

Conference Index on Process:



ISSN Print : 2089 - 7956
ISSN Online : 2089 - 7974

BOOK OF ABSTRACTS

The 1st UNICEB 2017

Unimed International Conference On Economics And Business

"Strengthening And Accelerating Economic Growth Of Indonesia In The ASEAN Market"

Garuda Plaza Hotel Medan | December 12th, 2017



Unimed International Conference On Economics And Business
"Strengthening And Accelerating Economic Growth Of Indonesia In The ASEAN Market"

Organized and Supported by:



Publisher:
Department of Economics
Post Graduated Program
State University of Medan

BOOK OF ABSTRACTS

The 1st UNICEB 2017

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THE 1st UNICEB 2017

ISSN : 2599-1477

Book of Abstracts
The 1st UNICEB 2017
(The 1st Unimed International Conference on Economics and Bussiness)
Theme: "Strengthening and accelerating Indonesian Economy Growth in The ASEAN Market"
Garuda Plaza Hotel Medan, December 12th, 2017

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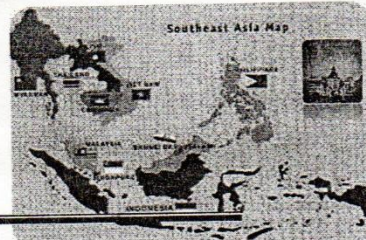


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The 1st UNICEB 2017

Unimed International Conference on Economic and Business
Theme: "Strengthening and accelerating Indonesian Economy Growth in ASEAN Market"
Garuda Plaza Hotel Medan, December 12nd, 2017



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PREFACE

Dear all Participants of The 1st Uniceb, 2017

Welcome in Faculty of Economics
Universitas Negeri Medan

Currently, Indonesia's roles in ASEAN market is very important considering that Indonesia's economic potential is the largest in Southeast Asia Countries. The ASEAN economic cooperation in the ASEAN Economic Community (MEA) does not seem to have a direct impact on the strengthening of the domestic economy. Therefore, it is necessary to collect research finding from the academic, researchers, practitioners and bussines people in obtaining information and data related to the strengthening and accelerating of the role of the Indonesian economy in the ASEAN market based which are the researchs in the last year.

For the reason, Faculty of Economics, Universitas Negeri Medan in collaboration with The Research Council of North Sumatera Province, and North Sumatera chambers of commerce and industry, initiated an event the international conference on Economic and Bussiness to collect, discussion and dissemination of the papers, which are expected to be an academic references for economic policy in strengthening and accelerating Indonesian economy growth particularly in ASEAN Market.

The objectives of conference:

1. To getting various ideas and thoughts of the progress of the indonesian Economy in ASEAN Economic Community
2. To facilitating academic forum for researchers, academics and practitioners in Economic and bussines
3. To facilitating the scientific publication of the results of research in the field economics and bussines
4. To collecting research findings as reference for Economic development of particularly in the ASEAN Market
5. to Increasing and contributing academic role in ASEAN Economic Development

Your Sincerely

Medan, 31 Oktober 2017
Dean,

Indra Maipita

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TRANSFORMATIONAL LEADERSHIP AND EXTERNAL FACTORS FOR THE SUCCESS IN RURAL ECONOMIC DEVELOPMENT

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ABSTRACT

Society inevitably need leaders who are able to perform their roles and functions well. A transformational leader is expected to bring this nation to successfully undergo process to achieve the noble goal to establish prosperous and fair society. A genuine leadership must be built within and embody the attitude of a leader to serve the society wholeheartedly. Therefore, the character and integrity of a leader are the important elements to be a good and loving leader who will get a special place in the heart of the society. A success of a leader depends on the ability to empower to society because human resources serve as the factor determining the success of community development. An area will develop faster and stronger if the society living there has a well-qualified and committed leader. This research aims at finding out the leadership essence of the head of village and explaining external factors which lead to the success of economic development in Eris Village. This research is an inductive reserch and uses qualitative analysis as well as grounded theory strategy. Data are collected by using purposive sampling which involves interview and observation. The results of the research cover following matters: (1) the head of Eris Village has transformational leadership style. (2) the head of village has multifunctional roles consisting of evaluator, manager, administrator, supervisor, leader, initiator, motivator, and religious leader, and (3) excellent human resources supports the success of the head of village.

