

Research Article

Educational Decentralization and Local Governance: A Case Study of School Management Policies in Indonesia

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ABSTRACT

Indonesia's formal commitment to educational decentralization, institutionalized through Law No. 22/1999 on Regional Governance and subsequently reinforced by Law No. 32/2004, transferred significant administrative authority to district governments and individual schools. Despite more than two decades of reform, the gap between legislated decentralization mandates and actual governance practices at the school level remains inadequately examined in empirical literature, particularly within the complex administrative landscape of Indonesian public education. This study investigates how educational decentralization is enacted in local school management practices, how district-level governance structures influence school decision-making, and what challenges emerge when formal autonomy provisions meet entrenched bureaucratic cultures. Grounded in an interpretivist qualitative case study design (Yin, 2014; Creswell, 2013), the research was conducted across four public secondary schools in a district of West Java Province over eight months of sustained fieldwork. Participants (n = 17) included school principals, classroom teachers, local education officers, and school committee members, selected through purposive sampling. Data were generated through in-depth semi-structured interviews, policy document analysis, administrative observation, and reflective field notes. Thematic analysis following Braun and Clarke (2006) and interpretive coding guided by Miles, Huberman, and Saldana (2014) were applied systematically. Findings identify a pattern of "layered decentralization" wherein formal school autonomy coexists with persistent dependence on district-level bureaucratic endorsement. School leaders navigate this tension through strategic compliance and selective adaptation, while community participation in governance structures remains largely ceremonial. These findings offer critical implications for the redesign of educational governance frameworks in decentralized developing-country contexts.

Keywords: educational decentralization; local governance; school management; policy implementation; Indonesia

1. INTRODUCTION

Decentralization has become one of the most consequential and contested governance reforms of the late twentieth and early twenty-first centuries. In the education sector, the transfer of authority from central governments to subnational administrative units and individual institutions has been promoted as a mechanism for improving responsiveness, efficiency, and accountability (Bardhan & Mookherjee, 2006; Fiske, 1996; Rondinelli, 1981). Multilateral development organizations including the World Bank and UNESCO have consistently advocated for decentralized school governance as a pathway toward improved educational outcomes, particularly in developing country contexts characterized by over-centralized administrative cultures (Bruns, Filmer, & Patrinos, 2011; Waslander, Pater, & van der Weide, 2010). These claims, however, rest on assumptions about local institutional capacity that frequently do not hold in practice.

Indonesia presents one of the world's most significant and underexplored laboratories for educational decentralization. The country's Big Bang decentralization of 1999-2001 abruptly shifted administrative responsibility for basic and secondary education to approximately 500 district governments, many of which had limited experience in educational planning, resource allocation, or personnel management (Kristiansen & Pratikno, 2006; Bjork, 2003). Subsequent legal frameworks, including the National Education System Law No. 20/2003 and Government Regulation No. 19/2005 on National Education Standards, added further complexity by establishing multiple governance tiers with partially overlapping mandates. This layering of authority between central, provincial, and district levels has produced what several scholars characterize as an ambiguous decentralization architecture in which schools receive formal autonomy without the resources or regulatory clarity to exercise it meaningfully (Rosser & Fahmi, 2016; Welch, 2012).

The concept of school-based management (SBM), which positions individual schools as the primary locus of educational decision-making, occupies a central position in Indonesia's reform discourse (Caldwell, 2016; Bjork, 2004). Through the Manajemen Berbasis Sekolah (MBS) framework, schools were expected to develop their own institutional development plans, manage operational budgets independently, and engage local communities through school committees (Komite Sekolah). In practice, however, the implementation of SBM has been uneven, constrained by bureaucratic culture, resource disparities, and the limited capacity of school leaders to interpret and enact complex policy mandates (Muijs, Ainscow, Chapman, & West, 2011; Elmore, 2004). The distance between the formal architecture of school autonomy and the daily realities of school management constitutes a critical but underexamined governance gap.

Governance quality is widely recognized as a determinant of educational system performance, yet governance itself remains a contested and context-dependent concept in educational research (Hill & Hupe, 2014; Leithwood, Harris, & Hopkins, 2008). Scholars working across the fields of public administration, educational policy, and organizational sociology have increasingly emphasized that governance outcomes cannot be understood apart from the specific institutional environments in which they unfold (Lipsky, 2010; Spillane, 2006). In Indonesia, the institutional environment of educational governance is shaped by deeply embedded hierarchical norms, a history of centralized administration, and substantial variation in district-level capacity that renders generalized prescriptions about decentralization problematic (Kristiansen & Pratikno, 2006; Bjork, 2003).

School leadership sits at the intersection of these governance pressures. Principals in decentralized systems are expected to function as instructional leaders, resource managers, community liaisons, and policy interpreters simultaneously, often with insufficient preparation or structural support (Hallinger, 2011; Leithwood & Sun, 2012). The demands placed on school leaders by decentralization reforms frequently exceed the formal authority granted to them, creating a structural tension between accountability demands and decision-making discretion (Hargreaves & Fullan, 2012; Mintrop, 2012). Understanding how school principals in the Indonesian context navigate this tension constitutes an important empirical question with direct implications for policy design.

