

University Governance and Structuration Perspective in Indonesian Higher Education Policies

Isni Andriana
Economic Faculty
Sriwijaya University
 Sumatera Selatan, Indonesia
isniandriana@fe.unsri.ac.id

Pamungkas Adi Wibowo
Darden School of Business
University of Virginia
 Virginia, Amerika Serikat

Rahmat Hidayat
Wuhan Sport University
 Wuhan, China

Luk Luk Fuadah
Economic Faculty
Sriwijaya University
 Sumatera Selatan, Indonesia

Anna Yulianita
Economic Faculty
Sriwijaya University
 Sumatera Selatan, Indonesia

Abstract—This purpose of this article are to review a broad definition of university governance by using the Indonesian national government in higher education policy, and to reveal and analyze the university governance and structuration theory due to the organizational changes performed by an Indonesian university. Structuration perspectives examines the condition, which has led for the reproduction and transformation within the social systems. The picture of structuration theory carries with both the sense of regularity and continuity, a respect for the day to day work, and the ordinary work but necessary things done. The examples of these social systems at various level, such as a particular national society, an industry, an organization or a strategy project team. The challenge for Indonesian higher education becomes more complex because of the mandate attached to universities to implement the three main pillars for higher education in Indonesia. higher education in Indonesia has several functions, such as to develop capabilities and shape the character and civilization of a dignified nation in the context of intellectual life of the nation, to advance an innovative, responsive, creative, skilled, competitive, and cooperative academic community through the implementation of *Tridharma*, and to improve science and technology by paying attention and applying the value of humanities. For future research, this research can develop a combination between the structuration theory and the Indonesian higher education model.

Keywords: *governance, structuration, higher education*

I. INTRODUCTION

The dynamics in universities as higher education institutions can create key management challenges, such as a new forms of practice-based discipline, the varying employee expectations and ideas, the spread of management and leadership activities, and the pressure in the organizational structures and processes [1]. There are some major policy challenges, which has faced the higher education institutions, for examples: the expansion, diversification, heterogeneous student bodies, new funding arrangement, accountability improvement, and globalized and internationalized networking. Moreover, the challenges can bring issues of governance into sharp focus for analysing the impact of Indonesian national government in higher education policy that operates to tightly steer universities [2].

The higher education institutions across the world are experiencing a massive process of reform and generating intense transformations in their academic organization activities [3]. This situation is also infected to the evaluation of academic performance in Indonesian higher education institutions. The new form of organizational intelligence and operative models have been introduced and modified by changing the roles and responsibilities rules from the Indonesian government, which call *Statuta* or statute. This article tries to review a broad definition of university governance by using the Indonesian national government in higher education policy. In general, these definitions point to governance as concerned with board issues in comprehending the *Statuta* of higher education in Indonesia. This article wants to reveal and analyse the university governance and structuration theory due to the organizational changes performed by an Indonesian university.

The article is structured as follows: after a review of structuration perspective, we briefly discuss the phenomenon of governance policies in Indonesian higher education. The next section will deal with the discussion between the illustration and elaboration between organizational changes and Indonesian governance policies, considering the organizational changes in structure. Some final remarks will be presented to conclude.

II. STRUCTURATION PERSPECTIVE

Structuration theory was presented by [4], which is one theoretical approach that has informed some researchers interested in studying the communicative approaches to organizational changes. Researchers have been embraced the communication as constitutive of organizations to recognize the action and structure within organizations [5]. Structuration perspectives examines the condition, which has led for the reproduction and transformation within the social systems. Structuration views “structure” not only as a collective interaction but also as a separate and apart from the membership. Giddens’ concept engages the duality of structure and structuration in explaining the dynamic relationship between human agency and the structure of social systems. Duality structure defines that the social structure has been organized by human action and the medium of this constitution [6].

Therefore, Giddens' concept also employs that social systems own their own structure but do not have structure. They only compose with structural properties that actors draw among their social interaction. The structuration's concept base on the process by which actors reproduce and transform social practices across time and space. These processes are related to structures in that practices are embedded in the system and depend on how it is structured, either enables or constrains action. Structures never determine action, however, the actors are engaged in the structures make them transform in the process of acting on and through them. Structuration theory suggests a concept of scheme to understand the actors for creating organizational structures as medium and the outcome of organizational design [7].

