

# POSITIONING HIGHER EDUCATION PERFORMANCE IN INDONESIA: A GLOBAL UPDATE

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**Abstrak:** Artikel ini bertujuan untuk menyajikan sepingtas profil kualitas pendidikan di level dunia. Laporan UNSECO dan UNDP menunjukkan prestasi di sektor pendidikan terutama pendidikan tinggi masih berada pada kategori rendah dibandingkan dengan negara-negara dunia, khususnya ASEAN. Pemerintah telah melakukan berbagai upaya perbaikan manajemen pendidikan, namun masih menemukan banyak kendala meliputi kurang memadainya sumber daya, fasilitas, dana, teknologi, lingkungan, struktur ceptarmen, manajemen dan kepemimpinan. Pendekatan-pendekatan strategis kepemimpinan efektif didiskusikan di bagian akhir tulisan ini. Para pemimpin perguruan tinggi diharapkan dapat menerapkan model kepemimpinan dsitributif dan patrtisipatif. Kedua pendekatan tersebut terbukti memiliki keunggulan dalam membangun organisasi perguruan tinggi yang memiklikli kapasitas bersaing di dunia global.

**Kata kunci:** universitas, kinerja perguruan tinggi, manajemen pendidikan, kepemimpinan

**Abstract:** The purpose of this article is to overview the current performance of education in Indonesia, specifically at the higher education level within the global context. Based on statistics retrieved from the reports published by UNESCO and UNDP, the profile of education is still below compared to other ASEAN countries. The government developed the new paradigm of higher education management to attain a higher organization performance. However, some factors (insufficient human resources, facilities, financial resources, technology, environment, department structure, management and leadership) are found to influence the capacity to survive in the competitive environment. The discussions in this article end with proposing effective leadership strategies and approaches to improve the capacity to compete internationally. University leaders or higher education executives have responsibilities to improve the quality of education management through exploring the innovative leadership strategies in pursuing a higher level of management performance. Both a distributive and participative approach to leadership are proposed to be effective strategies to build the competitive capacity of higher educations in the global context.

**Key word:** university, higher education performance, education management, leadership

Indonesia, as a developing country is challenged by the strict competitiveness in any aspect of organizational endeavors all over the world. The global competitive efforts are driven by intentions to pursue the highest level of nation building programs especially in the development of technology, economics, and educational efforts (Damme, 2001). To deal

with such a condition, Indonesia is actively involved in developing its capacity by improving the quality of human resources massively (UNESCO, 2006). The government has invested efforts to national building programs to increase its profile within a global environment (Marginson, 2006; Marginson & Sawir, 2006). These development programs require human capital that should be prepared through quality educations. Higher education sector has an important role in providing people with knowledge, life, professional and technical skills that are needed to create quality human resources or future work forces. However, the implementation of quality improvement programs in this sector is contingent upon global challenges and current conditions of education system, in particular the university governance. This article describes the current condition of Indonesian education especially in the case of universities. The factors that affect the effectiveness of higher education management are explored. This is followed by exploring strategies that are effective in raising the level of universities' performance in a global environment.

### **The Improvement of Higher Education is a Crucial Strategy in a Competitive Environment**

As a component of national building programs, higher education system in Indonesia faces global contemporary demands, as well as experienced by other developing countries (Schwartzman, 2010; Marginson, 2006; Bush & Middlewood, 2005). The quality of university governance is highlighted as a strategic issue for organizational survival in a competitive environment (UNNESCO, 2006; Duderstadt, 2003; Damme, 2001). It argues that the significance of this management's performance is critical within the global market today. With respect to this challenging issue, Indonesian government through the Directorate General of Higher Education (DGHE) in 1994 has introduced a new paradigm of higher education management system based on quality, autonomy, accountability, accreditation and evaluation (UNESCO, 2006; DGHE, 2003). The paradigm underpinning this model provides higher education institutions with policies and guidelines of development programs, specifically internal management systems for attaining higher performance. The consequence of the implementation of the new paradigm in managing higher education is the rapid development in public university sectors that emerged over the last ten years especially in the human resources area. However, the expected performance has not been achieved. It is evident that higher education organizations

especially universities have not been able to guarantee their success in competing with other higher education institutions across countries and at the regional level such as in Asia and southeast Asia. Moreover, they are further behind if included at the international level or across countries.