The implementation of educational decentralization policy is not a linear or technical process but a deeply social and politically mediated one (Spillane, Reiser, & Reimer, 2002; Hill & Hupe, 2014). Street-level bureaucrats, including school principals and teachers, inevitably exercise discretion in translating policy mandates into practice, adapting formal directives to local conditions, resource constraints, and institutional cultures (Lipsky, 2010). In Indonesia, this adaptive dimension of policy implementation is particularly pronounced given the distance between nationally formulated policy frameworks and the diverse local contexts in which they are applied (Rosser & Fahmi, 2016; Bjork, 2004). Documenting this adaptive process in specific institutional contexts is essential for building a realistic understanding of how decentralization actually functions.

Community participation in school governance represents a further dimension of decentralization policy that merits careful empirical scrutiny. Indonesia's school committee framework was designed to institutionalize parental and community involvement in school management, drawing on participatory governance models that have been promoted across the Global South (Muijs et al., 2011; Harber & Mncube, 2012). Evidence on the actual functioning of these participatory mechanisms, however, suggests considerable variation between policy intent and institutional reality. In many cases, school committees operate as consultative bodies with limited decision-making authority, their involvement shaped more by ceremonial compliance with regulatory requirements than by genuine collaborative governance (Kristiansen & Pratikno, 2006; Welch, 2012).

Despite a growing body of international research on educational decentralization and school governance, significant gaps remain in the literature pertaining to Indonesia specifically and to developing country contexts more broadly. Existing studies tend either to examine decentralization at the system level, tracing shifts in legislative frameworks or expenditure patterns, or to focus on specific outcomes such as student achievement without adequately theorizing the governance processes through which policy influences practice (Bruns et al., 2011; Arze del Granado, Fengler, Ragatz, & Yavuz, 2007). Qualitative investigations of school-level governance that trace the lived experience of decentralization across multiple institutional settings are comparatively rare in the Indonesian context, and the theoretical frameworks deployed in existing studies do not always capture the layered complexity of governance in a post-Big Bang decentralization environment.

This study seeks to address these gaps through a qualitative case study of school management in a West Java district. The research is guided by four interconnected questions: How is educational decentralization implemented in local school management practices? How do district-level governance structures influence school decision-making? What challenges emerge in implementing decentralized educational policies at the school level? And how do school leaders negotiate policy demands against local educational realities? By examining these questions through sustained fieldwork and in-depth engagement with school communities, the study contributes nuanced empirical evidence to a debate that has too often been dominated by decontextualized prescriptions. The findings are relevant not only for Indonesian educational governance but for a broader comparative conversation about decentralization reform in developing country education systems.

2. LITERATURE REVIEW

2.1 Educational Decentralization and Governance Reform

Decentralization in education encompasses a spectrum of institutional arrangements that redistribute authority, resources, and accountability from central governments to subnational levels of administration, to individual institutions, and in some formulations, to private or community actors (Rondinelli, 1981; Fiske, 1996). Scholars distinguish among deconcentration, delegation, devolution, and privatization as analytically distinct modalities, each carrying different implications for the relationship between government and educational institutions (Bardhan & Mookherjee, 2006). In practice, these categories frequently overlap, and many developing country education systems exhibit hybrid governance arrangements that combine elements of deconcentration with selective devolution (Bjork, 2003; Kristiansen & Pratikno, 2006).

The theoretical case for educational decentralization rests on several intersecting arguments. From a principal-agent perspective, local actors are assumed to possess superior information about local conditions, enabling more efficient and responsive provision of educational services (Bruns et al., 2011). From a democratic governance standpoint, decentralization is valued for bringing decision-making closer to communities and strengthening accountability to local stakeholders (Muijs et al., 2011; Harber & Mncube, 2012). Both sets of arguments, however, depend on conditions that may not obtain in contexts characterized by weak local institutional capacity, resource disparities, or resistant bureaucratic cultures (Hill & Hupe, 2014).

Empirical research on decentralization outcomes in education reveals a highly mixed picture. Studies conducted in Latin America, Sub-Saharan Africa, and South and Southeast Asia have found that decentralization can improve educational outcomes where it is accompanied by adequate fiscal transfers, capacity building support, and accountability mechanisms (Bruns et al., 2011; Bossert & Beauvais, 2002). However, in many contexts decentralization has exacerbated existing inequalities, transferring burdens to poorly resourced local governments while undermining system-level coordination (Waslander et al., 2010; Arze del Granado et al., 2007). Indonesia's experience illustrates both dimensions, with evidence of both positive innovation at the district level and persistent governance fragmentation (Rosser & Fahmi, 2016; Welch, 2012).

2.2 School Autonomy and Policy Implementation

School-based management theory posits that meaningful improvement in school performance requires the devolution of substantive decision-making authority to the school as an organizational unit (Caldwell, 2016; Elmore, 2004). The logic of SBM holds that school principals and teachers, as the professionals most proximate to students, are best positioned to make instructional decisions, allocate resources, and manage human capital in ways that serve local learning needs. According to Caldwell (2016), schools that exercise genuine autonomy over curriculum, staffing, and budgeting consistently outperform those that operate under prescriptive external oversight, provided that autonomy is coupled with robust accountability frameworks.

The translation of SBM principles into policy and then into practice, however, is rarely straightforward. Policy implementation scholarship emphasizes that formal policy texts are inevitably reinterpreted and reconstructed as they pass through multiple layers of administrative and institutional mediation (Spillane et al., 2002; Hill & Hupe, 2014). In educational systems characterized by strong hierarchical norms and deeply institutionalized compliance cultures, the formal delegation of authority to schools does not automatically produce autonomous decision-making at the school level (Lipsky, 2010; Bjork, 2004). School leaders may internalize a habitus of upward deference that leads them to seek administrative approval for decisions that fall within their formal authority, producing what might be termed governance mimicry rather than genuine autonomy.

