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Page: 447-458**HIGHER EDUCATION TRANSFORMATION: TO WHAT DIRECTION?**  
*(A Look at the transformation of Ar-Raniry State Islamic University)***Safrul Muluk<sup>1</sup> & Habiburrahim<sup>2</sup>**<sup>1,2</sup>Ar-Raniry State Islamic University, Indonesia<sup>1</sup>Contibutor Email: [safrulmuluk@yahoo.com](mailto:safrulmuluk@yahoo.com)**Received:** Apr 29, 2018**Accepted:** Aug 25, 2018**Published:** Sept 28, 2018**Article Url:** <http://journal.scad-independent.org/index.php/jipeuradeun/article/view/286>

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**Abstract**

*Service delivery in public institution has been one of the most important areas of management. Is it so important that an institution is often valued for its service delivery. Ar-Raniry State Islamic University was transformed from an Institute into University status in 2013. This transformation comes with an array of requirement and responsibilities that must be undertaken by its leaderhips. This article examines several crucial areas of management that often influence the quality of service delivery, especially at the Higher Education institution. Factors that often lead to either a success or a failure of an institutions, such as governance, leadership, and administration will also be discussed.*

**Keywords:** *Service Delivery, Administration, Management, Higher Education*

## **A. Introduction**

One of the most frequently discussed issues in efforts to improve “service delivery” or service in college is management or management issues. It can not be denied that the management of an institution, including higher education institutions, becomes one of the main factors in improving the quality of graduates. The formation of “borderless” nations, which is supported by technological advances, requires educational institutions to adapt in the face of competitive environmental change. The ability to “manage change” is one of the most important keys to survival and development. The ability of higher education institutions to see opportunities, harness the strengths and minimize the weaknesses that aim to be more efficient and effective is a necessity.

When talking about management, an institution also needs to consider and maintain the uniqueness or privilege of higher education institutions. Management should take advantage of these characteristics and consider them in an attempt to be successful. In some developed countries, higher education management is already using new approaches to make these colleges and universities more efficient and effective. The ability of higher education institutions in Australia to attract and cater the requirement of international students for example has made this sector the second largest source of income after the energy/mining sector. In the US, the increased marketing sector led to the commercialization of management that emphasized the improvement of institutional income as well as professional administrators (Bok, 2003).

## **B. Theoretical Basis**

### **1. Major Issues in Higher Education Management Involves Three Unique Elements: Government, Leadership, and Administration**

- a. Governance refers to the structure and decision-making process.
- b. Leadership means the role of a top-level position takes responsibility for the institution as a whole.



- c. Administrations refers to the operational side of running the institution, that is, the structures and processes by which decisions are planned, organized, and controlled (Sporn, 1999).

## **2. Governance**

The issue of governance or governance is not just the consumption of government. Every organization, whether small or large, is always faced with governance processes, no exception in higher education. One of the main issues of higher education management refers to governance and decision making within the institution.

Three decades ago, Burton Clark (1983) described three levels of governance structures of systems and institutions. This phenomenon is known as the coordinating triangle. These 3 levels are (1) the system as a whole, (2) institutions, (3) and the academic community. Depending on the magnitude of power and strength of each level, three coordinating styles can be distinguished: state authorities, market authorities, and academic oligarchs.

Certain rules may apply to governance depending on the system character. These rules can be a supply and demand mechanism, or in the form of pressure from peers. For example, higher education in the US is more market oriented, while Italy is fundamentally influenced and regulated by professors (academic oligarchy). Higher education in Sweden and France is considered a state-controlled system.

With the emergence of a global neo-liberal policy focusing on effectiveness and accountability, the central government grants greater institutional and leadership autonomy to rectors, vice rectors, deans and heads of agencies or departments. Overall, market mechanisms, in this case supply and demand, transform the idea of higher education from social systems into an industry, thus implicating institutional governance (Gumport, 2000). Not surprisingly, leaders in colleges and universities continue to increase their role as they are responsible for the overall success of the institution.



### 3. Leadership

In the past 2 decades, leadership in higher education institutions and universities has been increasing. Rector and vice-chancellor and dean are people who run institutions of higher education. They are supported by an administrative structure that also moves from bureaucracy to a managerial model (Birnbbaum, 2000, Mora, 2001).

The head of this institution is the main character in running the institution of higher education. Their role can be compared to the role of chief executive officer (CEO) or head of the board of directors. Their responsibilities include planning and execution of all key areas ranging from budget and space to teaching and research. They are responsible for the success or failure of the institution. In higher education institutions that hold the presidency, the president is generally responsible for external relations and fundraising. While vice chancellor responsible in the academy.

