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Implementation of Good University Governance at the State University in Bandung

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Abstract

In amid vigorous implementation of good governance of the public sector as the basis in the implementation of good governance, currently appears as well Good University Governance paradigm which is demanded to be applied in universities. Good university governance is a concept that applies the principles of good governance such as transparency, accountability, responsibility, independence, and fairness should be applied by each higher education institution to create qualified higher education institution. The purpose of this study is to describe the implementation of good university governance at the state university in Bandung city. Data collection techniques in this study conducted by distributing questionnaires to all deans at the State University in Bandung which totalled 30 deans. The analytical methods used include description analysis of the survey respondents and respondents' perceptions of the study variables. Validity and reliability are used to test the research instruments. The results of this study stated that the implementation of good university governance at the State University in the city of Bandung has been implemented very well.

Keywords: university, good university governance, transparency

IMPLEMENTATION OF GOOD UNIVERSITY GOVERNANCE IN STATE UNIVERSITIES IN BANDUNG

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Abstract

In amid vigorous implementation of good governance of the public sector as the basis in the implementation of good governance, currently appear as well Good University Governance paradigm which is demanded to be applied in universities. Good university governance is a concept that applies the principles of good governance such as transparency, accountability, responsibility, independence, and fairness should be applied by each higher education institution to create qualified higher education institution. The purpose of this study is to describe the implementation of good university governance at the state university in Bandung city.

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I. INTRODUCTION

In the midst of incessant implementation of *good governance* in the public sector as a cornerstone of the implementation of good governance paradigm, A paradigm of *Good University Governance* emerges which has become important to be applied at the higher level of education. This is based on the assumption that higher education's role as a public organization that provides educational services.

Good university governance appears to increase the value of universities especially when a university follows a pattern of the Financial Management Public Service Board (PK-BLU). According to the Government Regulation No. 23/2005 Article 1, paragraph 1, BLU is a government agency to provide service and or products where its priority is not profit but efficiency and productivity.

Basically, the principle of *good university governance* according to the OECD can be grouped as follows: (1) regulation and regulatory quality; (2)

accountability, transparency and employee management; (3) technical competence and employee management ; (4) The capacity of the organization; and (5) information technology.

According to Wijanto (2009: 126) *Good University Governance* (GUG) can be viewed as the application of the basic principles of "*good governance*" in the system and the process of *governance* in higher education institutions through various adjustments based on the values that must be upheld in providing higher education in particular and education in general. *Good university governance* is a concept that applies the principles of *good governance* such as transparency, accountability, responsibility, independence, and justice which are needed to be implemented by any higher education institution to become a high-quality institution.

The study from Sri Agustina in 2013 entitled *Implementation of Principles of Good University Governance on the Successful Budgeting based on performance*. This study intends to prove the previous study . This study is different from previous studies of Sri Agustina. The study of Sri Agustina's in 2013 is about the implementation of *Good Governance* principles on the successful budgeting implementation, whereas in this study the author adds one independent variable which is internal control. The similarity between this study and the previous ones is the dependent variable, namely the successful budgeting implementation based on performance.

The sampled population is three state universities in Bandung. State Universities are chosen because the three sampled universities applied PK-LBU which should apply performance-based budgeting in their financial management. In addition, the fundamental way to achieve good Budgeting implementation, based on performance, is by performing internal controls and applying the principles of *good university governance*.

II. Theoretical Analysis

A. Definition of *Good University Governance*

According to Wijanto (2009: 126) in Puspitarini (2012: 3) , *Good University Governance* can be considered as the implementation of "*good governance*" *basic principles* in the system and the process of *governance* in higher education institutions through various adjustments made based on values that must be upheld by higher education institutions in particular and education in general.

Good University Governance is a concept that applies the principles of *good governance* such as transparency, accountability, responsibility, independence, and justice to be implemented by each college to become a quality institution.

The definition of *Good University Governance* by Muhi (2010) in Sri Agustina (2013: 11) is that *Good university governance* is the application of the basic concept of *good governance* in the system and the process of *governance* in higher education institutions through various adjustments made based on the values that must be upheld by universities in particular and education in general. *Good university governance* is necessary to create a

transparent and accountable governance which is in accordance with applicable regulations in the institution. The implementation of *good university governance* must be supported by three inter-related aspects, namely the government and its apparatus as a regulator, corporate (higher education institutions) as market participants, and public as the users of higher education products or services.