Research on policy implementation in Indonesian schools documents a persistent pattern in which formal autonomy provisions are undermined by informal administrative cultures and resource dependencies (Bjork, 2003; Rosser & Fahmi, 2016; Welch, 2012). Principals frequently rely on district education offices for guidance on operational decisions, even when the regulatory framework assigns those decisions to the school level. This deference reflects not merely institutional conservatism but also rational risk management: school leaders who act autonomously without prior bureaucratic endorsement may face administrative sanctions or resource withdrawal (Bjork, 2004). The structural incentives embedded in the Indonesian educational bureaucracy thus systematically undermine the autonomy that decentralization policy formally grants.

2.3 Local Governance in Educational Administration

The relationship between local government structures and educational governance has received substantial attention in comparative public administration literature, though less so in the specific context of Indonesian provincial and district governance (Bardhan & Mookherjee, 2006; Hill & Hupe, 2014). Local governments serve as intermediaries between national policy frameworks and school-level practices, and the quality of this intermediary function is shaped by factors

including fiscal capacity, human resource endowments, political dynamics, and institutional culture (Bossert & Beauvais, 2002; Arze del Granado et al., 2007). In Indonesia, significant variation in district-level governance capacity has produced highly uneven implementation of educational decentralization across the archipelago (Kristiansen & Pratikno, 2006).

Local education authorities (Dinas Pendidikan) in Indonesia occupy a structurally ambiguous position in the educational governance architecture. Formally, they serve as the implementing agencies of national educational policy at the district level, responsible for school supervision, teacher deployment, and budget administration. In practice, however, local education offices often operate with limited technical capacity, constrained by small professional staffs and inadequate operational budgets (Rosser & Fahmi, 2016). The result is a governance gap in which oversight functions are nominally assigned to district offices that lack the resources to perform them, while schools bear the costs of this administrative deficit in the form of uncertainty, inconsistent guidance, and delayed resource flows.

2.4 Leadership and Decision-Making in Schools

Educational leadership scholarship has established robust associations between principal leadership quality and school organizational performance (Leithwood & Sun, 2012; Hallinger & Heck, 2010; Leithwood, Harris, & Hopkins, 2008). Transformational and instructional leadership models that emphasize vision-setting, collaborative professional development, and distributed decision-making have been shown to generate significant positive effects on both teacher engagement and student learning outcomes across diverse national contexts (Hallinger, 2011; Spillane, 2006). In decentralized systems, the principal's role expands beyond instructional leadership to encompass governance functions that were previously the preserve of administrative hierarchies above the school.

Distributed leadership theory offers a particularly useful framework for understanding how decision-making authority is exercised within schools operating under decentralized governance regimes (Spillane, 2006; Muijs et al., 2011). Rather than concentrating authority in the principal, distributed models envision a more fluid arrangement in which leadership functions are shared across the school community in ways that reflect local expertise and institutional needs. However, research on distributed leadership in non-Western contexts reveals that cultural norms of deference to positional authority can constrain the lateral distribution of decision-making, even in schools that formally commit to collaborative management principles (Hallinger & Heck, 2010; Hargreaves & Fullan, 2012).

2.5 Challenges of Decentralized Educational Systems

The comparative literature on decentralized educational systems consistently identifies several recurring governance challenges: capacity asymmetries between central and local authorities, resource allocation inequities, coordination failures across governance tiers, and accountability gaps that emerge when responsibility is dispersed without corresponding oversight mechanisms (Bruns et al., 2011; Waslander et al., 2010; Hill & Hupe, 2014). In developing country contexts, these challenges are compounded by limited fiscal decentralization, which means that schools may receive formal authority over decisions they cannot exercise without financial resources that remain controlled by higher levels of government (Bardhan & Mookherjee, 2006; Arze del Granado et al., 2007).

In Indonesia specifically, research identifies bureaucratic fragmentation, capacity disparities between districts, and the persistence of informal governance practices as the most significant obstacles to effective decentralized school management (Bjork, 2003; Kristiansen & Pratikno, 2006; Rosser & Fahmi, 2016). The school committee mechanism, intended to institutionalize community participation in school governance, has been particularly widely criticized for producing formal compliance without substantive engagement (Welch, 2012). These findings suggest that administrative reform alone is insufficient to realize the governance potential of educational decentralization: deeper changes in institutional culture, leadership capacity, and inter-governmental fiscal arrangements are required.

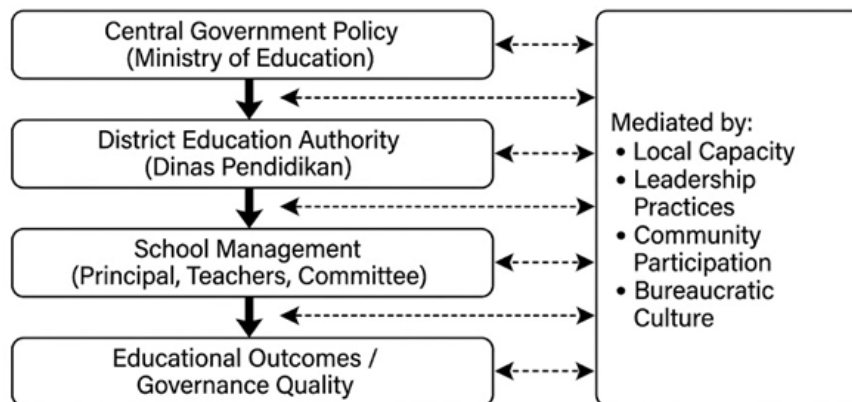


Figure 1. Research Framework: Levels of Educational Governance and Mediating Factors

