## **Governance Policy and Education Financing Strategy** to Improve National Education Development

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## ABSTRACT

Policy occupies a key position in determining the direction of education development in Indonesia. Through the right policies, it is believed to be able to deliver the quality of education in a better direction. For this reason, an appropriate financing strategy is needed so that the policy can be implemented optimally. The purpose of this article aims to analyse how government policies manage educational development. The research method used is literature review. The results showed that the policies implemented by the government were top-down policies based on environmental needs with a budgeting financing strategy. The implication of the findings of this study is that it can provide an overview to education practitioners regarding the policies taken by the government as well as the financing strategies undertaken by the government to advance Indonesian education in accordance with the mandate of the National Education System Law No. 20 of 2003.

Keywords: Policy; Management; Education Development; Financing Strategy

## **1. INTRODUCTION**

The implementation of education can be said to be of high quality if the educational institution has fulfilled the educational components. These components include: atmosphere, number of learning opportunities, and available learning facilities[1]. Coombs, and Jacques in 1972 in their book entitled, "*Managing Educational Cost*", formulated about five components contained in the education system including: a) Objectives, b) Outputs, c) Benefits, d) Internal learning activities, and e) enter [2]. The following will explain the five components of education:

- 1. Educational goals. This section explains how the purpose of education is to produce good citizens, form superior students' personalities, and fear God. This is as stated in the National Education System Law No. 20 of 2003 which contains the goals of Indonesia's national education [3].
- 2. Output is an added value that is owned by students to be a provision for them in the face of competition in the world of work, as well as the world of further education, such as equipping students with highlevel thinking skills whose essence is the services provided by schools that are oriented towards the

view of humans as whole individuals. (whole human) which consists of: mind, heart, spirit [4].

- 3. Educational benefits. The implementation of education carried out by schools in addition to making educational goals as educational guidelines. It also has the usefulness of education. Such as providing human resources who are ready to work, as well as human resources who are ready to become future leaders [5].
- 4. Internal processes. In order to realize an education system that can achieve educational goals, as well as the benefits of the world of education. Ideally, educational institutions also keep abreast of the latest developments in information technology. This is done so that educational institutions can continue to improve the quality and performance of educational human resources in schools [6].
- 5. Input education. This educational input is an important part that must be available in the learning process in the classroom. Educational inputs include school principals, teachers, students, employees, educational equipment, education budget, educational equipment, and learning materials [7].

The facts on the ground show that the condition of education in Indonesia is still low. The deterioration of education in Indonesia is further clarified from a research report conducted by the OECD (Organiztions for Economic Co-operations and Development) conducted in 2019 which showed that students' abilities in reading, science, and mathematics were in position 71 of the 78 countries surveyed [8]. The research report conducted by PISA (Program for International Student Assessment) also shows that cases of child bullying in Indonesia are also high at 41.1% [9].

Based on the results of research reports that have been carried out by the OECD and PISA, it can be seen that the low quality of education in Indonesia is certainly still deviating from the noble ideals of the Indonesian nation [10]. So that the government continues to strive to improve the quality of education in Indonesia, one of which is through the application of eight educational standards to improve students' life skills education. Life skills educations include the overall ability of students to think and reason, social responsibility and citizenship, character, aesthetics, communication, systems thinking, and workability [11].

The management of national education so that it can run effectively and efficiently needs to be supported by the availability of sufficient funds as one of the strategies in improving the quality of national education. This financing factor also has a strategic role in improving the quality of education [12]. Based on this background, this article aims to analyse how government policies manage educational development.

## 2. METHOD

This article was written using a qualitative research method of literature study. The data collection technique used is by collecting various literatures that are in accordance with the title of this article, such as from books, regulations, journals, as well as previous research reports carried out by individuals and institutions. Then the researcher organizes the data sources that have been collected after that the finding process is carried out in order to find conclusions from the data that has been collected and organized. Data analysis techniques are carried out through an interpretive process to obtain a unified whole meaning in order to obtain a holistic understanding of the analysed data.

