms, these characteristics are credibility, attractiveness and power. Furthermore, in an interview with Ir. Wiratno, M.Sc, it reinforces that such transglobal leadership behaviour has a piece or similarity with the local leadership type in Indonesia. In Astabrata leadership, known as the Eight Provisions for Leaders in Java Repertoire, we identify Astabrata (eight virtues of the universe) (Kartono, Kartono (2008)). Whoever is capable of keeping and carrying the eight main paths of the universe, they can be called the uncrowned king.

Kartono Kartono (2008) states that despite coming from older repertoire, we can take inspiration or lessons from these eight provisions. If a leader takes this path, he will be on the throne of glory as human, in the form of the paths of the sun, the moon, the stars, the wind, the overcast, the fire, the ocean and the earth. In line with Astabrata leaders' behaviour typology, it is entirely connected with the intelligence of transglobal leadership. The leader's behaviour follows the paths of the sun, the moon, the stars, the wind, the overcast, the fire, the oceans and the earth; the leader must have full sixth intelligences, be it cognitive intelligence (IQ), emotional intelligence (EI), moral intelligence (SI), cultural intelligence (CI), business intelligence (BI), and primarily global intelligence (GI). Astabrata elaboration and its relationship with leaders' intelligence are described as follows:

1. The path of the sun; the sun is hot and full of energy. It gives means of living. That is, every leader must be able to give spirits, provide life, and give energy to his people. This behaviour requires SI, CI, and GI.

2. The path of the moon; the beautiful moon can illuminate the darkness. That is, every leader should be fun and enlighten their people in the darkness; leaders who can shine in the midst of darkness; he serves as the moon in the turmoil from disorder.
3. The path of the stars; besides beautiful, the stars also act as a compass and grant direction and guidance. That is, the leader should be a role model and give guidance.
4. The path of the winds; the wind is omnipresence, at every inch of the room. That is, the leader must act carefully, rigorously, and get down to the field in order to explore the lives of their subordinates.
5. The path of the overcast. It means, it is frightening but once it rains, there will be blessings. That is, a leader needs to be authoritative, but their actions must be beneficial for the lives of their people.
6. The path of fire; the fire is upright and capable of burning anything nearby. It means that a leader must be able to act fairly, principled and upright indiscriminately.
7. The path of the ocean; the ocean is vast and flat. It means a leader should have a broad view, be capable of accepting problems and not feel hatred against anybody.
8. The path of the earth; the earth is tranquil and sacred. It means that every leader must be able to function like the earth, namely be tranquil in character, honest, and willing to give endowment to their contributing subordinates.

In Pitoyo (2008), regarding the type of leadership of Ki Hajar Dewantoro, the concept of thinking on leadership includes three philosophies arguably to have covered the required dimensions in leadership. Transglobal leadership, thereby, covering all aspects, including the heart (heart-character), the head (head-method), and the hands (hand-behaviour) of leadership. A leader, such as a regional leader, in the public world is also a team leader for their subordinates within the organisation, as a partner and a director of business globally for the shareholders. Meanwhile, the three leadership principles of Ki Hajar Dewantoro are as follows: Ing Ngarso Sung Tulodo (at the fore is to set example), Ing Madya Mangun Karso (in the middle is to guide), Tut Wuri Handayani (at the back is to encourage).

The first leadership principle by Ki Hajar Dewantara is Ing Ngarso Sung Tulodo; at the fore is to set example. A leader walks before the people they lead towards the desired objectives.

The second principle is Ing Madya Mangun Karso. It means a leader should complement each of their members with the abilities to recognise their potential, the abilities to utilise, as well as the abilities to learn in order to improve their potential continuously. Cut short, the leadership means to inspire, motivate and foster enthusiasm to themselves or fellow team members to optimise their abilities.

The third principle is Tut Wuri Handayani. A new leader can be said successful if the organisation keeps showing high achievement and performance although the leaders do not

present physically. Great leaders build the organisation in such a way that it keeps growing, developing and evolving by itself. Successful leaders are those who can be leaders for the lives and souls of the people he leads.

The intelligence of transglobal leadership as the driver of Transglobal Leadership Behaviour, Community Empowerment, Good Forest Governance. Transglobal Leadership Behaviour also plays a role as a driver for Community Empowerment and Good Forest Governance. On the other hand, Community Empowerment and Good Forest Governance play roles as a driver of Forest Productivity. The findings above show the importance of transglobal leader roles (intelligence and behaviour) in managing forests, which also need the aspects of community empowerment and the concept of Good Forest Governance from government officials, both at the national and local level. The HTR concept is based on efforts to improve the community welfare, within and surrounding the forest to revitalise the forestry sector to provide access to the public in order to participate effectively in managing forest areas, particularly production forests areas which are improperly managed. Therefore, vacant and abandoned areas will be managed together with the community for the harvest to be planted, maintained and regulated in the future, based on the principles of sustainable forest management.

The importance of a transglobal leadership role in light of forest issues is a global issue, as forests are the heart of the world. Forests are public goods, i.e. when the goods are consumed by particular individuals, it will not reduce their consumption by others. Public goods of which users cannot be limited, and someone should not even pay to get them. Public goods are for the public in general (overall), hence people can enjoy them. Forests which once were public goods are now turning more into global public goods. According to Scott (2007), “global public good is a good that has the three following properties: (1) It is non-rivalrous. Consumption of this good by anyone does not reduce the quantity available to other agents, (2) It is non-excludable. It is impossible to prevent anyone from consuming that good, and (3) It is available more-or-less worldwide”. Forests are global public goods, which fulfil three properties, (1) forests are non-rivalrous, i.e. the forest consumption by anyone will not reduce the quantity available for other parties, (2) forests cannot prevent people from consuming forest product goods, and (3) forests are available almost worldwide.