3. METHOD

This study is grounded in an interpretivist paradigm, which holds that social realities are constructed through the meanings and interpretations that actors assign to their experiences (Guba & Lincoln, 1989; Creswell, 2013). The interpretivist standpoint is particularly appropriate for investigating educational governance processes, which are inherently meaning-laden and context-dependent. Within this paradigm, a qualitative case study design was adopted, following the methodological framework developed by Yin (2014) and elaborated by Stake (1995). Case study methodology allows for thick, contextually grounded description of complex phenomena within their natural institutional settings, enabling the researcher to capture the multi-layered character of governance practices that surveys or large-scale quantitative designs cannot adequately represent.

The research site was a district in West Java Province with a population of approximately 1.2 million residents and a secondary school system comprising 86 public schools administered by the local Dinas Pendidikan. West Java was selected as a research site because it combines characteristics typical of Indonesia's more developed provinces, including relative fiscal adequacy and administrative infrastructure, with persistent governance challenges documented in regional education quality reports. Within the district, four public secondary schools (Sekolah Menengah Atas Negeri) were selected as case study sites using purposive sampling criteria that prioritized variation in school size, geographic location (urban versus peri-urban), accreditation status, and principal tenure. This deliberate variation enabled cross-case comparison and enhanced the analytical richness of findings (Miles, Huberman, & Saldana, 2014).

Participants (n = 17) included four school principals, eight classroom teachers (two per school), three officers from the district Dinas Pendidikan, and two school committee chairpersons. Participants were selected based on their direct involvement in school governance and management decisions. Eligibility criteria required principals to have served in their current position for a minimum of two years, and teachers to hold permanent civil service status. All participants provided written informed consent prior to data collection, and the study complied with ethical protocols governing confidentiality and voluntary participation. Pseudonyms are used for all participants, and school identities are masked in all reporting. **Table 1** presents the demographic profile of study participants.

Table 1. Participant Demographics

Role	n	Female	Mean Experience (yrs)	Education Level	School/Affiliation
School Principal	4	1	14.5	Postgraduate	Schools A, B, C, D
Classroom Teacher	8	5	11.2	Undergraduate	Schools A, B, C, D
Local Education Officer	3	1	16.8	Postgraduate	Dinas Pendidikan
School Committee Chair	2	0	6.0	Undergraduate	Schools B, D

Data collection proceeded through three primary methods over eight months of fieldwork (March to October 2018). First, in-depth semi-structured interviews were conducted with all 17 participants, generating 34 hours of recorded conversation. Interview protocols addressed participants' understandings of their governance roles, their experiences of policy implementation, and their perceptions of administrative constraints and enablers. Second, policy documents were systematically collected and analyzed, including school development plans (Rencana Kerja Sekolah), annual budget reports (RKAS), district education planning documents (Renstra Dinas), and official correspondence between schools and the Dinas Pendidikan. Third, non-participatory observation was conducted across administrative and governance contexts including school committee meetings, principal-staff briefings, and district coordination meetings. Reflective field notes were maintained throughout. **Table 2** summarizes the data collection procedures.

Table 2. Data Collection Procedures

Method	Instrument	Participants/Sources	Duration/Volume
In-depth interviews	Semi-structured protocol	All 17 participants	34 hrs total; avg. 2 hrs each
Document analysis	Document review matrix	48 policy/admin documents	Across 8 months
Non-participatory observation	Observation protocol + field notes	School, committee, district meetings	62 hrs across 4 sites
Reflective field notes	Research journal	Researcher	Ongoing; 180 pages

Data analysis followed a two-stage process. In the first stage, all interview transcripts and field notes were subject to inductive open coding, producing 214 initial codes that captured the substantive content of participants' accounts. In the second stage, thematic analysis following Braun and Clarke (2006) was applied, involving the clustering of initial codes into candidate themes, the review and refinement of themes across the full dataset, and the generation of definitive thematic descriptions. The Miles, Huberman, and Saldana (2014) framework informed cross-case comparison procedures, enabling systematic assessment of convergences and divergences across the four school sites. Document analysis followed

an interpretive policy analysis approach that interrogated the gap between policy intent as inscribed in formal texts and governance practice as evidenced by administrative records and observational data.

Trustworthiness was established through multiple procedures. Credibility was enhanced through prolonged engagement, researcher reflexivity, and member checking, whereby preliminary findings were shared with five participants for verification and correction. Transferability was supported through thick description of the research context and participants. Dependability was addressed through an audit trail documenting analytical decisions. Confirmability was secured through triangulation across interview data, documentary evidence, and observational records (Guba & Lincoln, 1989; Creswell, 2013). **Table 3** presents the coding categories and themes derived from analysis.

