

## SUMMARY

### **The Effect Of Implementing Regional Autonomy On Work Performance And Employee Prosperity Of Batam Revenue Office**

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There are at least three essence regarding the autonomy of a region. Firstly, the power management is focused on the local level based on the people. Secondly, economic dimension. Thirdly, cultural dimension. The consequences of the political decision to implement regional autonomy beginning 1 January 2001, have brought extensive and serious implications. The main objectives of Batam Municipality to put the regional autonomy into effect are to enhance public services and develop regional economy. One of the potential sources of the Real Regional Income is the Income obtained from the regional tax sector. Improvement of work efficiency of the employees handling regional taxes is an activity performed in order to accumulate the developmental of fund resources of Batam.

Making a study on the effects of implementing regional autonomy on boosting work performance and employee prosperity of Batam Revenue officials is an interesting issue. Based on the background above, the writer was encouraged to give his research title as **"The Effects of Implementing Regional Autonomy on Work Performance and Employee Prosperity of Batam Revenue Office"**.

The nature of regional autonomy stated in number 22 year 1999 of the constitution is an attempt to create social independence. The significance of regional autonomy attached to the existence of the regional government is closely related to decentralization as well. The goals are to accomplish an orderly, highly developed and prosperous society ; so that each person is able to live peacefully, comfortably, and to lead a normal life due to the conveniences of the public services in all aspects.

To achieve the regional autonomy it is essential to consider its effects and relationships with other kinds of aspects. Chiefly: (1) The relationship with globalization and industrial process that is taking place and that will always take place ; (2) The relationship with the nation's unity and integrity ; (3) The relationship with egalitarian tendency ; (4) The relationship with the people's empowerment.

Affan Gaffar (2003:275-283) stated that by way of autonomy, a region possesses a number of authorities, particularly 11 (eleven) prerequisite authorities as

stated in number 22 year 1999 of the constitution, The eleven prerequisite authorities become the foremost base for regional development.

The concepts of indicators in evaluating the Regional Government Apparatus Performance are as the following : (1) Consistency in Goal Accomplishments ; (2) Productivity ; (3) Service Quality ; (4) Responsiveness ; (5) Responsibility ; (6) Accountability ; and (7) Social Protection Quality. Machfud Sidik (2002:2-8) stated that there are 4 (four) components regarding the relationship formats between the finances of the central and regional government : (1) Real Regional Income ; (2) Regional Sector in the form of Profit Sharing Earnings ; (3) General Allocation Fund.

One of the means to obtain information related to employee capability to perform the job is bay way of evaluating performance. To put it simply, it is assumed that one's work performance is a combination function of three essential factor ; (a) Competence, behaviour, and interest of an employee ; (b) Clarity and acceptance of an employee's role description ; (c) Level of work motivation. Evaluating performance is a formal process to regularly review and assess one's work performance. These activities consist of identification, observation, evaluation, and improvement of an employee's work outcome in an organisation.

Implementing prosperity service program is one of the means to retain employees. According to mondy and Noe (1996:374) via Mutiara S. Panggabean (2002:77) direct finance compensation can be seen from the salary and incentive (commissian and bonus) ; while indirect finance compensation can be in the form of various facilities and fringe benefits. Incentive is a compensation relating salary and productivity. The main function of incentive is to give employees responsibility and encouragement.