



# IMPROVING PERFORMANCE EFFECTIVENESS OF SMALL TOWN PRIVATE UNIVERSITY DEPARTMENT PROGRAMS IN INDONESIA USING COMPETITIVE ADVANTAGE, TRANSFORMATIONAL LEADERSHIP, AND ORGANIZATION COMMITMENT

Bayu Cahyoadi<sup>1)</sup>, I made Sukresna<sup>2)</sup>

1. Economic Education Bhinneka PGRI University Indonesia

[cahyoadi.bayu@ubhi.ac.id](mailto:cahyoadi.bayu@ubhi.ac.id)

2. Economic and Business Department Diponegoro University Indonesia

[imadesukrisna75@gmail.com](mailto:imadesukrisna75@gmail.com)

**Abstract.** *The purpose of this research is to try to solve the problems of the per-formance of study programs in private universities in the region which are getting worse than the state universities. The object of this research is department programs of private university in Ex-Residency of Kediri , East Java Indonesia.. Research method of this study used qualitative method within questionnaire opened. The sampling technique used is population sampling with 186 respond-ent, and both of all is a head of academic department in private university. The results of this research is the response of the head of the study program about various efforts to improve the effectiveness of the study program's use of com-petitive advantage, transformational leadership and organizational commitment, from the answer on questionnaires with open questions. Future research is ex-pected to be able to measure definitively the large increase in the effectiveness of these performance; and a model that is truly feasible is possible to increase the effectiveness of the performance of study programs at private universities in regional areas in Indonesia; both using variables that have been studied in this study and / or other variables that are interrelated; such as knowledge manage-ment, lecture competence, and lecture satisfaction.*

**Keyword:** *Department Programs, Private Universities, Knowledge Management, Performance, Competitive Advantage, Transformational Leadership, Organizational Commitment*

## I. INTRODUCTION

Even though there are similar rules and regulations that apply, but in reality in Indonesia, state universities are relatively more rapidly developed than private universities; especially in state universities in the big city area. This research was conducted on one of the research objects in the Ex-karesidenan area of Kediri, East Java Province, Indonesia.

Ex-Kediri residency consists of 6 cities; with the number of private tertiary institutions amounting to 27; with a total study program of 186.

The phenomenon that occurs in small town areas in Indonesia is that private uni-versities in it should have the results of accreditation which is equivalent to state uni-versities in the area of big cities. This fact is inversely proportional to the results of the university performance accreditation value data obtained; i.e. in the regional area (in this study using the object of private universities in the ex-karesidenan area of Kediri, East Java Province Indonesia, which consists of 6 cities) the results of accreditation A were 3%, B was 25%, C was 53%, and not accredited by 19%.

The problem of the performance of private universities is also accompanied by a decrease in the number of new students in this region. Increasing new student regis-trations can be interpreted as an indicator for good performance, although it can cause the strata rating to fall as the number of students is greater than the size of the college; likewise the phenomenon of high dropout rates is a poor indicator of performance because universities are assumed to be unable to motivate their students[1].

Based on the effectiveness of research performance results obtained 0% of private universities are in the very high category 0%; high category 2% medium category 75%; Patronage category; and 23% are still not in the category. The results of the research performance data percentage prove that the effectiveness of the research performance of private universities in the Kediri residency area is still low.

The purpose of this study is to try to solve the problems of the performance of study programs in private universities in the region that are getting worse than the state universities.

Efforts to improve the performance of study programs are carried out on the basis of previous studies, namely competitive advantage, transformational leadership, and



organizational commitment. Competitive advantage is important for businesses; it is for gaining superior performance skills; are bestowed with core competencies while another firm needs to acquire them in order to stand in the competition [2]. Transformational leadership, however, can raise the level of leadership in a higher direction [3]. Organizational performance and commitment is a set that cannot be separated; because the overall performance of the university depends on the teaching staff it has; which leads to the level of commitment and job satisfaction that it has [4].

## **II. THEORETICAL REVIEW**

### **a. Effectiveness of Study Program Performance**

Effectiveness is defined as the aggregate value of an organization in an episode of discrete behavior, which an individual performs during a standard time interval [5]. Based on definitions and characteristics in the unit performance section, the effectiveness of interpreter performance has been embedded in the teaching outcome and research output; where the teaching outcome is represented as positive changes produced in students in relevant academic domains including cognitive, affective, and sometimes psychomotor people [6]. Based on these definitions, it can be concluded that the effectiveness of study program performance is the result of the performance of inputs, processes, and outputs produced by the department effectively, which is seen from the point of view of the outcomes produced in order to achieve the expected goals.