The leadership structure should combine responsibility and accountability (Weiler, 1998). In many countries, management practices have been divided into 2 major issues, strategic issues and operational issues. Consequently the committee/senate decides things (sometimes without adequate information or data). Their decisions are sometimes not held accountable. For example, the senate may decide the introduction of a new course without the necessary budgetary plan. In this case, with the existence of accountable leadership in higher education institutions will seek sources of financing. The Senate will look at curriculum issues and quality control, while the leadership team will fund the program and provide the necessary infrastructure for the implementation of the planned program.

Leadership position in college is a series of dynamic positions. Vice-chancellors, deans, and directors of postgraduate courses, for example, may take role in certain fields such as finance, research and teaching, international relations related to undergraduate and graduate



programs. Prospective candidates who are eligible to occupy the above positions are usually those who are in charge of the faculty or higher education institution itself. In our financial governance, for full-time positions, special financial incentives are provided for those appointed to positions. The Dean and Vice Rector are members of the leadership team with their own budgets and areas of responsibility. Often they serve as an important link between faculty and administration (Muluk, 2017).

The belief in different groups in higher education environments as well as the common understanding of institutional goals became one of the important factors for success in college. Learning from the experience of universities in developed countries, faculty dominated by administrative teams or top-level leadership teams can help institutions to grow and overcome obstacles (Rhoades and Sporn, 2002). Experience in the US shows that sometimes the number of administrators can exceed the number of faculty members. Therefore, leaders must be keen and able to bridge academic integration and cultural administration.

#### **4. Administration**

Management of colleges and universities can be defined as the structures and processes by which decisions are implemented. In the sense that the structure means the field of administration and process means management tools and instruments. The pattern of college management in the 70's can be categorized as a bureaucratic management model with a divided organizational structure, in which each institution of higher education is responsible for complying with legal requirements and academic community demands in providing teaching and research.

After this period, the collegial form of management began to develop. This type of management can be characterized as management and administration that are firmly rooted in the faculty. The professor has taken over the main administrative position to run the institution in this way. With the emergence of new policies in higher education, greater market pressures,



and calls to be professional, a managerial approach to administration was developed. This approach refers to the use and adoption of the principles commonly used in private industry. Matters such as performance indicators, personnel development, and reporting standards become things that are also applied to higher education institutes.

Another trend we can see is the application of entrepreneurial management. The lead agency can create a certain incentive pattern to create opportunities for individual faculty members to create new ways of generating revenue. By itself, accountability and responsibility for most activities can be decentralized so that upper management only provides infrastructure and quality control (Clark, 2004).

Unlike private institutions, management issues in universities are sometimes complicated by the presence of two different objectives. Those who are responsible for the dissemination of knowledge and skill to the students, of course, require facilities and resources are not small. While those working in the field of administration aim to improve the efficiency and effectiveness of all institutions.

The existence of these two things that sometimes have a focus and a different interest orientation can cause discomfort and tension. This tension can increase if the available resources are limited and coupled with the uncertainty that may arise (Cohen and March, 1974).

In a more competitive institutional environment, scarce resources, clarity and agreement about organizational mission are considered fundamental fundamentals of success. In the context of higher education, management can respond by developing missions, making strategic plans, and setting general goals. However, with the complexity of academic and administrative objectives and agreement on the priorities and steps to be taken in achieving the objectives, it will be difficult to develop a coherent and consistent mission statement. The teaching, research, and community identification - which are the three objectives of higher education - are still considered too broad as the starting point in making the mission of higher education institutions.



Universities can be managed more effectively if the mission to be achieved can be clarified. But this is not easy to do, especially in large and complex organizations. Therefore, administration and management must learn to function despite the context of opposing goals (Kezar and Eckel, 2002). Another issue of higher education management is the distribution of institutional power. Organizations such as colleges and universities not only rely on experts such as professors. Higher education also requires managers and administrators who are experts to be able to continuously improve the quality of service to the academic community.

### **C. Research Methodology**

This research is a library research. As such, references and sources of information gathered to explore and discuss the issue are mainly from literature available from online and offline sources. All those sources are used to give comprehensive illustration on the issue. Major issues affecting the governance of Higher Education institution are the main areas that will be scrutinized. To be able to analyze whether governance and leadership at Ar-Raniry State Islamic University are implemented based on good management principles, development and changes taking place at the university are taken into considerations.