Gaston, Farrar (2003) in Isnaeni Nurhayati (2013: 17) has stated that *governance* refers to the structures and processes in which the organization is directed and controlled so that organizational goals can be achieved. Good governance can ensure the organization to provide goods, services and programs effectively and efficiently; is able to create a good performance; and is able to meet the legal requirements. And regulations are issued.

Isnaeni Nurhayati (2013) has also stated that the reasons of the need of good governance in higher education institutions are as follows; the first is because the universities are willing to implement *good university governance* so they can use their autonomy well. The second; the implementation of *good university governance* in universities is in line with the philosophy of *new public management* (NPM), the third; with the implementation of *good university governance* in higher education institutions is expected to protect the institution from fraud / error management by the party who holds the rights of autonomy / managers.

Based on the above explanation, it can be concluded that *good university governance* is a system of relationships between managements based on laws, regulations, rules of universities in order to be effective and efficient and non-profit oriented. (Gaston, et al., 2003). Simply, *Good university governance* can be viewed as the implementation of the basic principles of the concept of "*good governance*" in higher education institutions by applying the values of higher education in the development of education, science academic, and development of man's quality. (Misbahul Anwar, Suryo Pratolo, 2012).

B. Principles of Good University Governance

According to the OECD (2006) in Puspitarini (2012: 3), there are five principles of *good governance* that can also be used as a principle of *good university governance* as follows:

1. Transparency

A basic prerequisite to support participation and ensure the accountability of institutions. Participation process requires the availability of adequate information and services for all *stakeholders* in accessing the information.

2. Accountability

Higher education institutions should be able to account for the whole process of the provision of universities to all *stakeholders*, both internally and externally, especially the general population. Accountability consists of:

- a. *Upward Accountability*: demonstrate the traditional relationship in the form of the responsibilities from subordinates to superiors including accountability, procedure, Bureaucracy, legal, and vertical.

- b. *Downward Accountability*: focus on the responsibility of leaders to subordinates in decision making or work-mate accountability in the institution.
 - c. *Inward Accountability*: as an organization that is dominated by professionals , its center is on the acts of teaching staff in applying a various professional and ethical standards which is called professional accountability.
 - d. *Outward Accountability*: it is associated with external parties, stakeholders (donors), governments and society.
3. Responsibility
Responsibility is conformity or compliance by the institutions management to the good principles as well as to applicable legislation.
 4. Independency
Independency: is a condition where an institution is managed professionally without any conflict of interest and influence / pressure from any parties that do not comply with the regulations. Independency is very important in the decision making process. The loss of independency in the decision making process will eliminate objectivity in decision making.
 5. Justice
Justice and equality in fulfilling the rights of *stakeholders* have emerged under treaties and legislation. Justice is expected to make all of the assets of the institution managed well and carefully
And it will then create a fair and accountable protection of shareholder interests. Justice is the soul in monitoring and ensuring fair treatment for various interests in the institution.

C. Benefits of Good University Governance

According to Christian Herdina (2008: 48) in Irma Suryani (2015: 18) , the implementation of *good university governance* has a benefit as a fulfillment of important information relating to the company's performance as a factor to be considered by shareholders or potential investors, as a protection for shareholders from power misappropriation and fraud committed by company directors or commissioners, as well as the realization of corporate responsibility to obey and execute all laws and regulations.

Based on the explanation above, it can be concluded that *good university governance* has benefitted the improvement of organizational performance, improving the value of an organization, increasing investor confidence, and increasing satisfaction among the stakeholders.

III. Research Methods

The research method used in this research is survey method with descriptive analysis data analysis techniques. The indicators of *the* implementation of *good university governance* are: (1) transparency, (2) *accountability*; (3) Responsibility; (4) Independency, and; (5) Justice. The data collection techniques used are : questionnaire and documentation.

The test instrument that is used is unit validity and reliability . The analysis unit is state universities in Bandung and the sampled population is faculties in state universities because the three universities have become Public Service Institutions.

Table 3.1 Population items

Number	Population	Numbers of Faculty
1	Faculties in State-Islamic University Sunan Gunung Djati	6 Faculties
2	Faculties in Indonesia Education Universities	5 Faculties
3	Faculties in Padjadjaran University	11 Faculties

Descriptive analysis of the results of the questionnaire can be used to enrich the discussion. The respondent result data can illustrate the condition of each variable. To simplify the interpretation of the variables , there is a categorization of total score of questionnaire result based on the highest scores and the lowest scores. The Variable of performance-based budgeting has thirteen (13) statement points. The highest score that may be acquired is $22 \times 13 \times 5 = 1430$. Then , the range of scores for each category of the variable of performance-based budgeting is arranged as follows.