## **3. RESULT AND DISCUSSION**

### 3.1. Education Development Governance

Education is an important component that will determine the progress of a nation's civilization [13]. This component is an important activity to transform the human person into a dignified, noble, and virtuous person who reflects human values that are in accordance with the cultural, religious and moral characteristics adopted by a nation. Sudarwan Danim said that an important agenda for the implementation of education is to instil human values in humans themselves through learning activities in schools [14].

Previous research reports have shown that there is a strong relationship between policy and education to improve the quality of education [15]. Quality education is the main priority formulated by policy makers [16]. The stages of formulating the right policies are able to improve the quality of teacher professionalism [17]. Implementing the right policies can lead schools to peak performance [18]. The implementation of appropriate policies is also able to improve the welfare of school residents [19]. Based on previous research reports, researchers assume that policies play an important role in determining the quality of education provided by schools. The better the quality of education held, the higher the public enthusiasm for the educational process held at the school concerned.

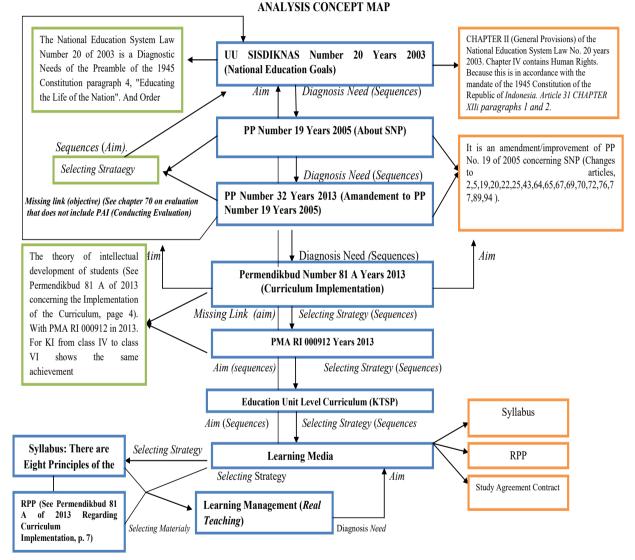
## 3.2. Education Development Governance Improvement Policy and Payment Strategy

The low quality of education in Indonesia shows that the efforts made by the government through the policies it implements are still not optimal [14].This is indicated by the low quality of national education as indicated by the results of research reports conducted by the OECD conducted in 2019, [8] as well as research reports conducted by PISA [9] Therefore, a specific approach is needed as a form of appropriate policy steps to realize the mutually agreed national education goals [15].

This specific approach can be seen from the implementation of PP No. 57 of 2021 concerning eight national education standards which include: 1) Content standards, 2) Standard process, 3) Graduate competence standard, 4) Standards of educators and education personnel, 5) Infrastructure standards, 6) Management standards, 7) Financing standards, and 8) Educational assessment standards. The following are policies that can be carried out by the government to improve the quality of education in Indonesia:

#### 3.2.1. Content Standard

Education policy as a science related to administration within the scope of education is an aspect that is public goods, not private goods. This situation is because education is related to service processes, where the results of the educational process are intended for the general public [16]. The policy formulation is certainly expected to be a good practice for policy implementers at the grassroots level who are often faced with social conditions of society, the reality of political interests and the pace of development of the latest Science and Technology (IPTEK) [17]. So that everyone has the right to get education, as well as compulsory teaching that is financed by the state (Article 31 of the 1945 Constitution), where the state budgets 20% of the APBN for education. The 20% budget policy for education is a strategic step for the government to realize the ideals of national education which is manifested in the opening of the fourth paragraph of the 1945 Constitution, which is then used as the basis for formulating the National Education System (Sisdiknas) which is manifested in the National Education System Law No. 20 of 2003. formulation of educational policies ranging from national education policies that are used as guidelines for implementing education in schools to implementing classroom learning: National Education System Law No. 20 of 2003, PP No. 19 of 2005 which was changed back to PP No. 57 of 2021 concerning national education standards, Permendikbud No. 37 In 2018 regarding the revised 2013 curriculum, PMA RI No. 000912 of 2013 regarding the 2013 curriculum for Islamic Religious Education and Arabic Language subjects, KTSP (Education Unit Level Curriculum), learning tools (RPP, syllabus, and learning contracts), learning management carried out by the teacher [18]. More details can be seen from the analysis map on Figure 1:





Based on Figure 1 on the concept map of education policy analysis, it is known that the National Education System Law Number 20 of 2003 is a diagnosis of the need to realize the noble ideals of the nation contained in the opening of the fourth paragraph of the 1945 Constitution. The policy formulation strategy to achieve the goals of education, the government compiled PP No. 19 of 2005 concerning National Education Standards (SNP), which was later updated with PP No. 57 of 2021 due to adjustments to the development of science and technology in the digital era. So that the eight national education standards consisting of: Content Standards (SI), Process Standards, Educational Assessment Standards, Graduate Competency Standards (SKL), Educators and Education Personnel Standards, Management Standards, Education Financing Standards, and Infrastructure Standards must be met in accordance with PP No. 57 of 2021 which focuses on the conditions of the development of the digital era. This update is carried out as an effort to diagnose needs in achieving national education goals, so that the curriculum used by the government is currently the revised edition of the 2013 curriculum as stipulated in the Minister of Education and Culture Regulation Number 37 of 2018. This curriculum has the characteristics of developing five student abilities simultaneously, both in the cognitive domain and in the cognitive domain, affective domain, psychomotor domain, social domain, and religious domain. PMA No. 0000912 of 2013 is a policy related to the implementation of Islamic Religious Education (PAI), and Arabic which is integrated into learning activities in the classroom. The purpose of this activity is to further strengthen the piety, faith of students so that they can reflect noble character in society. Even so, learning activities in schools must reflect the characteristics of the culture, morals, and noble values that exist in each region as stated in the KTSP (Education Unit Level Curriculum) which is a philosophy-based change in the national curriculum. Teachers as educators and facilitators are obliged to carry out learning activities that are in accordance with the instructional objectives of learning contained in learning tools that will facilitate teachers in carrying out learning activities in the classroom [19][20].

Content standards also focus more on spiritual, attitude, social, knowledge, and skill domains. Therefore, the government's policy is to achieve content standards by deepening the content of each subject by adding religious, moral, and social values in the digital era. The steps taken include providing more complete school equipment, among others by providing a Special Allocation Fund (DAK) for schools to buy equipment, and all school supplies such as worship equipment, science teaching aids, maps. In addition, by providing funds for building maintenance and renovation assistance so that the available classrooms are more secure, of high quality, and can be used by students to practice praying in congregation in the *dhuha* congregation.

#### 3.2.2. Process Standard

Process standards include the activities of planning the learning process, assessing learning outcomes, and supervising the learning process. Learning activities carried out to achieve the standard of the national education process, steps taken by the government include carrying out a curriculum development process that is in accordance with the conditions of the times.[4] Where in this era the world of education is faced with rapid changes in the flow of globalization so that curriculum adjustments are needed so that they are not too left behind with the development of science and technology. Policy financing here is carried out by the government by procuring the latest books in accordance with the needs of the latest curriculum, namely the 2013 revised 2017 edition of the curriculum whose learning activities use HOTS-based thematic books. In addition, utilizing BOS funds more optimally to support the learning process of students in schools. Students who are unable to continue to participate in learning optimally through the KIP (Katu Indonesia Pintar) policy [21].

#### 3.2.3. Graduate Competency Standards

This standard is a criterion regarding the qualifications of graduates' abilities which include knowledge, attitudes, and skills. The policy implemented by the government to achieve this standard is by making the opening draft of the 1945 Constitution a vision and mission of Indonesian education to be achieved. Then budgeting as much as 20% of the state budget for the full advancement of education for the Indonesian nation. To realize people who fear God Almighty, have noble character, are healthy, knowledgeable, capable, creative, independent, and become democratic and responsible citizens [3].