### **The Performance of Education in Indonesia**

Although the development of the higher education system in Indonesia has shown a significant growth in increasing access for students to obtain a higher degree program (Welch, 2007), however, in term of the quality, it still moves slowly. Evident from HDI (Human Development Index) and the level of educational attainment both in overall countries and Asia indicate Indonesian education profile within the global environment has not shown a significant progress till today.

First, from 188 countries indexed in 2015 HDI (Jahan & Jespersen, 2015), Indonesia was ranked 100<sup>th</sup> or in the medium level. The highest position is occupied by Norway, and at the lowest level is Niger. Human development relates to enlarging human choices focusing on the richness of human lives rather than simply the richness of economies (Jahan & Jespersen, 2015). As shown in Figure 1, the measures of performance in the HDI relies on the contribution of people and a country to human development achievements that are systematically fostered through the fulfilment of seven dimensions: knowledge, standard of living, equality & social justice, human security & right, environmental sustainability, participation in political and community life, and long and healthy life.



**Figure 1. Dimensions of Human Development**

Second, the current reports on educational performance across countries indicate Indonesia has not a satisfactory position compared to other top Asian countries, even to its competitors from the neighboring countries such as Malaysia, Thailand, and Singapore. Indonesia has not risen in international rankings, for instance in the Top 100 Universities published by the Times Higher Education (2016) as shown in Table 1. Even within the 500 University Ranking, no single university is included in the ranking (<https://www.timeshighereducation.com/world-university-rankings>). Of more concern, it is also not listed in the level of Asia University Ranking (see Table 2). Such a performance is perceived to deterring the capacity of the nation's competitiveness in this sector, and raises a critical issue for higher education governance.

**Table 1.100 Top university 2016**

<b>Rank</b>	<b>Name of University</b>	<b>Country</b>
1	California Institute of Technology	United States of America
2	University of Oxford	United Kingdom
3	Stanford University	United States of America
4	University of Cambridge	United Kingdom
5	Massachusetts Institute of Technology	United States of America
6	Harvard University	United States of America
7	Princeton University	United States of America
8	Imperial College London	United Kingdom
9	ETH Zurich – Swiss Federal Institute of Technology Zurich	Switzerland
10	University of Chicago	United States of America
11	Johns Hopkins University	United States of America
12	Yale University	United States of America
13	University of California, Berkeley	United States of America
14	University College London	United Kingdom
15	Columbia University	United States of America
16	University of California, Los Angeles	United States of America
17	University of Pennsylvania	United States of America
18	Cornell University	United States of America
19	University of Toronto	Canada
20	Duke University	United States of America
21	University of Michigan	United States of America
22	Carnegie Mellon University	United States of America
23	London School of Economics and Political Science	United Kingdom

<b>Rank</b>	<b>Name of University</b>	<b>Country</b>
24	University of Edinburgh	United Kingdom
25	Northwestern University	United States of America
26	National University of Singapore	Singapore
27	King's College London	United Kingdom
28	Karolinska Institute	Sweden
29	LMU Munich	Germany
30	New York University	United States of America
31	École Polytechnique Fédérale de Lausanne	Switzerland
32	University of Washington	United States of America
33	University of Melbourne	Australia
34	University of British Columbia	Canada
35	KU Leuven	Belgium
36	University of Illinois at Urbana-Champaign	United States of America
37	Heidelberg University	Germany
38	McGill University	Canada
39	University of California, San Diego	United States of America
40	University of California, Santa Barbara	United States of America
41	Georgia Institute of Technology	United States of America
42	Peking University	China
43	University of Tokyo	Japan
44	University of California, Davis	United States of America
45	University of Hong Kong	Hong Kong
46	University of Texas at Austin	United States of America
47	Tsinghua University	China
48	Wageningen University and Research Center	Netherlands
49	Humboldt University of Berlin	Germany
50	University of Wisconsin-Madison	United States of America
51	Brown University	United States of America
52	Australian National University	Australia
53	Technical University of Munich	Germany
54	École Normale Supérieure	France
55	Nanyang Technological University	Singapore
56	University of Manchester	United Kingdom
57	University of Sydney	Australia
58	University of Amsterdam	Netherlands
59	Hong Kong University of Science and Technology	Hong Kong
60	The University of Queensland	Australia
61	Washington University in St Louis	United States of America
62	Utrecht University	Netherlands
63	University of North Carolina at Chapel Hill	United States of America
64	Boston University	United States of America