### **D. Research Finding**

One of the most important efforts that need to be given a high appreciation is the change in the status of Ar-Raniry Institute of Islamic Studies (IAIN Ar-Raniry) to become Ar-Raniry State Islamic University (UIN Ar-Raniry). This status change at least can be interpreted into 2 things:

1. The change to UIN Ar-Raniry shows the long-term strategy taken by the management or leadership of IAIN Ar-Raniry in responding to the growth of the number of graduates who will enter the university and the ability to see opportunities in the traditional field not the domain of Islamic higher education. This is evidenced by the increase of general faculty such as the Faculty of Science and



Technology, Faculty of Social and Governmental Sciences, Faculty of Psychology, and Faculty of Islamic Economics and Business.

2. Changes to UIN Ar-Raniry can also be interpreted as a “strategic management Action” that will be difficult to achieve without the ability and readiness of resources. Good human resources, financial resources, and network. Support from local governments is also an important component of this status change process.

It can be concluded that issues regarding the management of colleges and universities are of important element in the success of the institution. Management can be defined as the structure and process of leadership, governance, and administration.

## **E. Discussion**

The change of status from an institute to a university is considered as a major achievement in upgrading and improving academic environment. UIN Ar-Raniry has since been considered a competitive academic destination for prospective students in Indonesia. Since its inauguration as university, the number of students applying and enrolling at UIN Ar-Raniry has increased significantly. With 4 additional faculties and 13 additional departments, prospective students have more choices in relation to their areas of interests to pursue their undergraduate.

The number of students increased from around 9,121 in 2012 (Ar-Raniry academic, 2017) to around 23.000 in 2017, making UIN Ar-Raniry one of the leading universities under the Ministry of Religious Affairs. To anticipate the increase in the number of students enrolling at UIN Ar-Raniry, the leadership at the university has been demanded to provide new classrooms. This requirement was fulfilled by constructing new buildings for new faculties. Other facilities have also been constructed such as sport and student resource center. All these improvements would not be possible without reasonable changes in the way university leadership manage the organization.

Just recently, the university implements a new way of remuneration system which is based of performance. This performance-based payroll,





although still in its infancy, can be considered as one of new mechanism taken by the leadership to improve financial management at the university. Although this remuneration mechanism has been mandated by the Ministry of Finance, as a consequence of being a BLU institution, nevertheless, the readiness to migrate from previous financial system to a new must be seen as a willingness to improve the area of financial management.

It can be concluded that, overall, governance, leadership (leadership), and administration are the main elements of higher education management. Organizational changes and challenges facing colleges and universities require strategic steps that can address these challenges. Given the growing skepticism of the public towards educational institutions, it is not surprising that the legitimacy and accountability of higher education has become a prominent issue (Gumport, 2000). As a result, different approaches emerged such as public management, strategic management, and university management professionalism. These new management applications vary depending on the type of institution - such as public or private universities.

Strategic management emphasizes the role of the environment and the turmoil of change that can affect the operation of universities and universities. The main objective of strategic management is to enhance the institutional capacity to deal with existing change and competition challenges by implementing flexible and adaptive structures and approaches. One researcher in the field of management, Shattock (2003) argues that strategic management needs to consider several factors, such as factors of competition, opportunity, revenue increase and cost cutting, relevance, excellence, and reputation. The higher education environment has turned into a competitive market. Institutions of higher education should be able to see opportunities and turn them into more value or competitive advantage that can provide added value for employee welfare.

## **F. Conclusion**

The professionalization of university management requires that universities be managed by those with good competence who have the



ability to turn opportunities into advantages. Undoubtedly, the necessary managerial experience and knowledge such as leadership, human resource development, financial control and marketing, and managing resource conflicts are important things a leader has. A good resource logging program, academic training, and rewards are factors that should be considered to improve the professionalism of college and university management.

College management is a complex task. The right balance of governance, leadership and administration, supported by the use of management instruments appropriate to the state of college is a key element for higher education to succeed and thrive in an increasingly competitive environment. And looking at the trend and direction of policies implemented by the leaderships, the increasing number of students, the jump in revenue, the improvement of infrastructures, and the quantity of researches conducted by its lecturers, UIN Ar-Raniry seems to be on the way to become one of the leading universities in Indonesia.

The change from regular task force to BLU task force, transformation from State Islamic Institute to State Islamic University, implementation of remuneration, reformation of financial management have been positive results from good governance and leadership taking place at Ar-Raniry State Islamic University.

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