Table 3. Coding Categories and Governance Themes

Theme	Sub-Theme	Illustrative Code	Data Sources
Layered decentralization	Formal autonomy vs. bureaucratic dependence	'approval-seeking behavior'	Interviews, field notes, documents
Strategic compliance	Principal adaptation strategies	'selective interpretation'	Interviews, observation
Resource dependency	Funding constraints and BOS limitations	'underfunded mandates'	Documents, interviews
Ceremonial participation	School committee in governance	'formal but inactive'	Observation, interviews
Governance inequality	Capacity variation across schools	'urban-rural disparity'	Documents, cross-case comparison

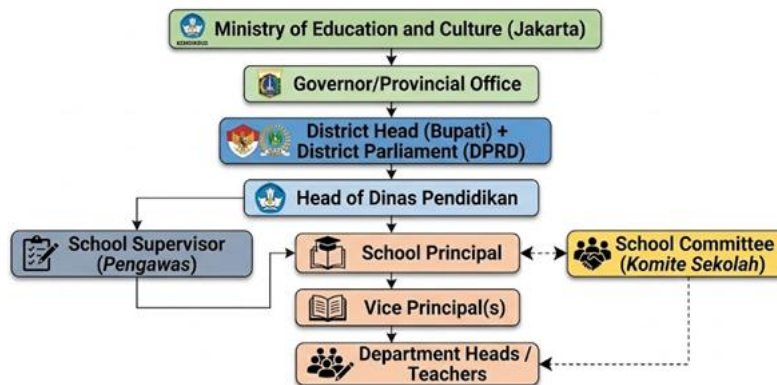


Figure 2. Local Educational Governance Structure in the Research District

4. RESULTS AND DISCUSSION

4.1 Layered Decentralization: Formal Autonomy and Bureaucratic Dependence

The most pervasive and analytically significant finding across all four case study schools was the persistence of upward administrative dependence alongside formally granted school autonomy. Despite the clear legislative provision of decision-making authority to school principals over matters including annual budget planning, curriculum development, and operational procurement, participants consistently reported that strategic decisions required prior consultation with and approval from district Dinas Pendidikan offices. This pattern emerged in interviews with principals at all four sites and was confirmed by documentary evidence of routine correspondence between schools and district offices on matters that formal governance frameworks assign to school authority.

"Although schools formally received greater autonomy under the current framework, many strategic decisions continued to depend heavily on district-level administrative approval. We submit proposals, wait for endorsement, and then proceed. This is simply how things work here."

This pattern constitutes what the analysis terms layered decentralization: a governance configuration in which multiple tiers of administrative authority remain operationally active simultaneously, despite a formal policy shift toward school-level decision-making. The finding resonates strongly with Lipsky's (2010) characterization of street-level bureaucrats who operate within organizational cultures of upward compliance, and with Bjork's (2003) earlier documentation of similar patterns in Indonesian primary schools during the early post-decentralization period. Critically, however, the current study finds that these patterns persist nearly two decades after Indonesia's initial decentralization legislation, suggesting that governance culture change operates on a significantly longer timeline than formal policy reform.

4.2 Strategic Compliance and Leadership Adaptation

School principals in all four sites had developed distinctive strategies for navigating the tension between formal autonomy and bureaucratic dependence. Rather than either fully embracing autonomous decision-making or passively deferring to district authority in all cases, principals engaged in what might be described as selective interpretation of their governance mandate. In matters pertaining to instructional leadership, teacher development, and school culture, principals exercised substantial independent judgment, consistent with Hallinger's (2011) description of instructional leadership in decentralized systems. In matters involving resource allocation, personnel management, and formal program approval, however, principals consistently deferred to district channels.

This strategic bifurcation of decision-making authority reflects a pragmatic assessment of governance risk that is deeply rational within the institutional environment these leaders inhabit. As one principal explained:

"I have learned which decisions I can take myself and which ones require the blessing of the district. For curriculum enrichment and teacher coaching, I move quickly and independently. For budget items over a certain threshold, or anything involving new programs, I always go through the Dinas first. This protects the school."

This finding extends Hargreaves and Fullan's (2012) concept of professional capital to the governance domain, suggesting that experienced school leaders accumulate a form of institutional capital that enables them to optimize within bureaucratic constraints rather than simply conform to or resist them. The variation in adaptive capacity across the four sites, however, is significant: principals at more resource-rich urban schools demonstrated considerably greater confidence in exercising autonomous judgment than their peers at peri-urban sites, a disparity that points to the governance inequality theme discussed below.

4.3 Resource Dependency and Governance Constraints

Resource dependency emerged as a structural determinant of governance behavior across all sites. Indonesia's school operational funding mechanism, the Bantuan Operasional Sekolah (BOS), provides per-student grants to all public schools on a quarterly disbursement schedule. While BOS represents a significant instrument of fiscal decentralization, research participants uniformly identified limitations in its adequacy, predictability, and regulatory flexibility as governance constraints. The specific regulatory conditions attached to BOS expenditure categories restrict school principals' ability to allocate funds in response to locally identified needs, effectively recentralizing financial discretion through the back door of conditional funding (Arze del Granado et al., 2007).

Documentary analysis of school budget records (RKAS) at all four sites revealed systematic patterns of expenditure that closely mirror the regulatory categories prescribed in BOS guidelines, with minimal variation attributable to locally identified priorities. This finding is consistent with Waslander et al.'s (2010) observation that financial market mechanisms in education frequently produce conformity rather than innovation when regulatory frameworks constrain how resources may be used. [Table 4](#) and [Table 5](#) summarize the key interview findings and implementation challenges identified across the four schools.

