

# Transparency and the Application of Good University

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**Abstract**—This research objective to analyze the implementation of Good University Governance (GUG) at the state universities in Southern Sumatera. Data collection techniques by questionnaire, as measured by Likert scale. Respondents are structurally state leaders. Data analysis techniques with Confirmatory Factor Analysis (CFA). GUG is a latent variable that is formed by several indicators. The implementation of GUG determined by the governing board, autonomy, accountability, leadership, and transparency. The most important dimension is transparency, and the dominant indicator is the ease of public access to information, where the university/ faculty/ department/ study program should ensure the availability of high quality information for the user locks on state university in Southern Sumatera.

**Keywords**—transparency, good university governance

## I. INTRODUCTION

The concept of Higher Education in Indonesia based on Government Regulation number 4 year 2014 about Higher Education Management gives autonomy for university as the Tridharma of university center management. State and private universities have autonomy in management. The autonomy of management in the areas: 1) Academic autonomy, comprising norm and operational policies setting and management of teaching and learning, research and public service; 2) Non academic autonomy, comprising norm and operational policies setting and management of organization, finance, student affairs and facilities. Non academic autonomy is for increasing the quality of education under good university governance.

Irregularity shown in reports on Supreme Audit Board audit to 16 universities and 3 the directorate generals in Ministry of Education and Culture [1]. Universities were classified as in irregularity in the use of the budget the country, four are in Southern Sumatra. The findings show still poor management of universities in Southern Sumatra. Cases of corruption in universities such as levying of education rates facilities and infrastructure in 16 universities (of Tempo, edition November, 2012). Among those, four were in Southern Sumatra; Lampung University, State Polytechnic of Lampung, Bangka Belitung University, and Polytechnic Manufacturing of Bangka Belitung [2,3].

This research referred to research of Prasetyo and Kompyurini [4]; Pratolo [5]; Suyono and Hariyanto [5]; Amelia, et al. [7]; and Nurhayati [8]. This research analyzed the good university governance application. Research on this

topic was still relevant especially in non-profit service organization. The current researches were dominated by manufacturing company and profit motive service company. Different from previous researches, the objects of public sector organization were universities.

From the study it can be seen indicators the application of GUG should in state universities in Southern Sumatera. To is done the measurement of unidimensional extent each assessment indicators GUG and see the largest contribution of the latent variable.

## II. RESEARCH METHODOLOGY

Methods used was the descriptive survey and explanatory survey. Methods of collecting data were direct survey, contact person, courier, post, building teamwork, by internet, and secondary data. The respondents were top management of state universities in Southern Sumatera. The instrument was questionnaire. This research applied cross sectional, studied many respondents within determined time.

This research was done in universities in Southern Sumatera (Table 1). The observational unit were top management like: 1) rector/director, 2) vice rector/vice director, 3) dean, 4) head of department, and 5) head of study program. The structural officials in a university were manager [9]. The sampling technic was simple proportional sampling.

TABLE I. THE POPULATION AND SAMPLE OF RESEARCH

No	Universities	Population
1	Sriwijaya University	97
2	Bengkulu University	72
3	Lampung University	98
4	Bangka Belitung University	22
5	State Polytechnic of Sriwijaya	36
6	State Manufacture Polytechnic of Bangka Belitung	11
7	State Polytechnic of Lampung	26
Total		362

Source: The Database on Higher Education. 2017

Information:

Observation unit at university: the rector, the rector of an accomplice, a dean, and the head of a course of study

Observation unit in polytechnic: director, maid director, the head of the department, and the head of a course of study.

Sampling of the population used technique simple random sampling. The sample took by spreading the questionnaire to

362 respondents. Data the questionnaire of the respondents then, done verification data so that obtained the data valid of 220 respondents, and sample used of 220 respondents.

This research measured good university governance application parameter with 26 adjustment indicators. This research was aimed for knowing which indicator should be in the application of good university governance. For this, unidimensional measurement for each adjustment indicator was done and method of second order CFA (Confirmatory Factor Analysis) for seeing the biggest contribution of the composer of latent variable.

### III. RESULT AND DISCUSSION

#### A. The Description of Data

The application of GUG in this research was higher education management related to identification, validation, and realization of requirement and consequences, culture and controlling instrument related to autonomy of institution and individual freedom in the context of public responsibility of institution that will be managed. Data description of GUG application were the perception of top management of state university in Southern Sumatera. The result of descriptive analysis of GUG application comprises five dimensions: governance structure, autonomy, accountability, leadership, and transparency.

The grand mean score of responds perception on the application of good university governance variable was 3,84 in 3,4 - 4,2 interval. It can be concluded that the application of good university governance in state university in Southern Sumatera was in good category in general.

The accumulation of respondents' responses tells that good university governance application in state university in Southern Sumatera was sufficient since most answers were agree and very agree for all 26 items related to good university governance application.

The analysis result of variable description indicated that the element of good university governance in state universities in Southern Sumatera which had highest score (964) was university that gave authority to study program/ department/ faculty for preparing curriculum and program. While the element of good university governance application in state universities in Southern Sumatera that had the lowest score (689) was university/faculty/department/study program that gave authority to invest fund/endowment in financial and physical assets.