The requirements of educational criteria for superior performance are manifested in leadership criteria; strategic planning; focus on stakeholders; management measurement, analysis and knowledge; focus on human resources; process management; and results [7]. Organizations with high performance will be able to connect the factors that become company characteristics, namely strategic approaches, consumer approaches, structures and processes, values and beliefs, and the leader's approach [8].

### **b. Competitive Advantages**

Competitive advantage is an advantage gained from competitors by offering customers greater value, either through lower prices or by providing additional benefits from similar services provided, or perhaps even higher [9]. Competitive advantage is the benefit strategy of each company to create strong competitiveness and make the company different from the others [10]. The competitive advantage in this research is competitive advantage from the point of view of human resources owned.

The human resource-based perspective of Resource Based View (RBV) has dimensions, namely, valuable human capital; rare; difficult to imitate; and difficult to replace [11]. Value is the result of lecturer performance in the fields of teaching, research, and community service exceeding the target given by the study program; rare, that is, the average lecturer has a high cognitive ability to be able to use better ways to complete his work; difficult to imitate which can be seen from the level of kinship / closeness between high lecturers; difficult to replace, the average lecturer has a high level of creativity both in the field and outside the field.

Competitive advantage is able to improve the effectiveness of study program performance. Competitive advantage (flexibility and responsiveness) has a positive effect on organizational performance [12]. Companies with a high level of competitive advantage will also have better performance; and the hypothesis conceptual model confirms that sustainability practices will indirectly affect business performance through competitive advantage, but the results of the study indicate that there is a significant negative relationship between the application of sustainable competitive advantage practices and business performance [13].

### **c. Transformational Leadership**

Transformational leadership refers to the leader moving followers outside of his interests directly through his ideal influence (charisma), inspiring, stimulating intellectual or individual considerations that elevates the maturity level of followers and ideals; concerns about achievement, self-actualization, welfare of others, organizations, and society [14]. Transformational leaders stand to support a culture that facilitates all employees to understand the impact of organizational change on improving operational performance [15].

The component of transformational leadership encompasses the ideal influence that portrays managers who are exemplary role models for rant; inspirational motivation describes managers who motivate colleagues to be committed to the organization's vision; intellectual stimulation that describes managers who encourage innovation and creativity through challenging normal beliefs or group views that always promote themselves to think critically and problem solvers to make organizations better; individual considerations that describe managers who act as trainers and advisers for associations that are able to encourage colleagues to achieve goals [16].

Only transformational leadership with dimensions of individual consideration factors was found to have a significant influence on TQM performance in the higher education sector [17]. Transformation leadership can increase the level of performance of academic leaders in state higher education institutions in Malaysia [18]. Based on these facts, transformational leadership influences the effectiveness of study program performance.

### **d. Organizational Commitment**

Organizational commitment is a measure of an employee's identification with his or her organization [19]. Organization commitment refers to the employee's emotional attachment to, identification with, and involvement in the organization [4]. So that it can be identified that the definition of organizational commitment is the commitment of a head of study program to provide more progress to the organization he leads.

In this context, university teacher organizational commitment can be viewed as his or her firm belief in and acceptance of the university goals and values; readiness to exert dedicated efforts on behalf of university; and strong desire to sustain his or her university membership [4]. High commitment from the leaders of study programs can improve performance effectiveness and understanding of how teachers



become satisfied and committed to their universities; for what degree the various factors that contribute to the level of commitment are very important things to improve their performance [4]. Related to job satisfaction and performance, organizational commitment is the most important factor to improve employee performance results; and job satisfaction can improve work performance results only through organizational commitment [20].

High commitment from the leadership of the study program will also influence the excellence of the study program; because in achieving competitive advantage strategies are needed that are related to top management commitment and the company's environmental strategy [21]; and to improve the economic environment that is able to compete, it is necessary to analyze how to influence the commitment of workers' organizations that can improve performance, with great significance [22].

### III. RESEARCH METHODS

This research is a descriptive-qualitative study that aims to find out an overview of efforts to improve the effectiveness of the performance of private tertiary education programs in the region. To obtain data, an open questionnaire was used as a research instrument. The questionnaire contains questions developed from each dimension of performance effectiveness, competitive advantage, transformational leadership and organizational commitment.