Table 4. Summary of Key Interview Findings by Theme

Theme	Key Finding	Representative Participant Statement (paraphrased)
Layered decentralization	Formal autonomy coexists with de facto bureaucratic approval requirements	Principal A: Proposals for new programs must receive Dinas endorsement regardless of budget source
Strategic compliance	Principals bifurcate decision-making by governance risk level	Principal C: Instructional decisions are mine; budget approvals go through the district
Resource dependency	BOS regulations restrict local budget discretion	Principal B: We cannot use BOS funds for priorities outside the approved categories
Ceremonial participation	School committees meet formally but exercise limited influence	Committee Chair: We are consulted, but rarely do our recommendations change the decision
Governance inequality	Urban schools outperform peri-urban peers in exercising autonomous governance	Teacher D (peri-urban): We rely on the district for almost everything; we do not have the same capacities

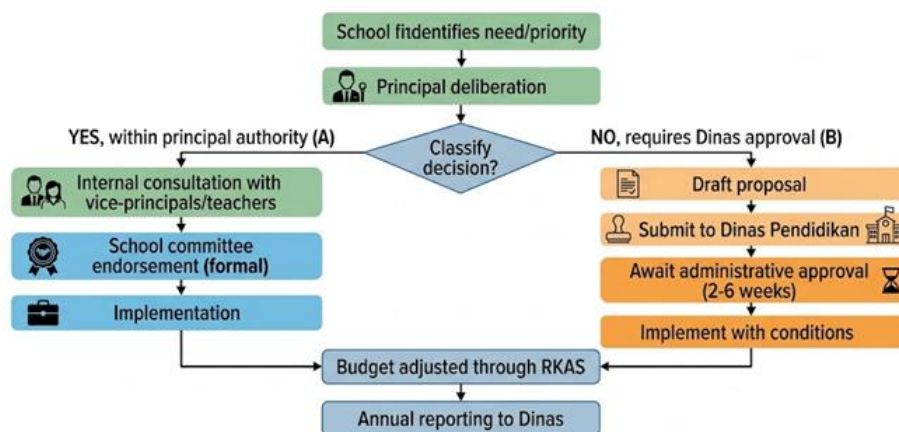
Table 5. Policy Implementation Challenges Identified Across Case Study Schools

Challenge	Description	Evidence Type
Administrative over-dependence	Schools routinely seek Dinas approval for autonomous-category decisions	Interviews, observation (all 4 sites)
Delayed resource disbursement	BOS transfers frequently arrive 4-8 weeks after scheduled dates, disrupting planning	Budget records, principal interviews
Limited committee capacity	School committee members lack knowledge of governance rights and responsibilities	Committee interviews, observation
Inadequate leadership preparation	Principals received minimal training on autonomous governance and financial management	Principal interviews, HR records
Policy incoherence	Overlapping mandates between national, provincial, and district regulations generate compliance uncertainty	Document analysis, officer interviews
Urban-rural capacity gap	Peri-urban schools lack infrastructure, human capital, and social networks to exercise governance autonomy	Cross-case comparison, field notes

4.4 Ceremonial Participation and Community Governance

The functioning of school committees across the four case sites exhibited a consistent pattern characterized by procedural compliance without substantive participation. School committees met with the regularity prescribed by district regulations, maintaining formal records of deliberations that would satisfy external monitoring requirements. The content of these deliberations, however, rarely involved genuine collective decision-making about school development priorities, resource allocation, or quality improvement strategies. Instead, committee meetings functioned primarily as forums for the endorsement of decisions already taken by school principals and administrative staff, a dynamic confirmed in observational data from eleven committee meetings across three of the four schools.

The ceremonial character of school committee participation reflects a broader pattern identified in governance scholarship on participatory mechanisms in developing country contexts, where formal institutions of community engagement frequently produce the appearance rather than the substance of shared governance (Harber & Mncube, 2012; Muijs et al., 2011). In the Indonesian case, this pattern is reinforced by the asymmetric distribution of information and institutional knowledge between school staff and committee members. Parents and community representatives serving on school committees typically possess limited understanding of the regulatory framework governing their governance role, a knowledge gap that effectively cedes decision-making power to school administration regardless of formal committee authority.

**Figure 3.** School Management Decision-Making Process under Layered Decentralization

4.5 Governance Inequality Across Schools

Cross-case analysis revealed significant variation in governance capacity and autonomous management practice between urban and peri-urban schools in the study district. Schools located in the district's urban center demonstrated higher levels of principal confidence in exercising autonomous decision-making, more sophisticated engagement with policy documents, stronger financial management practices, and more active school development planning processes. These differences are attributable to multiple intersecting factors: greater access to professional networks through proximity to

the district education office, higher concentrations of experienced and well-qualified teachers, stronger parental engagement rooted in higher community socioeconomic status, and superior physical infrastructure that reduces the operational burden on school leaders.

These findings resonate with the broader decentralization literature's concern with capacity asymmetries that translate formal governance equality into substantive inequality (Bruns et al., 2011; Arze del Granado et al., 2007). Where decentralization devolves authority to institutions with unequal starting capacities, the reforms risk widening governance gaps rather than closing them. In the Indonesian context, where urban-rural educational disparities are already pronounced, governance decentralization without targeted capacity equalization threatens to reinforce rather than remediate existing inequalities. This constitutes one of the most significant policy implications of the present study.