Key Words : *Transformational, External Factor, The Village Chief, Economic Development*

THE
Character Building
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1. Introduction

Leadership is universal, and it includes to a group or a social phenomenon. It is universal since it is always explained and used in all activities, events or joint business. In all aspects, they always require leader and leadership both in personal involvement of small relation and in a big business or event involving simple and complex scale.

The early idea about transformational leadership model explained by James McGregor Burns applies into political context, and therefore into organizational context by Bernard Bass (Eisenbach, et.al., 1999 cited by Tjiptono and Syakhroza, 1999).

Transformational leadership can be defined as an absolute leadership as it works on the organization for its goal which has never achieved. All leaders are required to manage the future organization (Locke, 1997). Nation should be developed by transformation leadership, a character of leadership oriented by the change in high level. Leadership would rather firmly involve society to achieve goals than achieve short interest. A transformational leader inspiring visualize and achieve new society. Transformational leadership may drive each individual to become a main actor in change process. Transformational leader is a modification of charismatic leadership, yet not all charismatic leadership are transformational leader who is charismatic since they could develop strongly emotional bond with society to achieve certain goals. Whereas, for transformational leaders, bond to develop society would rather has same system than personal loyalty (Huges 2001).

If charismatic leaders often get caught up in the concentration of ambitions that then stunt leadership meaning, transformational leaders may contribute substantially to breaking old culture and pioneering new values. However, it is important to realize that performing those kind of leaders in main stage is not an instant process; it needs career guidance in stages and a tortuous process. Phenomenon depicted in everyday life, there are several things led to the harmony created by the Village Chief Eris as a transformational leader is the implementation of the government program that is P2KP (*Proyek Penanggulangan Kemiskinan di Perkotaan/ Urban Poverty Prevention Project*), involving the community component represented by the *Badan Perwakilan Desa/ Village Representative Agency (BPD)*) Eris, who is a partner of the village government and in charge to accommodate the aspirations of the community that is handling and channeling the aspirations received from the public to officials or authorized agencies (Articles 35 & 36 of Law No. 22 of 1999) identified only one village in one district. From the findings of the study, it can define that that issue because of the ability of Village Chief to handle and to face the situation and can stimulate all components of the village community to lobby, convince his leaders and related parties.

It also happens to PPK (*Program Pengembangan Kecamatan/ Sub District Development Program*) which is competitive among villages in sub district. Based on the

facts, one of the villages has received fresh funds, 75,000,000 rupiah obtained from the authorities for the implementation of development in Eris Village, Then it is distributed for the construction of public facilities. The socialization of Sub District Development Program is responded by society in good interpretation which has both positive and negative impact to emerge conflicts among village leaders and society who have right to decide the opportunity to prioritize the residence. This program is responded by the community with various interpretations, both had positive impacts and that had an impact of potential conflict between the Village Chief and a community leader who took this golden opportunity to prioritize the hamlet where he was domiciled and preceded to take the initiative to build the asphalt road by digging the community self-financing fund and hopes that the funds can be returned from the funds of the District's Development Program. This is one of the distorted forms of Village Chief planning in determining the scale of development priorities in the village.

Based on leadership theories, the issue provides interesting issue from the election of Village Chief as public officials through a democratic election process. Definitely, there are things that may be dancing to local voters on the personality of the actor / Village Chief. This phenomenon is one of several interesting things and at the same time is the starting point of a phenomenon to be studied.

The appearance of community attraction to elect a Village Chief considers many aspects. Measurement benchmarks on successful level can be achieved by the person. In this case, it can use approach by Ecological theory (Siagian, 1970:57). He explained that a person can be successful by adopting the leadership developed by education and experience.

In addressing the above phenomenon, this study aims to determine the meaning of leadership of the Village Chief and what internal factors that support the success of economic development in the Eris Village.

2. Literature Review

Pamuji (1993: 7) states that leadership is a personality that has the influence (leadership as personality and its effects). This was reinforced by Bingham (1927), Tead (1929) and Bogardus (1934) which led to the conclusion that leadership was the result of a one-sided influence. They acknowledge that leaders can have the differentiation that distinguishes from followers, but they generally fail to recognize patterns of reciprocity or interaction from a leadership point of view. In the context of behavior, leadership is the art of creating leadership or the art of inducing compliance which Maxwell (1995: 5) says that in order to help leaders come forward he proposes the idea of a "triangle of power" whose components are communication, and influence.