The element of good university governance application in state universities in Southern Sumatera that had the highest and lowest score was in sub variable autonomy. Autonomy enabled university and study program to have independency to manage resource competence and reposed the fast changing market demand. The autonomy could make manager increase performance [10]. The increasing performance would place the university in strong market.

This indicated that top management (study program/department/faculty) of state universities in Southern Sumatera got full authority in arranging curriculum and

program. This fact is supported by research finding done by Aghion [11] that stated autonomy would be followed by managerial performance improvement. Autonomy was the result of dynamic interaction in university governance [8]. In one side, university is trying to create institution autonomy so that it can get flexibility in controlling and on the other side it is trying to ensure that university is able to provide good service (funded by public funds), high qualified education as the return for public support, and produce graduates, research and services relevant to public and economic demand.

#### B. Confirmatory Factor Analysis

CFA analysis was addressed for getting valid or significant construct/variable. Criteria of a contract/variable were valid if they met 0,5 of factor loading value. To get valid Good University Governance model was done in two steps.

After selecting in the 2 stages of the CFA model formation on several indicators, the indicator with a loading factor < 0.5 is eliminated while the loading factor > 0.5 is used in the model. The contribution of each indicator to the GUG implementation variable is presented in figure 1.

Construct/ Manifest	SLF	Std. Error	t value	Validity Test Result	Construct Reliability (CR)	Variance Extract (VE)	Reliability Test Result
CFA First Order							
Governing Board							
GUG 1	0,44	0,067	6,58	Valid			
GUG 2	0,52	0,065	7,98	Valid			
GUG 3	0,46	0,066	6,96	Valid			
Autonomy							
GUG 4	0,49	0,066	7,48	Valid			
GUG 5	0,42	0,066	6,37	Valid			
GUG 6	0,25	0,069	3,60	Valid			
GUG 7	0,21	0,070	3,01	Valid			
GUG 8	0,49	0,065	7,51	Valid			
GUG 9	0,64	0,062	10,34	Valid			
GUG 10	0,56	0,064	8,76	Valid			
GUG 11	0,45	0,066	6,82	Valid			
GUG 12	0,46	0,066	6,95	Valid			
GUG 13	0,58	0,064	9,10	Valid			
GUG 14	0,68	0,061	11,10	Valid			
Accountability							
GUG 15	0,68	0,061	11,15	Valid			
GUG 16	0,69	0,061	11,32	Valid			
GUG 17	0,57	0,064	8,90	Valid			
GUG 18	0,41	0,066	6,17	Valid			
GUG 19	0,57	0,064	8,97	Valid			
Leadership							
GUG 20	0,42	0,066	6,39	Valid			
GUG 21	0,63	0,062	10,16	Valid			
GUG 22	0,61	0,062	9,83	Valid			
GUG 23	0,68	0,060	11,28	Valid			
GUG 24	0,63	0,062	10,19	Valid			
Transparency							
GUG 25	<b>0,87</b>	<b>0,054</b>	<b>15,99</b>	<b>Valid</b>			
GUG 26	0,66	0,061	10,86	Valid			

Fig. 1. CFA of the GUG (Output of SEM Lisrel 8.70).

Table 1 indicated that all indicators of good university governance had  $t_{value} > 1,96$ , that all indicators were significant (valid) to measure / form the construct of GUG. The incoators of good university governance construct had the CR > 0,7 and VE > 0,5. It can be concluded that all indicators of good university governance were valid and reliable.

The result of confirmatory factor analysis showed that the application of good university governance in state university in Southern Sumatera was determined by governing board, autonomy, accountability, leadership, and transparency dimensions. The main one was transparency. Transparency dimension in state universities in Southern Sumatera that

mainly needed attention was accessibility of information by public, in which university/faculty/department/study program needed to assure the availability of high quality of information for key users (indicator GUG 25 on table 1).

Transparency is the principle that assures access and freedom of everybody in getting information about governance, like information about policies, designing and executing processes, and achievement. Transparency means open access for every concerned party for any related information [12]. Transparency also means that decision making and implementation is done based on the applied law and regulation. Information is available and can be directly access by stakeholder that will be influenced by the decision. The available information must be in easy to understand form and media.

If it is related to university as entity, the university must be able to manage resources for the shake of stakeholder. Stakeholders in university among others are the students, parents/custodians, alumni, other universities, government, and public. Roles and contribution of public in developing higher education can be tangible or intangible. Public participation in improving the quality and relevancy of education will be bigger by empowering public, increasing active role of profit and non-profit institutions. Higher education accountability function is through public control role (Dikti, Kemendikbud RI, Renstra Dikti 2010-2014).

#### IV. CONCLUSIONS

The application of good university governance in state universities in Southern Sumatera was determined by governing board, autonomy, accountability, leadership, and transparency. The main dimension was transparency.

Dominant indicator of transparency dimension that needs attention was the accessibility of information by public in which university/faculty/department/study program had to assure the availability of high quality of information for key users in state universities in Southern Sumatera.

Next research can involve different object in state university in other area so that the benefits of research result will be wider. And involve other structural officials like head of internal monitoring unit, commitment maker official, also

staff and lower officials in order to get more comprehensive research result.

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