Table 6. Governance Practices and Interpretations Across Case Study Schools

Governance Practice	Type	Urban School	Peri-Urban School	Interpretation
Budget planning	Administrative-financial	Locally driven; moderate autonomy	Dinas-guided; low autonomy	Reflects capacity differential
Curriculum enrichment	Instructional	Active, self-initiated programs	Adheres to national syllabus only	Resource and expertise gap
Community engagement	Participatory	Moderate; committee more active	Minimal; committee ceremonial	SES and social capital effect
Teacher development	Professional	Internal programs, peer coaching	Reliant on Dinas workshops	Leadership capacity difference

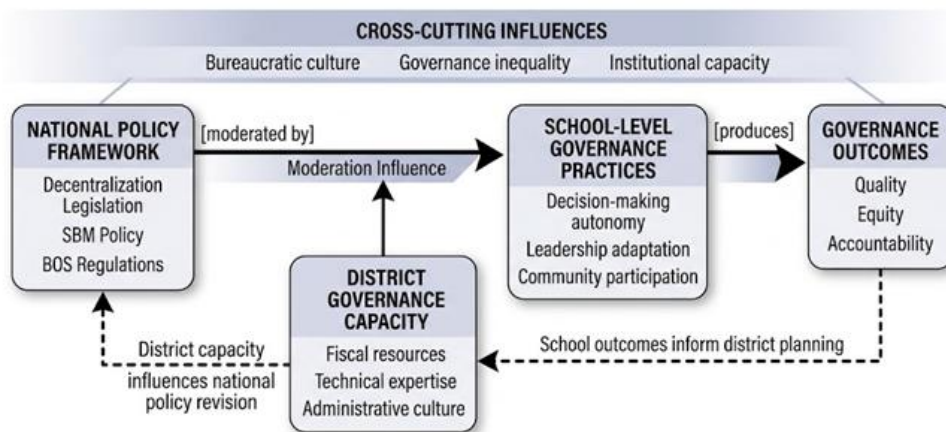


Figure 4. Conceptual Framework: Decentralization, Local Governance, and School Management Outcomes

4.6 Conceptual Framework

Synthesizing findings across the six thematic categories, **Figure 4** presents a conceptual framework that positions AT within secondary mathematics learning as a mediating construct connecting contextual inputs to educational outcomes. The framework distinguishes three analytical planes. The input plane encompasses contextual factors including curriculum standards, teacher

4.7 Discussion

The findings of this study advance theoretical understanding of educational decentralization in several important respects. First, the concept of layered decentralization developed from empirical observation in this study provides a more accurate account of Indonesian school governance than either the formal policy narrative of autonomous schools or the critical narrative of decentralization failure. The layered model recognizes that multiple governance regimes operate simultaneously in the same institutional space: schools exercise genuine autonomy in some domains while remaining substantially dependent in others, and the distribution of autonomous and dependent domains follows recognizable patterns shaped by governance risk, resource dependency, and institutional culture.

This finding extends and refines Bjork's (2003, 2004) earlier analysis of decentralization in Indonesian schools, confirming that the basic governance dynamics he identified during the early post-reform period have persisted into the mature phase of decentralization, but also revealing that school principals have developed more sophisticated adaptive repertoires than his earlier work suggests. The strategic compliance behaviors documented in this study align with

Lipsky's (2010) concept of street-level bureaucracy, but they also resemble what Elmore (2004) describes as the internal culture of schools, in which tacit knowledge about navigating external authority shapes operational decision-making in ways that formal policy analysis does not capture.

Second, the ceremonial participation finding contributes to a growing comparative literature on the gap between participatory governance rhetoric and institutional practice in developing country contexts (Harber & Mncube, 2012; Muijs et al., 2011). The school committee mechanism in Indonesia was designed as a structural solution to the problem of community disengagement from educational governance, but its implementation in the four sites studied here produced governance theater rather than genuine co-production. This outcome reflects a pattern identified in public administration scholarship more broadly: participatory mechanisms that are mandated from above without adequate investment in participant capacity building tend to generate procedural compliance rather than meaningful engagement (Hill & Hupe, 2014; Bardhan & Mookherjee, 2006).

Third, the governance inequality findings carry important implications for the equity dimensions of educational decentralization. The existing literature on decentralization and educational equity tends to focus on between-district disparities in fiscal capacity and student outcomes (Arze del Granado et al., 2007; Bruns et al., 2011). The present study reveals that significant governance inequalities also operate within districts, between schools with differential access to social capital, professional networks, and leadership expertise. These within-district inequalities are less visible in system-level analyses but may be equally consequential for the distribution of educational quality. Addressing them requires governance interventions targeted at the school level, not merely at the district administrative tier.

Fourth, the leadership adaptation findings extend Leithwood and Sun's (2012) meta-analytic work on transformational school leadership to the governance domain in a non-Western context. The strategic bifurcation of decision-making authority documented in this study represents a form of contextual leadership intelligence: experienced principals develop nuanced, empirically grounded maps of their governance environments that allow them to optimize performance within structural constraints. This finding supports Hallinger's (2011) argument that effective school leadership in decentralized systems requires both technical governance competence and sophisticated environmental scanning capacity. It also suggests that leadership preparation programs in Indonesia need to incorporate explicit instruction in governance navigation and bureaucratic management alongside instructional leadership content.

Fifth, the resource dependency findings illuminate a structural contradiction at the heart of Indonesia's decentralization architecture. The BOS funding mechanism was designed to empower schools as fiscal agents, providing them with flexible operational resources that could be deployed in response to locally identified needs. In practice, however, the extensive regulatory conditions attached to BOS expenditure categories effectively constrain local fiscal discretion, producing what might be termed conditional autonomy: schools have nominal control over resources that can only be used in nationally prescribed ways. Resolving this contradiction requires not merely legislative reform but a fundamental reconsideration of the relationship between central regulatory oversight and genuine local governance capacity (Elmore, 2004; Hargreaves & Fullan, 2012).