<b>Rank</b>	<b>Name of University</b>	<b>Country</b>
65	Delft University of Technology	Netherlands
66	University of Minnesota	United States of America
67	Leiden University	Netherlands
68	University of Southern California	United States of America
69	University of Bristol	United Kingdom
70	Durham University	United Kingdom
71	Erasmus University Rotterdam	Netherlands
72	Free University of Berlin	Germany
73	Monash University	Australia
74	University of Groningen	Netherlands
75	Pennsylvania State University	United States of America
76	University of Glasgow	United Kingdom
77	University of Helsinki	Finland
78	University of Tübingen	Germany
79	University of Pittsburgh	United States of America
80	University of Warwick	United Kingdom
81	Uppsala University	Sweden
82	University of Copenhagen	Denmark
83	University of New South Wales	Australia
84	University of Freiburg	Germany
85	Seoul National University	South Korea
86	University of St Andrews	United Kingdom
87	Vanderbilt University	United States of America
88	Kyoto University	Japan
89	Maastricht University	Netherlands
90	Emory University	United States of America
91	Lund University	Sweden
92	Ohio State University	United States of America
93	University of Exeter	United Kingdom
94	University of Bonn	Germany
95	Georgetown University	United States of America
96	McMaster University	Canada
97	University of Sheffield	United Kingdom
98	Queen Mary University of London	United Kingdom
99	University of Göttingen	Germany
100	Michigan State University	United States of America

Source: <https://www.timeshighereducation.com/world-university-rankings>

Competitiveness refers to several indicators, for example the number of research products and web access (Ranking Web of World Universities made by Cybermetrics Lab, 2010), scientific publication in international English website (University World News,

2010), and university management that is able to satisfy stakeholders as well as students and other community members. The world university ranking was published using performance indicators that include (1) learning environment, (2) research volume, (3) income and reputation, (4) citation paper, (5) industry income/innovation, and (6) international outlook. The breakdown of these is depicted in Figure 2.

SUBJECT RANKINGS METHODOLOGY													
Indicator	Total students/ academic staff	PhD awards/ bachelor	PhD/Academic staff	Reputation Survey (teaching)	Institutional Income/ Academic staff	Scholarly papers/ Academic Staff	Research Income/ Academic Staff	Reputation Survey (research)	Citations: Research impact	Income from industry/ Academic Staff	Ratio of international to domestic staff	International co-authorship	Ratio of international to domestic students
	Teaching: The learning environment				Research: volume, income and reputation			Citations per paper	Industry income: innovation	International outlook			
ARTS & HUMANITIES													
Group weight	37.5				37.5			15	2.5	7.5			
Indicator weight	3.8	1.9	4.7	25.3	1.9	3.8	3.8	30	15	2.5	2.5	2.5	2.5
CLINICAL, PRE-CLINICAL & HEALTH, LIFE SCIENCES & PHYSICAL SCIENCES													
Group weight	27.5				27.5			35	2.5	7.5			
Indicator weight	2.8	1.4	4.1	17.9	1.4	4.1	4.1	19.3	35	2.5	2.5	2.5	2.5
ENGINEERING & TECHNOLOGY													
Group weight	30				30			27.5	5	7.5			
Indicator weight	3	1.5	4.5	19.5	1.5	4.5	4.5	21	27.5	5	2.5	2.5	2.5
SOCIAL SCIENCE													
Group weight	32.5				32.5			25	2.5	7.5			
Indicator weight	3.3	1.6	4.9	21.1	1.6	4.9	4.9	22.8	25	2.5	2.5	2.5	2.5

**Figure 2. The Methodology Of World University Ranking**

Source: <https://www.timeshighereducation.com/world-university-rankings-2014-15methodology>