Leadership theories in general try to explain the factors that allow the existence of leadership and the nature of leadership. Various opinions on leadership theories can be summed up among other theories (Traits Theory) which teaches that the leader requires a set of certain traits or temperaments that guarantee success in every situation. Based on an

assumption, attempts to detail certain traits, then compared with the qualities of existing leaders, then formulated the general characteristics of the leader. The relevance of that, from the study of the "great men" who concluded that the leadership of the great men based on the inherited traits is inherited. This theory became known as "Theory of the Big Man" (great Man Theory). Since leaders are considered to have born-edge talents of leadership, this theory is also called: The genetic theory (Siagian 1970: 57). This theory argues that "leadership is born and not made" (leaders are born and not formed). While the other party mentioned this theory as a theory of talent (P.Atmosoedirjo, 1976: 58-59). Still in the context of leadership, there are groups of scholars who divide leadership types into: populist types; paternalistic and maternalistic, autocratic / authoritative; laissez faire; populist; administrative; and democratic (Kartono, 1998: 69).

From the existing leadership theories, substantive to other factors that affect a leader to be a great leader. Regardless of intellectual intelligence, there is an emotional intelligence (EQ) that can recognize self-emotion and spiritual intelligence (SQ) that is related to how leaders grow and develop energy quality, enthusiasm, courage and purpose. Spiritual irregularity develops naturally from the personal clarity of the leader (knowledge, appreciation and understanding of the leader's self), through social intelligence (knowledge, appreciation and understanding of others), toward appreciation and understanding of all other life forms, and the Universe. Indeed, dealing with understanding and appreciation of nature is a key aspect in the development of the leader's spiritual intelligence (Bizan, 2003: 6).

Handling any problems in a large community such as a village, there needs to be synergy of the local community through an interaction. In order to sharpen this point there is a relevant theme, the theory of interaction and hope. According to Homand (1950) this theory bases itself on the variables: action, reaction, interaction, and feeling (action, reaction, interaction, sentiment). This theory assumes that the more interaction and participation in mutual activities increases the feeling of mutual liking / each other and further clarifies the notion of group norms. Humanistic Theory will be proposed by Stogdill (1959: 21) based on the proposition "the human being is by nature a motivated organism; the organization is by nature structured and controlled (man because his nature is a motivated organism, while the organization because of its nature will be organized and controlled). While the theory of exchange (Exchange Theory) describes a form of exchange in which group members contribute through their own sacrifices and receive rewards with group sacrifices or other members. According to Homand (1958) in Pamudji (1993: 152) this means between the leader and persons being led, and between the members who are led by one another must complete each other.

In running the wheels of village government, the Actor / Village Chief is inseparable from the touch of the environment, so there is a theory approach called environmental theory. This environmental theory arises because the all-round theory of nature has its weakness. It is this environmental theory that suggests that the existence of these leaders is the result of time, place and circumstances. Therefore, it can be briefly explained that the demands of situations

that adjust their behavior (directive or supportive) effectively in the use of authority and commitment to followers, produce four types of leadership: directing, coaching, supporting, and delegating (Zigami and Blanchard, 1985). The advantage of this leadership concept is that this theory has been openly tested because it is easy to understand and use in varied settings. It has a prescriptive value, emphasis on leader flexibility, and an appreciation of a difference between followers. The weaknesses of this theory can be identified from inadequate research approaches. The level of development of followers cannot be defined. One thing that is relevant to the concept of leadership, is also explained by Lussier and achua (2001: 6) "There is no one in leadership style in all situations". It can be interpreted that leadership can be implemented adaptively adaptable to the situation faced by the leader and not all forms of leadership can be applied to all situations. in tune with the results of 124 studies said: "if there is a major characteristic of the leader's characteristic, then leadership patterns will require varying leadership in different situations. From the results of other studies there are indications that the traits required by leaders are linked to demands based on the situation (Stogdill, 1974: 167) ".