Finally, the cross-case comparison in this study reveals that decentralization policy produces systematically differentiated governance outcomes depending on the pre-existing capacity of the institutional environment in which it is implemented. Schools with greater social capital, more experienced leadership, and stronger community engagement are better positioned to realize the governance potential of decentralization, while schools that lack these resources may experience decentralization as a transfer of administrative burden without corresponding enablement. This finding reinforces the argument, advanced by Bruns et al. (2011) and Waslander et al. (2010), that decentralization as a governance reform strategy is neither universally beneficial nor universally detrimental, but highly conditional on the quality of local institutional environments. Policy designs that ignore this conditionality risk producing governance reforms that widen rather than narrow educational inequalities.

5. CONCLUSION AND IMPLICATIONS

This study set out to examine how educational decentralization is implemented in local school management practices in Indonesia, focusing on the governance dynamics that emerge when formal policy mandates meet local institutional cultures and capacity constraints. Four main findings emerge with consistency across the case study schools and carry substantive implications for both governance theory and educational policy practice.

The overarching finding is that educational decentralization in the Indonesian district studied has produced a configuration of layered governance rather than simple autonomy or straightforward dependence. Schools occupy a structurally ambiguous position in which formal autonomy coexists with *de facto* bureaucratic oversight, where leadership adaptation substitutes for structural empowerment, where community participation is institutionalized in form but limited in substance, and where governance capacity is unequally distributed in ways that systematically disadvantage peri-urban and less-resourced institutions. This configuration is not a transitional artifact of incomplete reform implementation; it represents a relatively stable institutional equilibrium that has persisted across multiple governance cycles and legislative revisions.

For educational governance theory, the layered decentralization concept offers a more analytically precise framework than existing binary accounts of centralization versus decentralization, autonomy versus dependence. Real governance systems in developing country contexts typically contain elements of both, and their effective analysis requires frameworks that can account for simultaneous operation of multiple governance regimes at different institutional levels. The concept of strategic compliance developed in this study similarly extends existing theorizations of street-level bureaucracy by documenting the sophisticated governance intelligence that experienced school leaders develop in response to structural constraints.

For educational policy in Indonesia and analogous developing country contexts, the findings carry several specific implications. First, governance reform must address institutional culture alongside structural frameworks: legislative reforms that delegate authority to schools without building the confidence, competence, and organizational culture needed to exercise that authority will tend to reproduce bureaucratic dependence regardless of formal mandate. Second, fiscal decentralization requires genuine regulatory flexibility, not merely the transfer of conditional funds: the current BOS framework's restrictive expenditure categories need revision to allow schools to allocate resources in response to locally identified priorities. Third, community participation mechanisms must be accompanied by sustained investment in participant capacity: school committees cannot function as genuine governance actors if their members lack the knowledge, skills, and institutional support to exercise their formal authority effectively. Fourth, governance equity must be explicitly targeted through decentralization policy: without active redistribution of governance support and capacity building resources, decentralization will systematically advantage already-advantaged schools.

The study is subject to several limitations. The single-district case study design, while rich in institutional detail, limits the generalizability of findings to other regional contexts within Indonesia or to other decentralizing education systems. The eight-month fieldwork period, while substantial, may not capture the full temporal dynamics of governance change in response to electoral cycles or policy revisions. Future research should extend the case study design to multiple districts and provinces, incorporate longitudinal tracking of governance change, and include student outcome measures to trace the relationship between governance quality and educational performance.

SUGGESTIONS FOR FUTURE RESEARCH

Several productive directions for future inquiry emerge from this study's findings and limitations. Comparative case study research examining educational governance across multiple Indonesian provinces and districts would enable more systematic analysis of the factors that differentiate governance outcomes under decentralization, testing whether the layered decentralization pattern identified in West Java is characteristic of a broader Indonesian governance syndrome or is specific to particular institutional contexts. Comparative research extending across ASEAN educational systems, including the Philippines, Malaysia, and Thailand, which share features of post-colonial administrative cultures and ongoing governance reform agendas, would contribute to a regionally grounded theoretical account of educational decentralization dynamics that current globally oriented literature does not adequately provide.

Longitudinal research designs tracking governance practices and outcomes over extended periods are particularly needed in the Indonesian context, given the evidence from this study that governance culture change operates on a longer timeline than policy reform. Panel studies that follow cohorts of school principals through multiple administrative cycles would illuminate the development of governance competence over careers and the institutional conditions that accelerate or retard leadership capacity development. In addition, the growing role of digital governance tools, including online reporting systems, electronic budget management platforms, and data-driven school improvement frameworks, in mediating the relationship between schools and district authorities warrants dedicated investigation. The digitization of administrative processes has the potential to both enable school autonomy and tighten bureaucratic oversight, and research is needed to trace how these affordances are realized in specific institutional contexts.

Finally, participatory action research approaches that actively engage school committees, principals, and local education officers in the collaborative redesign of governance processes offer significant potential for producing both theoretical insights and practical governance improvements. Such approaches, following Harber and Mncube's (2012) democratic governance framework, would reposition research participants as active agents of governance change rather than passive subjects of investigation, potentially generating more durable improvements in community engagement and school-level decision-making than externally mandated policy reforms have thus far achieved.

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