**Table 2. The 50 Top University Ranking in Asia**

Rank	Name of University	Country
1	National University of Singapore (NUS)	
2	The University of Hong Kong	
3	KAIST - Korea Advanced Institute of Science & Technology	
4	Nanyang Technological University, Singapore (NTU)	
5	The Hong Kong University of Science and Technology	
6	The Chinese University of Hong Kong (CUHK)	
7	Peking University	

Rank	Name of University	Country
8	Seoul National University	
9	City University of Hong Kong	
10	Pohang University of Science And Technology (POSTECH)	
11	Tsinghua University	
12	The University of Tokyo	
13	Osaka University	
14	Kyoto University	
15	Tokyo Institute of Technology	
16	Fudan University	
17	Sungkyunkwan University (SKKU)	
18	Yonsei University	
19	Korea University	
20	Tohoku University	
21	Nagoya University	
22	National Taiwan University (NTU)	
23	University of Science and Technology of China	
24	Shanghai Jiao Tong University	
25	Hokkaido University	
26	Nanjing University	
27	The Hong Kong Polytechnic University	
28	Kyushu University	
29	Universiti Malaya (UM)	
30	Hanyang University	
31	National Chiao Tung University	
32	National Tsing Hua University	
33	University of Tsukuba	
34	Indian Institute of Science (IISc) Bangalore	
35	Zhejiang University	
36	National Cheng Kung University	
37	Keio University	
38	Kyung Hee University	
39	Waseda University	
40	Beijing Normal University	
41	Kobe University	
42	Indian Institute of Technology Delhi (IITD)	

Rank	Name of University	Country
43	Ewha Womans University	
44	Mahidol University	
45	National Taiwan University of Science and Technology (Taiwan Tech)	
46	Indian Institute of Technology Bombay (IITB)	
47	Taipei Medical University	
48	Sun Yat-sen University	
49	Universiti Sains Malaysia (USM)	
50	National Yang Ming University	

Source: QS Top Universities: Worldwide university rankings, guide & events.

<http://www.topuniversities.com/university-rankings/asian-university-rankings/2015>

Of those indicators, academic reputation in particular the research volume is a prominent indicator in the assessment of a university performance. Within this variable, higher education institutions in Indonesia have not yet provided satisfactory contribution or impact to local and global society. A report from UNESCO (2014) shows no single university was listed in research performance of Asian universities which achieved above average ratings by broad subject area. This indicates educational provisions at this level have not reached the minimum standard (below the average level) of academic reputation specifically in terms of research, and scientific publications.

### Ranking Methodology for Universities

The ranking program is issued annually since 2009, highlighting the top Asia universities. The methodology used to create the ranking is similar to that used for the QS World University Rankings, but with some additional indicators and adapted weightings. The ranking criteria were developed through consultations with regional experts and stakeholders. It is designed to reflect essential factors and generating as much as possible the data in fostering significant comparisons among universities. The principal indicators were used to make such comparisons: (1) Academic reputation (30%) aims to give an indication of which universities hold the strongest reputation within the international academic community; (2) Employer reputation (10%) aims to inform a number of research projects, reflecting the importance of employment prospects for today's university applicants and graduates; (3) Faculty/student ratio (20%) assessing the ratio of full-time academic staff members per student. The purpose is to show how much students get

contact time and academic support from these members; (4) Citations per paper (15%) assesses the number of citations per research paper published, and see how research impacts the community; (5) Papers per faculty (15%). This indicator assesses the number of research papers per faculty member. This provides an indication of the overall research productivity of the university; (6) Proportion of international lecturers (2.5%) and international students (2.5%). This indicator is used to assess the prospect of the university having the team of international class staff members; and (7) Proportion of inbound exchange students (2.5%) and outbound exchange students (2.5%). These indicators are used in the global ranking offering additional insights into the internationalization activity, assessing the relative size of the student exchange programs.