A successful leader in certain situations and conditions does not guarantee that he or she will succeed in other circumstances. The rise and fall of a leader is affected by circumstances; when a person "controls" the situation and conditions then he / she can become the leader. In line with this theory is social theory (Siagian, 1970: 57) which states that "leaders are made not born" and according to situational groups, there is no term "born as a leader", it all depends on the situation; place a person in a particular situation and he or she may appear as a leader. Leadership is always situational, conditional, temporal and spatial which means that a democratic leadership cannot be applied consistently regardless of the circumstances, conditions, time, and room. A proper understanding of the situation and conditions and the time and space in which leadership is applied, followed by one's leadership style. In short, the effectiveness of one's leadership requires an adaptive attitude (Siagian, 1999: 109).

3. Method

This research uses grounded and inductive theory which means that the theory is constructed from the data or grounded in the data, where the researcher directly jumps into the field with the scope of Eris Village. The process of qualitative analysis in this study began since researchers observed data in the area of research. This research activity, more concentrated to collect information or data needed in order to give meaning to the leadership of a village chief who came from local residents with a background (back ground) and in actualizing himself as a local leader. In the context of qualitative approach in terms of sample, using purposive sampling technique.

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Data collection techniques in this study used a combination of in-depth interviews (in-depth interview), observation (non-participative). Interview technique is used to collect data related to the meaning of leadership style of Village Chief by citizen of Eris Village and the aspect which become base of decision making. In-depth interview techniques are conducted with logical and targeted questions by not raising suspicions for informants. In the interviews have been done approach with strong intimacy, although this is still a debate. Researchers continue to follow as Benny and Hughes suggest to appreciate the value of the interview as a data collection tool (Black & Champion, 1992: 305).

Data analysis in this research is done both when in field and after data collected. The data has been collected and then processed to be systematic. Processing starts from writing interviews, observing, then editing, classifying, reducing data and arranged in categorized units then coded to facilitate data control and usage at any time, and the next step of checking the validity of the data carefully and deeply. In this context, bringing temporary results into peer forums, analyzing negative cases. The next step is to interpret the data by finding or constructing core categories of matters relevant to the research topic in order to formulate substantive theories with formal nuances of theory (Moleong 1990: 198).

4. Result and Discussion

4.1 Transformational Leadership

Transformational leadership is defined as a leadership that involves changes in the organization. This leadership is also defined as leadership that requires the action of motivating subordinates to be willing to work for "high-level" objectives that are considered beyond their personal interests at the time (Bass, 1985, Burns, 1978, Tichy and Devanna, 1986, as quoted by Locke , 1997).

People's attention to leadership in the process of change begins to emerge as people begin to realize that the mechanistic approach that has been used to explain the phenomenon of change is often contrary to people's assumption that the change makes the workplace more

humane.

In formulating the change process, it is commonly used a humanized transformational approach, in which a participatory work environment, an opportunity for personality development, and openness are regarded as the underlying conditions of the process, but in practice, the process of change is driven by a transactional mechanistic and technical, in which human beings tend to be viewed as an economic entity ready to be manipulated using a system of rewards and negative feedback, in order to achieve maximum economic benefits (Bass 1990, Bass and Avolio, 1990; Hater and Bass , 1988, as quoted by Hartanto, 1991).

Bass (1990) in Hartanto (1991) assumes that better leadership performance occurs when leaders can execute one or a combination of these four ways: (1) giving insight and awareness of mission, generating pride, and trust in their subordinates (Idealized Influence - Charisma), (2) cultivating high expectations through the use of symbols to focus efforts and communicate important goals in a simple way (Inspirational Motivation); (3) improving intelligence, rationality, and Intellectual Stimulation, and (4) giving attention, nurture, guide, and train each person individually and individually (Individualized Consideration). Such leaders will be regarded by their peers or subordinates as effective and satisfying leaders. Tjiptono and Syakhroza (1999) argue that transformational leaders can successfully change the status quo in their organizations by practicing appropriate behavior at each stage of the transformation process. If the old ways of judging are no longer appropriate, then the leader will develop a new vision of the future with a strategic and motivational focus. The vision states firmly that the goals of the organization and also serves as a source of inspiration and commitment.