Based on consideration of those factors, the forestry issues which become global public goods that can directly or indirectly affect the availability and quality of forests frequently become a decisive factor in the political arena and world trade. Thereby, the importance of problem solving in the forestry sector, which are global public goods, requires a leader figure who also understands globally, making it necessary to have transglobal leadership in addressing problems in the forestry sector. An example is the HTR problems prioritising economic, effective, and efficient forest functions, as well as improving the legal aspects of maximum forest use for the people’s welfare. With transglobal leadership of a leader in terms of forest

management, it is proven to build networking with various countries in preserving forests and their use for the nation's prosperity, particularly those having forest territory. Transglobal leaders have an important role in creating organisational performance. Transglobal leader can treat others as individuals, consider individual needs, listen, educate and train subordinates; hence such leaders provide personal attention to the subordinates. Such leaders view subordinates as individuals and offer special attention for developing their capabilities for good organisational performance.

If it is associated with leaders and government officials, the keywords used as recommendation in this research are mental revolution in the bureaucratic reform of forest management in Indonesia. One example of bureaucratic reform in Indonesia is the concept of "mental revolution" and "nawacita" declared by the president of Republic of Indonesia in 2014 -2019, Ir. Joko Widodo or generally known as Jokowi. The terms "mental revolution" and "nawacita" is popularly close with the governance commitment of President Joko Widodo, to build the nation of the Republic of Indonesia. A mental revolution, according to Jokowi, is transformation of a paradigm, mind-set, or the political culture in the framework of nation-building in accordance with the ideals of the Indonesian Proclamation - free, fair, and prosperous.

The present research recommends the type of transglobal leadership (intelligence: IQ, EQ and SQ, reinforced by business intelligence, cultural intelligence, and global intelligence, as described in the previous section) for realising the mental revolution taking the ground of the creation of world-class government. Through transglobal leadership creation (intelligence and behaviour), it will create a mental revolution capable of improving the forest productivity in Indonesia. This is supported by good governance implementation and the increasing role of the community in the form of empowerment

## **Conclusion and Recommendation**

The conclusion of this research are:

1. Transglobal Leadership Intelligence has a direct effect on Transglobal Leadership Behaviour. The higher the Transglobal Leadership Intelligence, the higher Transglobal Leadership Behaviour.
2. Transglobal Leadership Intelligence has a direct effect on Community Empowerment, the higher the Transglobal Leadership Intelligence, the higher Community Empowerment.
3. Transglobal Leadership Intelligence has a direct effect on Good Forest Governance, the higher the Transglobal Leadership Intelligence, the higher Good Forest Governance.
4. Transglobal Leadership Intelligence has no direct effect on Forest Productivity, but it has an indirect effect with mediation of Community Empowerment and Good Forest

Governance. It indicates the higher the Transglobal Leadership Intelligence, the higher Forest Productivity, if Community Empowerment and Good Forest Governance are also high.

5. Transglobal Leadership Behaviour has a direct effect on Community Empowerment, the higher the Transglobal Leadership Behaviour, the higher Community Empowerment.
6. Transglobal Leadership Behaviour has a direct effect on Good Forest Governance, the higher the Transglobal Leadership Behaviour, the higher Good Forest Governance.
7. Transglobal Leadership Behaviour has no direct effect on Forest Productivity, but it has an indirect effect with mediation of Community Empowerment and Good Forest Governance. It indicates the higher the Transglobal Leadership Behaviour, the higher of Forest Productivity, if Community Empowerment and Good Forest Governance are also high.
8. Community Empowerment has a direct effect on Forest Productivity, the higher the Community Empowerment, the higher Forest Productivity.
9. Good Forest Governance has a result in the higher Forest Productivity.

Based on the conclusion above, the recommendations from this research are:

1. The research findings reconstruct Transglobal Leadership Theory, in which Transglobal Leadership is felicitous to be employed in regional government institutions, particularly regional leaders using intelligence precision and transglobal leadership behaviour that will improve forest productivity. On the other hand, it also strengthens the theory of community empowerment and the theory of Good Forest Governance in the formulation of public policy. The findings demonstrate that community empowerment and good governance are relationship pre-mediation between intelligence and behaviour of transglobal leaders on forest productivity.
2. The results indicate the importance of public participation roles in forest management, particularly HTR, given public participation has an effect on forest productivity, as well as mediating the influence of Intelligence and Transglobal Leadership Behaviour against Forest Productivity. Therefore, this research recommends that the allocation of budget funds by the Ministry of Environment and Forests is required for dissemination to the community on the importance of community participation in the management of HTR policies; hence the HTR program is managed effectively and efficiently.
3. The results show the importance of the role of Good Forest Governance in the context of forest management, especially HTR, considering Good Forest Governance affects forests productivity, while mediating the influence of Intelligence and Behaviour of Transglobal Leadership on Forest Productivity. The research, thereby, recommends to the Ministry of Environment and Forests to improve the capabilities of reliable human resources; in this case regional /central government to work together with the stakeholders to better manage the forests.



4. The results point out the importance of the roles of intelligence and behaviour of Transglobal Leadership in increasing forest productivity. Thus, this research recommends to every regional head implementing an HTR program, and other global issues such as environmental reclamation, forest fires, garbage problems, to have a high intelligence, primarily in terms of moral intelligence, and other intelligences, for instance the IQ, emotional, business, cultural, and global intelligences. Inculcating intelligence nature and behaviour based on transglobal leadership is needed to improve the performance of public organisations in the regencies led.



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