



MANAGING ORGANIZATIONAL CULTURE TO IMPROVE THE PERFORMANCE OF PRIVATE UNIVERSITIES: ANALITICAL STUDY OF THE ROLE OF PUBLIC POLICY REGARDING HIGHER EDUCATION

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ABSTRACT

This study attempts to analysis the level of organizational culture, motivation, job satisfaction in private universities in Central Java. The analysis showed that the academic performance in private universities was less optimal. The academic performance improvement was optimized through increasing the leaders' commitment and developing the adequate information system. In addition, private universities should mind the human resources potential, including all academic community in developing the institution and conduct continuous evaluation.

Keywords: private universities academic performance, organizational culture, motivation, job satisfaction, public policy.

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1. INTRODUCTION

Higher education in each country plays an important role in advancing social being, science and technology (Alabi, 2012). Many parties contemplate that there have been a quality decline in several private universities in Indonesia. In some areas, mainly in Java, several private universities are at risk of non-activated, and some are already disbanded. The quality decline is indicated by a lack of enthusiasts and a failure to obtain accreditation. On the other hand, the number of private universities in Indonesia is above the ideal number, causing the government tightens the rules of the private university establishment and status changes (Fitri, 2012). This condition causes active private universities to struggle in maintaining their existence.

To face such challenge, private universities should start to make efforts in improving the education quality. The considered aspect is performance, particularly academic performance of lecturers as the primary resource in an educational institution. Several issues affecting the academic performance are organizational culture, job satisfaction, motivation. The formulated problems in this study include the level of organizational culture, motivation, and job satisfaction. More specifically, this study is presented in a descriptive analysis regarding the level of academic performance, organizational culture, motivation, job satisfaction in private universities in Central Java. This pilot study is purposively conducted to reflect the organizational culture in private universities.

2. RESEARCH METHOD

This study was a descriptive research. Descriptive research design is one form of a formal study aiming to provide a description of a phenomenon or an inherent characteristic of a population (Cooper & Schindler, 2014). The population of this study was all lecturers and leaders of private universities. The samples were obtained from several private universities in Coordinator of Private Higher Education Institutions (*Koordinasi Perguruan Tinggi Swasta/Kopertais*) Region VI of Central Java Province, including University of 17 August 1945 Semarang, University of Dian Nuswantoro, University of PGRI, IKIP Veteran, University of Darul Islam Ungaran Semarang, University of Panca Sakti Tegal, University of Tidar Magelang, Akbid Islam Al-Hikmah Jepara, and Secretary Academy of Marsudirini Santa Maria Semarang.

3. THE OBLIGATION OF HIGHER EDUCATION

It is undeniable that performance is a complex and multidimensional idea (Campbell, 1999, in Kamdar & Dyne, 2007). Roughly speaking, performance refers to a concept related to the behavior in the achievement of organizational goals through the process of creating and offering goods or services (Curphy, et al., 2012). Specifically, performance is defined as a form of capability and responsibility to carry out the work based on the determined time, quality, and quantity (Mangkunagara, 2000). Performance has always been the focus of attention in organizations, including in educational institutions. Academic performance, primarily generated by lecturers or professors, has a significant contribution to influence the reputation and loyalty of students in a university (Helgesen & Nasset, 2007; Sok-Foon, et al., 2012).

In Indonesia, the obligation of higher education is regulated by Act No. 20 of 2003 on National Education System. More specifically in the article 20 of the Act, it is stated that a university has three obligations including education, research and community service. The obligations are assumed as a form of academic performance of private universities. The primary purpose of a university is to provide education by teaching universal knowledge (Newman, 1853). Meanwhile, research, generally carried out outside the university, is positively correlated with the learning process and becomes a measurement of a proficient educator (Hattie & Marsh, 1996; Gasset, 1944). In addition, as a form of social responsibility, a university has an important role in equipping the next generation to face globalization, and creating economic growth and a better future for the community (Setó-Pamies et al., 2011). The realization of these declarations is reflected in the obligation to perform community service.

The efforts of private universities to maintain the existence are caused by external factor, particularly the strict rules of the government in controlling the entire education quality. Tierney (1988) explains that each institution is constantly influenced by external factors, including demography, economy, or political conditions, and the best form of defense

typically comes from the internal environment, such as organizational culture. Organizational culture involves history and values of an institution, which, if it is properly accepted and implemented by all individuals at each level, can produce a positive outcome for the institution (Lau & Ngo, 2004; O'Reilly et al., 1991; Tierney, 1988).

4. ORGANIZATIONAL CULTURE IN PRIVATE UNIVERSITIES

Organizational culture refers to a system of mutual understanding held by members of an organization distinguishing the organization from other organizations (Robbins, 2001). To face the emerging challenge of external environment, a strong organizational culture is required to support the academic performance of a private university.

Organizational culture has a role in job satisfaction. The system of individual interaction becoming a culture in an organization has a significant effect on job satisfaction (Umar, 2006). The better the suitability of organizational culture and individuals in an organization is, the higher the satisfaction will be (Soedjono, 2005). An employee without job satisfaction will never experience psychological maturity, and there will be time to be frustrated. This condition should be avoided to prevent the worsening employee performance.

Job satisfaction reflects the feelings of an individual in the form of the positive attitude performed in working and everything encountered in work environment (Handoko, 2001). The level of job satisfaction is closely related to the employee expectation of the job and the employee needs. Dessler (2006) states that job satisfaction has a role to achieve better standards of quality and productivity, and the use of human resources more efficiently. The influence of job satisfaction on performance improvement is empirically proven, meaning that job satisfaction has a significant relationship with performance improvement (Morrison, 1997; Ostroff, 1992).

A healthy work environment will encourage the development of high motivation of a lecturer. According to Greenberg and Baron (2008) motivation refers to a need and a desire fostering an individual behavior to a certain goal. Motivation is defined as a supporting force creating an excitement in effective, cooperative and integrated working to achieve satisfaction (Hasibuan, 1999). In addition, motivation is able to come from an individual called intrinsic motivation, or from the surrounding called extrinsic motivation (Ryan & Deci, 2000).

Work motivation has a positive influence on employee job satisfaction. Trisnaningsih (2004) has found that high motivation is likely to increase organizational commitment and significantly influence job satisfaction. A direct influence of working motivation on employee job satisfaction has been proven by Koesmono (2005), stating that high motivation is likely to increase job satisfaction. Further, Suharto and Budhi Cahyono (2005) have found that motivation has a positive and significant influence on performance.

5. CONCLUDING REMARKS

The leaders of private universities have high commitment to the improvement of academic performance. The management information system has been developed to support the academic performance of lecturers. The development of academic human resources has been given attention by providing learning permission. The high commitment of leaders can increase the academic performance by developing an adequate information system, developing a human resource potential, involving members of the academic community, and continuously evaluating. To improve the academic performance, it is necessary to build organizational culture, work motivation, healthy job satisfaction especially in lecturers. In addition, a good system is likely to be optimal with a high commitment of leaders, academic members involvement, and consistent and continuous evaluations.

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