Thorndike and Watson, the Behaviorists are independent, organizations are born without social or psychological traits, behavior is the result of experience, and behavior is driven or motivated by the need to multiply pleasure and reduce suffering. Experience influences the perception of perception, experience is not always through formal learning process, our experience also increases through the process and series of events we have ever faced (Rachmat, 1996).

It cannot be denied that the level of education will determine the mindset and insight of a person, including in this case the mindset and his insight about leadership. In addition, the level of education is also part of the work experience (Rachmat, 1996).

Individual experiences that will determine growth in jobs and occupations. As expressed by Andi Mapiare, job growth in work can be experienced by a person only when experienced and experienced learning process, and expected the person concerned has a work attitude that progresses towards the positive, have the skills (knowledge) work is getting better and have the work skills increase in quality and quantity (Rachmat, 1996).

As with long-time employment in the organization, a long time in office now also deals with job adjustment. As expressed by Andi Mapiare, the adjustment here relates to self-adjustments to the job or position itself, to the working hours, to the other person especially to his subordinates (Rakhmat, 1996).

There are four factors of transformational leadership, (also known as "four I"): ideal influences, inspirational motivation, intellectual stimulation, and individual considerations.

- Ideal describes the influence of the model manager's role model for the association. Managers with ideal influences can be trusted and respected by peers to make good decisions for the organization.
- Inspirational motivation describes managers who motivate peers to commit to the organization's vision. Managers with inspirational motivation encourage team spirit to achieve revenue growth goals and market growth for the organization.
- Intellectual Stimulation describes managers who drive innovation and creativity through challenging normal beliefs or group scenes. Managers with intellectual stimulation encourage critical thinking and problem solving to make the organization better.
- Individual considerations describe managers who act as trainers and advisers for associate companies. Managers with individual considerations encourage associations to achieve goals that help both associate companies and organizations.

Understanding the basics of transformational leadership and four I can help leaders apply this approach. According to Northouse (2001), a transformational leader has the following qualities:

- empowering followers to do what is best for the organization;
- is a strong role model with high values;
- listen to all views to foster a cooperative spirit;
- creating a vision, using people within the organization;
- act as agents of change within the organization by setting an example of how to start and implement change;
- assist organizations by helping others contribute to the organization.

The meaning of the Eris village chief's leadership is the true leader by means of the meaning of transformational Leadership. Transformational leadership is an important role for effective leaders because the effectiveness of leaders determines the level of organizational success. According to Hesselbein and Cohen (1999, p 263), organizations that take the time to teach leadership far ahead of the competition. By becoming familiar with the transformational leadership approach and combining the four I's, managers can be effective leaders.

Transformational leadership of the Eris Village Chief can be applied to Eris village. Using this approach, the Village Chief in Eris encourages the community to improve work performance and help the organization become more productive and successful.

4.2 Internal Factor

Understanding leadership theories is very important to examine the extent to which meaning Eris village leadership can be implemented effectively and support to the

productivity of the organization as a whole. In this chapter will be discussed about the meaning of Eris village chief leadership to local communities as follows.

4.2 Leadership Style of Village Chief in Development Process

4.2.1 The Role of Village Chief as an Educator

According to Abror (1984: 34): The role of leadership is to help people from their villagers to set goals. Also according to Hartoyo (2000: 19-20) reviewing the opinion of Beck and Murphy (1996) states that leaders who provide opportunities for all people to participate actively, and the evaluation appropriate to the purpose.

Evaluation is an integral part of a series of programs. Effectiveness and efficiency of the process of implementation of a program can only be known through evaluation, both conducted during the process and after the activities carried out. In the village program evaluation, the Village Chief has a very significant role, because based on interviews and observations made by the researcher, many things have been done by the Village Chief, among others, to evaluate the program as a whole. In conducting this evaluation, the Village Chief does not always implement it himself, always the Village Chief in cooperation with other parties, such as the chairman of BPD and all components of society.

4.2.2. The Role of Village Chief as a Manager

According to Kadarman (1991: 116), leadership defines as an art or process to influence and direct people in order to achieve group's goals.