Table 3.2 The Score Range of Performance Based Budgeting

Score Range	Category
286-514	Extremely Poor
515-743	Poor
744-972	Fair
973-1201	Good
1202-1430	Very Good

IV. Discussion

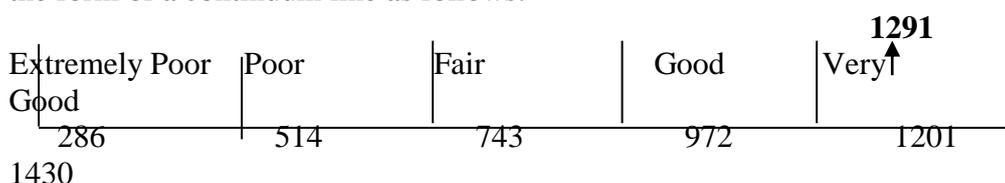
In this study, *good university governance* is measured using the 5 dimensions and operationalized into 13 statement points . To determine the overall empirical description of *good university governance* in State Universities in Bandung , the distribution of response on each statement item of *good university governance* variable will be explained in this chapter.

**Table 4 Recapitulation Response Respondent
Good University Governance**

Quenionare	Answer Alternative					Score
	A	B	C	D	E	
1	16	6	0	0	0	104
2	10	12	0	0	0	98
3	11	8	3	0	0	96
4	13	9	0	0	0	101
5	8	14	0	0	0	96
6	11	11	0	0	0	99
7	15	7	0	0	0	103

Quenionare	Answer Alternative					Score
	A	B	C	D	E	
8	9	12	1	0	0	96
9	11	10	1	0	0	98
10	15	7	0	0	0	103
11	14	8	0	0	0	102
12	13	8	1	0	0	100
13	7	15	0	0	0	95
Total	153	127	6	0	0	1291

Furthermore, the total score of response in table 4 is interpreted into a scale table of the interpretation of total score of response which is presented in the form of a continuum line as follows:



In the picture above, it can be seen that the results of the calculation of the total score of response for *good university governance* variable is at (1291) and is in the score interval between (1201–1430). It can be concluded that the implementation of *good university governance* in state universities in Bandung is very good. In order to provide a more detailed result, the researcher also analyzed the response for each dimension of *good university governance* which is described as follows:

a. **Transparency**

The dimension of transparency in state universities in Bandung is measured using 3 questions. The recapitulation of the score distribution of response to the three questions will be explained here.. Through the accumulation of response distribution, most respondents (56.1%) chose A, followed by respondents who chose B (39.4%). This data shows that governance transparency in state universities in Bandung is very good.

b. **Accountability**

The dimension of accountability in state universities in Bandung is measured through four statement items. The recapitulation of score distribution of response on the four questions is explained as follows; through the accumulation of response distribution, most respondents (53.4%) chose the answer of A, followed by respondents who chose B (46.6%). These data indicate that the governance accountability in state universities in Bandung is very high.

c. **Responsibility**

The dimension of responsibility in state universities in Bandung is measured through two questions. Based on the recapitulation of response score

distribution on the two questions, most respondents (50.0%) chose the answer of B, followed by respondents who chose A (45.5%). These data indicate that the governance responsibility in state universities in Bandung is high. But there are some universities which still conduct responsibility in the implementation of *good university governance*.

d. The independency

The dimension of independency in State universities in Bandung is measured through two questions. The recapitulation of response score distribution on the two questions indicates that most respondents (65.9%) chose A, followed by respondents who chose B (34.1%). These data indicate that the governance independency in state universities in Bandung is very high.

e. Justice

Justice Dimension in state universities in Bandung is measured through two questions. The recapitulation of response on the two questions shows that most respondents (52.3%) chose B, followed by respondents who chose A (45.5%). These data indicate that governance justice in state universities in Bandung is high.

V. Conclusion

The implementation of *good university governance* in state universities in Bandung is good. It means that state universities in Bandung have: transparency, accountability, responsibility, independency and justice. Meanwhile, there are still a few parties that have not provided high quality information.