The picture of structuration theory carries with both the sense of regularity and continuity, a respect for the day to day work, and the ordinary work but necessary things done. The examples of these social systems at various level, such as a particular national society, an industry, an organization or a strategy project team. According to [8] states that Giddens' concept employs two types of resources for these systems, such as empowering or constraining agents' authority to direct others' activity, and governing the allocation of material objects as power bases. Then, [9] concludes that two key in Giddens' concept. First, the duality of structure, which means social structures are both produced by human agency, however the constitution of structure is very medium. Structure in this term provide stability of the social order, reproducing and maintaining. Agents, which can alter the structures must own knowledge, reflexive, and purposive action in which they live. Therefore, structures become the outcome of human interaction as well as the medium. Second key concept in Giddens' is formed from three of social structure, which are signification or meaning related with the interpretive schemes in the agents' perspective in their social world, legitimation or morality of social order and the norm of actions and domination or power.

Therefore, the strong theoretical base as the central elements of structuration theory can project the organization change. It is necessary to explore the agent's understanding of the organization in order to explain why a firm would follow a particular strategic path [10]. The previous scholars, such as [11], [12], [13] has recommended about the concept of organizational identity to incorporate into the structuration theory framework, which ties together emerging bodies of work to answer important strategic questions surrounding firm differences. Some arguments from the concept of organizational identity, which can be incorporated within the structuration theory framework.

First argument is shared belief of organization identity. Organizational identity describes as personal self-identity, which is presumed as a reflection of awareness and focuses on the set of shared belief agents within their organization. The construction is a set from the individual use to be a central, distinctive, and enduring from their organization (Sarason, 2011). The term of shared belief is one part of the knowledgeability of the agents, where knowledgeability is related with shared values and shared assumptions [14][15]. In Giddens' concept shared values and shared assumptions are operated within discursive consciousness, where agents

might have a belief about aggressive, bold and risk seeking as opposed to conservative, reactive and risk adverse comes from their organization. It also has a dramatic impact on the strategic actions of the organization.

Second argument is a link between identity and action. This argument shows that the mutual relationship between organizational identity and organization action, where the identity to action will reflects the vision of the managers drives strategic behavior. The influence of strategic behavior on organizational identity is the fact that the members with the organization can gain a sense of organization by seeing what it does [10]. Finally, the third argument in organizational identity is the link between action and structure. This argument focuses on agent's actions, which can affect the structures changes. A function of the agreement on desired action as well as the power and influence of agents to change routines and resources come from the ability of agents to affect organizational action and structure. The strategy and structure's change works properly for the degree of agreement and on the direction of changes and the power to affect the rules and routines of the organization.

III. GOVERNANCE POLICIES IN INDONESIAN HIGHER EDUCATION

During the reform era, higher education institutions in Indonesia have continued to experience very complex problems. Problems arises vary, ranging from government interference (bureaucratization) in the management of tertiary institutions, unreachable tuition fees by the poor, the concern of quality of research and publications, and the problem of academic culture that has not been fully developed [16]. The long debate about the regulations for governing higher education (PT) in Indonesia has been developed warmly in 2012-2013 after the Constitutional Court or *Mahkamah Konstitusi* (MK) revoked the status State-Owned legal entity college or *Perguruan Tinggi Badan Hukum Milik Negara* (PT BHMN). Then, various opinions and proposals have been raised by various groups for PT's regulatory umbrella, which should have been made after the revocation of BHMN status was continued to be conveyed.

Education Law of Higher Education No.12 of 2012 does not by itself ending the debate that developed among academics, the general public, and observers. The regulation is still considered have problems because there are still interventions the government is too big in the management of higher education. In addition, the regulation also opens opportunities for commercialization of higher education and opens broad opportunities for foreign universities to take part in Indonesia [17]. According to this law that higher education in Indonesia has several functions, such as to develop capabilities and shape the character and civilization of a dignified nation in the context of intellectual life of the nation, to advance an innovative, responsive, creative, skilled, competitive, and cooperative academic community through the implementation of *Tridharma*, and to improve science and technology by paying attention and applying the value of humanities.

The challenge becomes more complex because of the mandate attached to universities to implement the three main pillars for higher education in Indonesia. They are a combination from education, research, and community

service known as the *Tridharma* of higher education. Through these three pillars, the university serves the interests of the state, the market, and society as well as academicians. In order to realize these responsibilities, the form of governance that is applied a university must position the autonomy of higher education as an essential and absolute element [10].

There are some strategic issues for higher education governance in Indonesia. First strategic issue is autonomy of higher education. Organizing education refers in higher education governance, which among others covers the development of study programs, curriculum development, accreditation, higher education organization organizers, higher education management, and funding and financing. The six elements of higher education governance, the development of study programs, curricula, and accreditation are higher education governance concerning academics. Meanwhile, non-academic governance elements are the organizing organization, higher education management, and funding-financing [17].