Planning, organizing, mobilizing and coordinating is the task of the Village Chief as a manager. In the implementation of the planned village program, the role of the Village Chief is crucial either in team building or task-sharing, or in monitoring program implementation. The principle of delegation of authority, though not yet fully, appears to have been applied by the Village Chief. This can be seen from the delegation of authority and responsibility to each head of the environment, to coordinate the implementation of certain programs. This principle is quite good, because in addition to lighten the burden of the Village Chief, is also a form of empowerment of potential and existing elements in an effort to implement the village program in accordance with the goals to be achieved. The principle of delegating authority and responsibility and empowering the existing potential is one of the focuses of village-based quality improvement management.

4.2.3 The Role of Village Chief as an Administrator

According to Abror (1984: 34), the role of leadership is arranging a unit of organization.

The Village Chief as an administrator has the task of organizing the organizational structure as a leader in the field of procedures and policies, including the formulation of vision, mission and village objectives formulated in a comprehensive and in-depth giving direction where the village will be taken and what goals to be achieved by the village. Without a clear vision, mission, and purpose, what the village does will have no direction and will not run effectively and efficiently.

The data analysis shows that in the effort to formulate the vision, mission, and purpose of this village, the Village Chief is not only silent, the Village Chief plays an important role in giving initial concepts and ideas, inviting other elements to give input and thinking about the perfection of the concept of vision, mission and expected village goals. After the village's vision, mission and objectives are formulated, the Village Chief is also active in disseminating village vision, mission and objectives to villagers, village committees and communities, hoping that if all elements perceive the vision, mission and objectives to be achieved by the village they will support and actively participate in supporting the vision, mission and objectives.

4.2.4 The Role of Village Chief as a Supervisor

Soekarno (1993: 12) studied the finding of C.A. Webber, Kimbak Willes, and Tead which explains that an arrangement of event in guiding groups to achieve group's goals.

One of the duties of the Village Chief is as a supervisor, supervising the work undertaken by the staff. One of the main points in the supervision is to supervise the staff and the head of the environment in carrying out administrative activities. And indeed the main activity of the village is to provide maximum services. So it is natural that the Village Chief's job in supervising them is very important. The task of the Village Chief undertakes the supervision of the program in general, the Village Chief is more specialized in administrative supervision, administrative supervision through a systematic planning cycle, careful observation, and objective and immediate feedback. That way they can use the feedback to improve their performance. So the main purpose of supervise is to improve their ability and improve the quality of service to the community well.

Therefore, it is natural that the task of the Village Chief in supervising is very important, because based on the results of interviews and observations conducted by researchers, many things have been done by the Village Chief, one of which is doing general supervision and administrative supervision.

4.2.5. The Role of Village Chief as a Leader

The role of leadership according to Soekarno (1993: 13-14) is basically divided into two types "The roles related to a purpose which will be achieved, and the role related to the achievement of healthy and pleasing work ambience".

The main task of the Village Chief is to lead and manage the staff and the ward and others to work as well as possible in order to achieve village goals.

Managing the village means organizing or mobilizing for the entire potential of the village to function optimally in support of the achievement of village objectives. So the Village Chief arranged for them to work optimally, by utilizing the facilities / infrastructure owned to support the achievement of village goals.

Therefore, the main task of the Village Chief is to lead and manage them in order to work well, because based on the results of interviews and observations made by researchers, many things have been done by the Village Chief, among others staff, head of the environment and the community is given motivation means Village Chief stimulate so they are motivated to do the task.

4.2.6 The Role of Village Chief as an Inovator

According to Abror (1984: 34), the role of leadership is to ease and to accelerate work process, to develop bigger effectiveness, and to strive changes.

Description and analysis of data shows that Village Chiefs have a very important role in the process of disseminating village-based quality improvement management (MPMBS). As the interviewee informed, the Village Chief was instrumental in disseminating MPMBS both to friends in the village, as well as to village and community committee managers. The Village Chief conducts this socialization, almost at every opportunity, among others through meetings with village committees, events and on other occasions. In addition, Village Chiefs also conducted socialization by providing a book on MPMBS in the village, so that people could read and study it themselves according to their spare time. Efforts have been made to show that the Village Chief is highly committed to MPMBS and seeks to make MPMBS as applicable as possible in the village he leads.

4.2.7. The Role of Village Chief as a Motivator

According to Terry in Agus Dharma (1995: 1998), leadership is an activity which can influence people to achive goals. After managing the organization, the other duty of Village Chief is to motivate people in village organization to work optimally by applying motivational principle. It means that the Village Chief is trying to motivate them to work hard.