On the other hand, education performance retrieved from the compulsory level outcomes also shows unsatisfied achievement. Report of the test for schools in 2015 indicates the overall education performance of countries shows Indonesia is still in the lower position. From 37 countries participated in the test, Indonesia was in the 35<sup>th</sup>. The first and second rank are respectively achieved by Shanghai China and Singapore. The figures are retrieved from OECD 2015 Test for Schools that were followed by the countries that are grouped in the OECD ([Organisation for Economic Cooperation and Development](#)). The overall performance was generated by combining the average scores in math, reading, and Science. Participants are recruited from the students who are between age 15 years 3 months and age 16 years 2 months at the time of the test. This test was designed to enable international benchmarking against the 2012 PISA administration.

The PISA (Program for International Student Assessment) is a worldwide study by the OECD. Around 510,000 students in 65 economies took part in 2012 assessment of reading, mathematics and science representing about 28 million 15-year-olds globally. Of those economies, 44 took part in an assessment of creative problem solving and 18 in an assessment of financial literacy. It is a triennial international survey which aims to evaluate education systems worldwide by testing the skills and knowledge of 15-year-old students. To date, students representing more than 70 economies have participated in the assessment. The most recently published results are from the assessment in 2012.

**Table 3. PISA Results 2012**

<b>Ranking</b>	<b>Country</b>	<b>Maths, mean score PISA 2012</b>	<b>Reading, mean score PISA 2012</b>	<b>Science, mean score PISA 2012</b>
0	OECD average	494	496	501
1	Shanghai-China	613	570	580
2	Singapore	573	542	551
3	Hong Kong- China	561	545	555
4	Taiwan	560	523	523
5	S.Korea	554	536	538
6	Macau-China	538	509	521
7	Japan	536	538	547
8	Liechtenstein	535	516	525
9	Switzerland	531	509	515
10	Netherlands	523	511	522
11	Estonia	521	516	541
12	Finland	519	524	545
13	Canada	518	523	525
14	Poland	518	518	526
15	Belgium	515	509	505
16	Germany	514	508	524
17	Vietnam	511	508	528
18	Austria	506	490	506
19	Australia	504	512	521
20	Ireland	501	523	522
21	Slovenia	501	481	514
22	Denmark	500	496	498
23	New Zealand	500	512	516
24	Czech Republic	499	493	508
25	France	495	505	499
26	UK	494	499	514
27	Iceland	493	483	478
28	Latvia	491	489	502
29	Luxembourg	490	488	491
30	Norway	489	504	495
31	Portugal	487	488	489
32	Italy	485	490	494
33	Spain	484	488	496
34	Russian Federation	482	475	486
35	Slovak Republic	482	463	471

<b>Ranking</b>	<b>Country</b>	<b>Maths, mean score PISA 2012</b>	<b>Reading, mean score PISA 2012</b>	<b>Science, mean score PISA 2012</b>
36	USA	481	498	497
37	Lithuania	479	477	496
38	Sweden	478	483	485
39	Hungary	477	488	494
40	Croatia	471	485	491
41	Israel	466	486	470
42	Greece	453	477	467
43	Serbia	449	446	445
44	Turkey	448	475	463
45	Romania	445	438	439
46	Cyprus	440	449	438
47	Bulgaria	439	436	446
48	UAE	434	442	448
49	Kazakhstan	432	393	425
50	Thailand	427	441	444
51	Chile	423	441	445
52	Malaysia	421	398	420
53	Mexico	413	424	415
54	Montenegro	410	422	410
55	Uruguay	409	411	416
56	Costa Rica	407	441	429
57	Albania	394	394	397
58	Brazil	391	410	405
59	Argentina	388	396	406
60	Tunisia	388	404	398
61	Jordan	386	399	409
62	Colombia	376	403	399
63	Qatar	376	388	384
64	Indonesia	375	396	382
65	Peru	368	384	373

Source: <http://www.oecd.org/pisa/keyfindings/pisa-2012-results.htm>

Around 510,000 students in 65 economies took part in the PISA 2012 assessment of reading, mathematics and science representing about 28 million 15-year-olds globally. Of those economies, 44 took part in an assessment of creative problem solving and 18 in an assessment of financial literacy (<http://www.oecd.org/pisa/aboutpisa/>). Results of PISA 2012 also indicate Indonesian education performance is far below the other OECD countries (in the 64<sup>th</sup>) as shown in Table 3.