According to Regulation of the Minister of National Education of the Republic of Indonesia Number 32 of 2009 concerning the mechanism of establishing a legal entity, amendment to a State-Owned legal entity or higher education. The need for a recognition of organizing higher education as an educational legal entity, which is organized by the government or the public must fulfil a condition that guarantees the process of alignment, equality, cohesion, and balance of roles, as well as mutual control carried out by related components. Technically, governance is expressed as a systematic effort in a process to achieve organizational goals, through the functions of planning, implementing, controlling, and following up on improvements. Thus, governance covers the entire process and the main goal continuously improves the quality of universities to achieve the vision and mission [18].

IV. DISCUSSION

The importance of good corporate governance implementation in higher education is often questioned in the future. The governance concept is considered become a bridge for higher education to have a better quality by having an availability of the principles and its practices. However, there are quite significant differences among education world, government world and company. The paradigm changes toward higher education with good governance is implemented along with the needs to adapt in the world changes. In this changes process, higher education focuses on traditional objectives in teaching, learning and research. Nowadays, society have a high demand from universities in terms of their contribution. Thus, universities should switch from creating adaptation knowledge to produce generative knowledge, and to become learning organizations [19] [20] [21]. It means governance becoming a strategic driving force of the university and a powerful integrator able to transform efficiently the potential intellectual capital into operational intellectual capital [21] [19].

The educational economics' side, educational process is admitted as a human resource investment that will finally give big contribution to develop social and economic life. Therefore, efficiency and competition are needed in teaching implementation. Educational process also makes sacrifices in

term of cost that is directly related to components for getting a qualified education that can be achieved [22]. Then, Giddens' concept employs the social system in the organization, which is composed with actors that has a social interaction in the process [7]. The governance policies in Indonesian higher education has a challenge between forming of university governance, which has an autonomy and to serve others interest, such as state, market and society [16].

Giddens' concept also defines that processes in the organization are related to structures in that practices are embedded in the system and depend on how it is structured, either enables or constrains action. Therefore, structuration theory states that a concept of scheme to understand the actors for creating organizational structures as medium and the outcome of organizational design (Whittington, 2015). The role of actors in the structuration perspective is not only a player, but also as medium and the outcome. However, according to Education Law of Higher Education No.12 of 2012 that still has to follow the obligation called *Tridharma* to improve science and technology with the value of humanities [17].

Structuration theory explains the organization change by explore the agent's understanding of the organization in order to explain why a firm would follow a particular strategic path [10]. Then, the previous scholars like [11], [12], [13] has recommended about the concept of organizational identity to incorporate into the structuration theory framework, which ties together emerging bodies of work to answer important strategic questions surrounding firm differences. The need for a recognition of organizing higher education as an educational legal entity, which is organized by the government or the public must fulfil a condition that guarantees the process of alignment, equality, cohesion, and balance of roles, as well as mutual control carried out by related components. Technically, governance is expressed as a systematic effort in a process to achieve organizational goals, through the functions of planning, implementing, controlling, and following up on improvements. Therefore, the combination from structuration theory and the Indonesian higher education model to develop governance with a systematic effort in a process for achieving organizational goals.

V. CONCLUSIONS

The dynamics in universities as higher education institutions can create key management challenges, such as a new forms of practice-based discipline, the varying employee expectations and ideas, the spread of management and leadership activities, and the pressure in the organizational structures and processes [1]. The higher education institutions across the world are experiencing a massive process of reform and generating intense transformations in their academic organization activities [3]. Therefore, the objective of this study are This purpose of this article are to review a broad definition of university governance by using the Indonesian national government in higher education policy, and to reveal and analyse the university governance and structuration theory due to the organizational changes performed by an Indonesian university.

Giddens's concept became the strong theoretical base as the central elements of structuration theory can project the organization change. It is necessary to explore the agent's understanding of the organization in order to explain why a firm would follow a particular strategic path [10]. According to Education Law of Higher Education No.12 of 2012' higher education in Indonesia has several functions, such as to develop capabilities and shape the character and civilization of a dignified nation in the context of intellectual life of the nation, to advance an innovative, responsive, creative, skilled, competitive, and cooperative academic community through the implementation of *Tridharma*, and to improve science and technology by paying attention and applying the value of humanities [17].

Structuration theory explains the organization change by explore the agent's understanding of the organization in order to explain why a firm would follow a particular strategic path [10]. Therefore, higher education in Indonesia must try to develop the concept of organizational identity to incorporate into the structuration theory framework, which ties together emerging bodies of work to answer important strategic questions surrounding firm differences. The need for a recognition of organizing higher education as an educational legal entity, which is organized by the government or the public must fulfil a condition that guarantees the process of alignment, equality, cohesion, and balance of roles, as well as mutual control carried out by related components. Technically, governance is expressed as a systematic effort in a process to achieve organizational goals, through the functions of planning, implementing, controlling, and following up on improvements. For future research, this research can develop a combination between the structuration theory and the Indonesian higher education model.