Therefore, the duty of Village Chief is ensuring and creating the condition where people can work well. Based on the interview with Village Chief and informants and also field study, Village Chief is always giving motivation to all the community to work well.

4.2.7. The Role of Village Chief as a Religious Leader

The role of the local Village Chief as a religious leader can guide, nurture and mobilize the community to do good and away from the forbidden act, invites to something that is the need of the community in fostering its territory for both the needs of social facilities and worship. The head of the village carries out the government's duties as well as through the religion of guiding his people and conveying the idea of development to the people with religious language.

4.3 The Quality of Human Resources

The quality of the head of the village as human resource includes : (1) the level of formal education/the highest degree which he holds when being elected/appointed as the head of the village. (2) The head of the village's experience is limited to work experience, organizational experience both social and political. Here's an excerpt of an interview with some locals:

(M2-LH) " When elected as the head of the village, our leader held the graduation certificate from junior high school. He had also joined the training on community empowerment for 2 weeks and other trainings .."

(A2-JP) " ...experience in social organization includes holding the position as secretary of PKB at church here, becoming the respected member in column and political organization. He is as one of KNPI's directors because he was the former coordinator of a department at KNPI... "

(M7-VS) " ...if we talk about the organizational experiences of our village head, he can be regarded as a very experienced person. His father has always educated him how to organize people because his father was also the village's leader here ... "

(M8-YK) "... No need to be questioned, Speaking of his organizational experience, he is an expert in both religious organizations and political organizations... "

(P6-JL) "... he is often invited to be a keynote speaker in some villages and the district to explain about village organization because of his expertise in organizing in our village as well as other organizations... "

The quality of human resources (education and experience) of the village's head is one of the elements which influences the successful leadership of the village's head in achieving success in development. Therefore, government regulation has mentioned regarding of that matter as follows:

The Government Regulation of the Republic of Indonesia No.72/ 2005 on Village Article 44 section c states that the candidate for village's head is a citizen of the Republic of Indonesia who has at least graduated from Secondary School and/or equivalent (one of the requirements). Furthermore, Decree of Regent of Minahasa Number 247/2004 article 1 section 7 explains that having equivalent degree means that the candidate of village's head does not hold academic certificate from the formal school, but this candidate has the ability to be a leader due to his/her activities of social organization in the village and experience in village governance. All these experiences must be proven with the curriculum vitae certified by the subdistrict head.

Based on experience and education, this village's head has fulfilled the requirements as the village's head as having been stipulated in Government regulation of the Republic of Indonesia no 72/2005 on Village article 44 section c concerning the requirement of the village's head.

.The village's head has been benefited from his working experience than his educational background since he has excellent experience in both social and political organizations. In addition, the head of the village has other advantages because he belongs to the upper class. His parents, uncles, and grandfathers used to be the village's head. Besides, his big family also live in that village, so it leads to better interaction between the village's head and the society.

The quality of human resources (education and experiences) on the leadership power of the village's head in the development supports the opinion from Siagian who states that a respectful leader results from :

1. Ability to provide fast and secure services with simple and friendly procedures.
2. A comprehensive knowledge related to his responsibilities.
3. Excellent skill and expertise to perform functions as the leader.
4. Getting respect from the society, but they society is not afraid of him
5. Having new information which other organization do not have. However, the information should be accessible for every member of society unless this information is related to national secret. (siagian, 2000:162)

5. Conclusion dan Suggestion

1. The existence of a leadership style of a transformation erist Village Chief,
2. Internal factors that serve as a rodent for rural economic development are the role and multifunction of Village Chiefs in various activities as evaluators, managers, administrators, supervisors, leaders, motivators and religious leaders and, Possessing quality of human resources that is reliable and possessed by a leader or Village Chief.

Suggestion

Indispensable is the transformational leadership spirit in every human person. The soul of leadership must always be nurtured and developed. If only Indonesia had a very tough leader would be amazing. Because of the ups and downs we are dependent on the leader. Leaders lead, followers follow. If a leader cannot lead well, his character is that followers will not follow. Therefore our quality depends on the quality of our leaders. The stronger the lead then the stronger the lead.

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