## **Factors That Potentially Weaken The Capacity To Compete With External Environment**

The lower performance in the global competitiveness may have arisen from many factors that contribute to the current higher education system (Schwartzman, 2010). This article focuses on the management system that is implemented in university organization. University governance is highlighted as one of the critical problems experienced in most Indonesian higher education institutions (Welch 2007; DGHE, 2003). Management is a substantial issue in the new paradigm of higher education management development in Indonesia (Bargh, Boccock, Scott & Smith, 2000), especially in dealing with human resources, organizational health and efficiency. A number of underlying factors were identified by UNESCO (2006) and DGHE (2003) as influencing the capacity of a university to implement management reformation. The factors that influence the effectiveness of education management reformation include human resources, facilities, financial resources, technology, environment, department structure, management and leadership (Schwartzman, 2010). Amongst these elements, researchers and practitioners claimed that human resources are the challenging issues for most organizations (Angermeier, Dunford, Boss & Boss, 2009; Prybil, 2003). It was acknowledged by Ramanujam and Rousseau (2006) that workforces will face more complex demands for producing high quality services and goods than they can produce as their contribution in sustaining the existence of the enterprise during global competitive situation (Haslam, Wegge & Postmes, 2009). Academic staff members of a university for instance are required to have capacities in producing high quality research products, publications, and provide life impacts to society. Thus, the organizational effectiveness in dealing with these human resources is broadly accepted as dependent upon the capacities of management and leadership of the university executives (Welch, 2007).

Based on experiences in the university governance, the author argues that inadequate management of human resources could be identified as one of the main issues that are problematic for most higher education governances. Managerial works within the culture of higher education as well as university organisations, management and leadership acumen can be perceived as the most decisive factors in bringing a success for the universities. However, many managers or administrative leaders in university organisations have not improved their management strategy in empowering their subordinates especially lecturers and administrative crews. Substantial management deficiencies have been found

in some organisational lines. Leaders, both in academic and non-leaders, have provided a less than favourable working atmosphere for their team members. Although units or divisions of the university structures have sufficient financial supports, employees, and other resources, some are still not able to provide the higher education system with managerial approaches that contribute to the mission of organization. These perhaps are influenced by leaders who conceivably have not effectively maximised the use of resources especially the staff members as potential capital. They have not provided a supportive environment where people could be inspired to engage effectively in organisational activities.

Further, although many efforts have been made to create effective staff development programs, these have not been well concentrated on building strategic and professional competencies. Human resources developments continue to be implemented, but not followed by creating an organizational culture where people are inclined positively to work for pursuing an excellent university. If leaders does not have a concern on this condition, it might cause adverse impact to the advancement aspired by a university vision. People probably dislike working hard and demonstrate low commitment to their jobs. Even, if they have abilities to work, they are inclined to work effectively. The inadequate management of university governance then needs to be recognised as a factor that causes many universities in Indonesia to be globally uncompetitive.

Reports on the educational outcomes indicate a substantial variation all over the world. These also varied greatly within countries, producing a wide dispersion of test scores among students (Freeman, Machin & Viarengo, 2010). Some factors were identified as the situational elements influencing this trend, ranging from the resources of the educational system, management practices, individual characteristics, organizational culture, family backgrounds, the availability of learning resources, and environment. All the factors are perceived to influencing the internal capacity of university organizations to implement management reformation programs (UNESCO, 2006; DGHE, 2003).

### **Strategies In Enhancing Educational Performance Within The Global Environment**

Although the issue of university management becomes a part of government policies in higher education reformation programs in the context of organizational health policy (DGHE, 2003), there is no specific strategy for improving management and leadership of the higher education governance. Management reformation programs have