REFERENCES

- [1] Whitchurch, C., & Gordon, G. (2010). Diversifying Academic and Professional Identities in Higher Education: Some management challenges. *Tertiary Education and Management*, 16(2), 129–144.
- [2] OECD. (2008). Annual Report 2008. www.oecd.org (retrieve on 12 October 2019).
- [3] Barnabè, F., & Riccaboni, A. (2007). Which Role for Performance Measurement Systems in Higher Education? Focus on Quality Assurance in Italy. *Studies in Educational Evaluation*, 33(3–4), 302–319.
- [4] Giddens, A. (1984). *Constitution of Society: The Outline of the Theory of Structuration*. Cambridge: Polity Press 1984.
- [5] Ashcraft, K. L., Kuhn, T. R., & Cooren, F. (2009). 1 Constitutional Amendments: "Materializing" Organizational Communication. *The Academy of Management Annals*, 3(1), 1–64.
- [6] Staber, U., & Sydow, J. (2003). Organizational Adaptive Capacity. *Journal of Management Inquiry*, 11(4), 408–424.
- [7] Whittington, R. (2015). Changing Strategy: The Recursive Work of Institutional Change in a Permeable Profession View project, (January).
- [8] McPhee, R. D., & Canary, H. E. (2016). Structuration Theory. In *The International Encyclopedia of Communication Theory and Philosophy* (pp. 1–15). Hoboken, NJ, USA: John Wiley & Sons, Inc.
- [9] Gurd, B. (2008). Structuration and middle-range theory-A case study of accounting during organizational change from different theoretical perspectives. *Critical Perspectives on Accounting*, 19(4), 523–543.
- [10] Sarason, Y. (2011). a Model of Organizational Transformation: The Incorporation of Organizational Identity into a Structuration Theory Framework. *Academy of Management Proceedings*, 1995(1), 47–51.
- [11] Fiol, C. M., & Huff, A. S. (1992). Maps for managers: Where are we? Where do we go from here?. *Journal of management studies*, 29(3), 267–285.
- [12] Reger, R. K., Gustafson, L. T., Demarie, S. M., & Mullane, J. V. (1994). Reframing the organization: Why implementing total quality is easier said than done. *Academy of Management Review*, 19(3), 565–584.
- [13] Dutton, J. E., Dukerich, J. M., & Harquail, C. V. (1994). Organizational images and member identification. *Administrative science quarterly*, 239–263.
- [14] Chatman, J. A., & Jehn, K. A. (1994). Assessing the relationship between industry characteristics and organizational culture: how different can you be?. *Academy of management journal*, 37(3), 522–553.
- [15] Schein, E. H. (1985). Defining organizational culture. *Classics of organization theory*, 3(1), 490–502.
- [16] Soetjipto, A., Seda, F. E., Noor, I. R., Budi, S., Wardani, E., & Soebagjo, N. (2014). Otonomi dan Tata Kelola Perguruan tinggi Negeri (Studi Kasus di Universitas Indonesia, Universitas Negeri Jakarta, dan Universitas Islam Negeri Syarif Hidayatullah). *Jurnal Masyarakat Dan Budaya*, 16(2), 293–304.
- [17] RistekDikti. (2016). Undang-Undang Republik Indonesia No.12 Tahun 2012 tentang Pendidikan Tinggi. Retrieved September 10, 2019, from www.ristekdikti.go.id.
- [18] Larasati, R., Asnawi, M., & Hafizrianda, Y. (2018). Analisis penerapan Good University Governance Pada Perguruan Tinggi di Kota Jayapura. *Journal of Applied Managerial Accounting*, 2(2), 176–197.
- [19] Brătianu, C. (2016). Knowledge dynamics. *Management Dynamics in the Knowledge Economy*, 4(3), 323–337.
- [20] Brătianu, C. (2011). A new perspective of the intellectual capital dynamics in organizations. In *Identifying, measuring, and valuing knowledge-based intangible assets: new perspectives* (pp. 1–21). IGI Global.
- [21] Brătianu, C., & Bolisani, E. (2015, September). Knowledge strategy: An integrated approach for managing uncertainty. In *Proceedings of the 16th European conference on Knowledge Management* (pp. 169–177).
- [22] Fatmasari, R. (2017). Good University Governance, Is It Necessary? *Asian Journal of Education and E-Learning*, 5(3), 2000–2003.