# 3.2.4. Standards of Educators and Education Personnel

The Standard for Educators and Education Personnel contains the minimum qualifications that every educator should have, starting at the TK/RA, SD/MI, SMP/MTS, SMA/MA, SDLB/SMPLB, SMALB, SMK/MAK levels. Policies made by the government to improve the quality of educators by increasing pedagogical, professional, social, and personal competencies through training and education activities which are generally costs incurred from the state budget. In addition, it conducts a teacher recruitment process through tests organized by the state through the State Civil Service Agency (BKN).

Educational staff which includes madrasahs principals, supervisors, administrative staff, laboratory staff. Policies taken by the government through an assessment process. For example, school principals in the Ministry of Religion participate in an evaluation every four years. Where the first evaluation process is carried out at the East Java level. The next evaluation is carried out to the centre.

#### 3.2.5. Infrastructure Standards

The standard of infrastructure requires minimum criteria regarding study rooms, sports venues, libraries, mosques, laboratories, recreation areas. Policies taken by the government to meet these standards are by providing financial assistance to schools and higher education institutions which are usually in the form of money for renovation, construction, maintenance. However, it is not uncommon for schools and higher education institutions to provide these facilities through self-help with the approval of the school committee.

#### 3.2.6. Management Standards

Management standards is a standard that regulates the planning, implementation, supervision, and evaluation of education during the education process. The policies taken by the government are by improving the quality of teachers and lecturers in accordance with Law No. 14 of 2005, increasing education standardization in accordance with the ISO 9000 quality management system, continuing to strive to increase the value of education accreditation, increasing the relevance of education to local, regional and national needs.

#### 3.2.7. Financing Standard

Financing standard is a standard that regulates the amount of education financing that will be issued for one year [22]. Usually education investment is described through the cost of infrastructure, human resource development, and the provision of fixed working capital [23]. Through budgeting strategy planning that is in accordance with needs will have a significant positive impact on every decision related to organizational policies because the budget is closely related to quantitative operational plans as a guide for activities to be carried out by the institution. In addition, funding is also carried out to run school programs that will be carried out, for example to finance students who take part in competitions at local, national and international levels [22].

#### 3.2.8. Rating Standard

This standard relates to the mechanism, procedure, and assessment of student learning outcomes. The government's policy is to meet the assessment standards by holding school exam activities to find out whether or not the competency of graduates to be achieved is achieved.

Based on this analysis, education development governance policies and financing strategies are carried out through a top-down policy process based on environmental needs with a budgeting financing strategy. The results of this analysis are based on the policy implementation process that prioritizes the fulfilment of eight national education standards with the output of life skills for students. Top-down policy is a policy that focuses on implementation at the lower level on the results of policy thinking at the top level. While budgeting or budgeting is needed to develop school organizations. Budget planning that is in accordance with needs will have a significant positive impact on every decision related to organizational policies because the budget is closely related to quantitative operational plans as a guide for activities to be carried out by the institution [22].

### 4. CONCLUSION

Policies as a means, and approaches taken to achieve the agreed common goals require proper management, development, and financing of education. The government formulated the noble ideals of the Indonesian nation as a big idea in the development of national education as stated in the National Education System Law No. 20 of 2003. In order to realize these educational goals, education held must meet every element of the eight national education standards (PP No. 57 of 2003). So, the policy implemented is a top-down policy based on environmental needs with a budgeting financing strategy. The implication of the findings of this study is that it can provide an overview to education practitioners regarding the policies taken by the government as well as the financing strategies undertaken by the government to advance Indonesian education in accordance with the mandate of the National Education System Law No. 20 of 2003. The implication of the findings of this study is that it can provide an overview to education practitioners regarding the policies taken by the government as well as the financing strategies undertaken by the government to advance Indonesian education in accordance with the mandate of the National Education System Law No. 20 of 2003.

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