been started since 1994 (UNESCO, 2006; DGHE, 2003). The improvement programs for the institutional capacity have been carried out prioritizing on instructional or academic development areas, procurement of new buildings and facilities. Most financial resources from national and international grants have been invested in implementing the management development packages (UNESCO, 2006; DGHE, 2003). The focus of human resource programs is more on financial supports of education trainings (through postgraduate studies and training programs in domestic and overseas institutions), research, and publications. However, the programs are directed more on the quantity achievements. Strategies in establishing the new culture and innovative management approach for building higher performing universities have not been developed well. Universities and the faculties or the schools do not have a clear vision in leading people and using resources to build a world class university or at least for example at the regional level. Leaders of the universities are also not able to manage their members in increasing individual capacities to enhance students' learning outcomes, produce quality research products and publications. Consequently, universities are not able to participate in the competitive environments, and they are left far behind by competitors. Some other consequences of certain management systems that are applied in university organization are perceived to produce particular behaviors of organizational members. These include job satisfaction and organizational commitment. Positive performances in these elements are predicted to determine the effectiveness of university management in obtaining its missions. Thus, leaders have to develop strategies in building the new culture of the university organization that are able to foster a supportive academic condition for the whole staff members. The following paragraphs introduce some strategies or initiatives that need to be implemented in order to improve the institutional capacity of the university organizations.

First, university executives have a responsibility to develop and implement strategic management systems in order to maximize the organizational effectiveness of the institution in the global environment and make the effective use of resources (Schwartzman, 2010; Marginson & Sawir, 2006; Marginson, 2006; McCaffery, 2004) especially human capital (Kim, 2002). Innovative and comprehensive approaches are needed in leading the universities to get a better position in the global market. Higher education management requires unlimited financial and probably technical supports to enable the system operates within the turbulent situation. However, the utilization of these two elements must be proportionally directed to enhance both organizational and

individual capacities of the members. Management and leadership must be directed to retrieve the spirit of team works and initiatives in implementing the development programs of research works and publications. Such an approach enables people to provide maximum contributions to the increased organizational performance both at regional and international level. The executives have to design the jobs and organizational environment where people are motivated and committed to work for the success of their organizations (Bush & Middlewood, 2005). This strategy is argued to promote staff morale at work, and ensure institutional sustainability in a competitive environment.

Second, leaders need to overview and explore what leadership styles are acceptable to the turbulent contexts. Many leadership theories have been invented and various leadership models are developed following these scientific works. Three basic models of management and leadership can be identified as the autocratic, participative or democratic model, and laissez-faire that can be used by most organizations in order to increase employee productivity. The autocratic management model is useful in generating organizational performance by increasing efficiencies in the use of budget, workforces, facility, and applying strict control upon the role of subordinates. Alternatively, the participative management model is used by managers to increase employee performance by motivating, fostering commitment, and involving all members to participate in decision making (Burhanuddin, 2013; Angermeier et al. 2009; Holland, 1995).

Contribution of participative model for organizational effectiveness has been examined through a wide range of empirical studies in the United States and other countries as reported by Miah and Bird (2007) and Reigle (2001). These studies found this model is typically related positively to long term teamwork performance in terms of organizational outcomes. On the other hand, autocratic models are only effective in certain conditions. However, most authors and researchers argue that the effectiveness of leadership and management is contingent to the existing situations.

Managing a university or any other education institution in Indonesia is not a simple job. Damme (2001) suggested that as a system, university as a part of higher education organization should adjust its institutional context with environmental demands including new policies, regulations, economic change and culture. Historically, higher education systems in Indonesia for example are predominantly embedded within a highly centralized system which was influenced by the colonized situation. At the same time the limited resources of financial support are hampered by domestic economic reconstructions

and a global monetary crisis. These result in certain consequences to the management performance, especially will determine the effectiveness of leadership models applied (Bryman, 2007). To improve the organizational performance, thus, executives need to reform culture or tradition that may not be relevant with the current situation (Bargh et al., 2000; Schwartzman, 2010).

Third, while many leadership theories developed in responding to the demands of organizations, higher education system requires a particular approach to manage. Several reasons can be highlighted using a university not a college as a case. Compared to other types of organizations, a university organization has different characteristics. This article only focuses only one of the most important components in describing these characteristics. University leaders work with various people, who have a certain level of expertise and professions. Various jobs are assigned to people who have different qualities, qualifications and competencies. The jobs require requires special skills and expertise. Staff members must have knowledge, skills, and expertise in implementing organizational programs. They develop organizations through research and experiments. While, other public organizations do not demand the same systems or works that are designed in the university governance. Most jobs in other public organizations are more routine, bureaucratic, strict, and static. To lead a university organization successfully, leaders must design a model of management that can incorporate different human resources' potential, talent, and skills. Leaders or managers need to build a supportive organizational culture where people can work individually and collaboratively in teams to the university organization successful.

Fourth, distributed leadership is perceived as an effective approach to manage a university organization in the competitive situation. It concerns more on collective collaboration rather than individual power and control. Its implementation is relevant with a university organization (Jones *et. al.*, 2012) where there are three groups of people (academics, executives, and professional staff) involved in carrying out a variety of activities such as teaching and learning, research projects, and human resources development programs. Since, the university has a culture that makes it unique compared to most other public organizations, the management of this sector then needs a particular leadership strategy that can foster a spirit of team works from these differing groups of people. The strategy of an executive is to provide leadership roles to all levels of people. University governance is run using the participative management system under which

people are empowered to work for the best of the university. Thus, the behavior of leaders who use this distributed leadership can reduce the gap between academics and other staff. In turn, the university will gain a total support from the whole staff members, create innovative and creative thinking from individuals, and a sustainable and effective leadership in dealing with the challenging environment for the future.

A study by Bryman (2007) found several behaviors related with leadership effectiveness in higher education as follow: have a clear sense of vision, arrange departments to facilitate an effective direction, being considerate, treating the staff fairly and with integrity, being trustworthy and having personal integrity, encourage participation and open communication, provide well communication in giving directions, have a role model and credibility, create a collegial work atmosphere, to be proactive in representing department's concern to the university, provide feedback on performance, provide resources and adjust workloads to stimulate scholarship and research, make academic appointment that enhance department's reputation, and communicating well about the directions.

These sorts of behavior are important for a university in improving the capacity to compete in a global environment. Furthermore, how top universities raise their position in the in the ranking across countries are listed in Table 4.

**Table 4. Top Universities' Efforts To Promote Their High Rankings**

Dimension	Actions
Organization/ management	<ul style="list-style-type: none"> <li>▪ Modify institution's strategic planning</li> <li>▪ Establish centres of excellence</li> <li>▪ Set up international colleges</li> <li>▪ Explicate performance agreements and key performance indicators</li> <li>▪ Regularly broadcast evaluation results</li> </ul>
Research	<ul style="list-style-type: none"> <li>▪ Increase outputs, quality and citations</li> <li>▪ Reward faculty for publications in top-tier journals</li> <li>▪ Require doctoral students to publish before graduation</li> </ul>
Student	<ul style="list-style-type: none"> <li>▪ Modify the ratio of undergraduates to graduates</li> <li>▪ Proactively recruit international students</li> <li>▪ Increase exchange or study abroad activities</li> </ul>
Faculty	<ul style="list-style-type: none"> <li>▪ Recruit high-achieving scholars</li> <li>▪ Create new contract types for employees</li> <li>▪ Identify weak performers</li> <li>▪ Recruit international academic staff</li> </ul>
External relations	<ul style="list-style-type: none"> <li>▪ Flag ranking results to the public (e.g. university's website or newspaper)</li> </ul>

Source: UNESCO, 2014

## CONCLUSION

Higher education sector in Indonesia has an important mission to improve the national performance and quality of life of people. How effective this sector contributes to the human development programs within the global context depends on the quality of higher education system specifically the university. Current reports from UNESCO and UNDP show that the performance of both at higher education and primary level is still below average or at the lower level compared to its neighboring countries. Some factors are identified as potentially influence the effectiveness of the university organization. These include human resources, facilities, financial resources, technology, environment, department structure, management and leadership. The implementation of quality improvement programs in this sector is contingent upon global challenges and current conditions of education system. Strategies have to be developed to improve the higher education governance, and how people are involved optimally in establishing an excellent university. University executives with their team members need to employ a strategic management in order to maximize the use of resources to ensure the capacity to compete in a global environment. They also need to employ situational leadership styles shifting from participative to directive models depending on the context when or where the interventions of management functions is practiced. A supportive culture is developed to enable people to work individually and collaboratively, in attaining organizational objectives successfully. Finally, distributive and participative models of leadership are also proposed to facilitate and empower people to accomplish their jobs in the way of innovative behaviors, and have individual capacities to lead in enhancing higher education performance in the future.

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