The questionnaire was given to the head of the study program as many as 186 re-spondents; with a research period of 6 months. The data collected was 142 of the 186 respondents expected. The data is then processed using a coding method; which was subsequently described as the results of the study.

### IV. RESULTS AND DISCUSSION

#### 1. General Description of Research Objects

Descriptions of respondents according to gender found the fact that the head of the study program in the area of Eks-karesidenan Kediri 63.63% were women, and 44.3% were men. This is because in the area of the Ex-residency of Kediri there are many private universities in the health sector; and the study program is more attractive to women than men; mainly for nursing study programs. Descriptions of respondents according to gender are described in Table 1 as follows:

**Table 1**  
**Number of Respondents by Region**

City/town	Number of Private University	Frequency	Percentage
Tulungagung Town	4	18	12,68%
Kediri City	8	54	38%
Kediri Town	6	29	20%
Blitar Town	4	25	17,6
Nganjuk Town	4	12	8%
Trenggalek Town	1	4	3,72%
Total	27	142	100%

**Table 2**  
**Respondents according to Gender**

Gender	Frequency	Percentage
Male	63	44,37%
Female	79	63,63%
Total	142	100%

**Table 3**  
**Respondents by Education Level**

Education	Frequency	Percentage
Graduated Degree	-	0%
Post Graduated Degree	130	91,55%
Doctoral Degree	12	8,45%
Total	142	100%

**Table 3**  
**Study Program Lecturer Based on Functional Position**

Functional Position	Percentage
Profesor	0%
Associated Professor	9,7%
Lecturer	8,68%
Expert Assistant	18,42%
No Functional Position Yet	63,2%
Total	100%

#### 2. Increasing the Effectiveness of Study Program Performance Using Com-petitive Advantages

The efforts of study programs to improve performance effectiveness use competitive advantage; based on open questions given to respondents; there are various answers as follows:

- The head of the study program often cares about various work problems that are charged by each lecturer and employee.
- Frequently hold discussions on joint study programs, such as holding a series of learning with study program lecturers, to equalize perceptions of teaching, research, and community service activities.
- Understand well and appreciate the character of each member of the depart-ment / study program with each other.
- Conduct informal gatherings and meetings outside of academic programs; like having lunch together at recess.
- Regular arrays of study programs.
- Prayers for congregations that are required to all elements of the study pro-gram.
- Always be aware of the various behaviors of the study program elements.
- Lecturers are not overly authoritarian towards students.
- Study program elements always participate in student activities in non-academic fields; so students feel the department / study program always cares about students.
- Visit together elements of study programs if there are families who die, marry, get sick, give birth, and so on.



### **3. Increased Effectiveness of Study Program Performance Using Transformational Leadership**

Efforts of study programs to improve performance through transformational leadership; based on open questions given to respondents; there are various answers as follows:

- Discussed the study program mission at each meeting; early semester meeting; and there are some who deliver and revise the mission once a year.
- Always evaluate the application of missions in the academic and non academic fields.
- Supervise the achievement of targets both periodically and non-periodically.
- Supervise the achievement of targets both periodically and non-periodically.
- Always remind members of the study program to achieve department vision and mission
- Revise the mission in accordance with the development of strategic issues.
- Making the strategic plan a reference in the activities of the study program.
- Always discuss strategies for achieving targets from work programs.

### **4. Increasing the Effectiveness of Study Program Performance Using Organizational Commitment**

The effort of study programs in improving performance using organizational commitment; based on open questions given to respondents; various answers are obtained as follows:

- Providing various facilities to lecturers and / or employees with a certain period of work or with certain achievements (according to the provisions of each foundation) which can be in the form of official homes, mess, or motorized vehicles.
- Include all study program members in the insurance program and / or the like; including old age savings.
- Institutions provide as wide opportunities as possible in the context of fostering the careers of lecturers and employees.
- Providing research grants and high dedication to lecturers.
- Providing broadest opportunities for lecturers and staff to carry out further studies.
- Always give awards to all elements of study programs that excel.
- Provide funding and time allocation for study program members to do recreation together
- Adequate information system for smooth implementation of the duties of lecturers and employees; in other words the difficulties faced by lecturers and employees in working low; so that lecturers and employees will be more loyal.

## **V. CONCLUSION AND FUTURE WORK**

This study illustrates that competitive advantage, transformational leadership and organizational commitment can improve the effectiveness of the performance of study programs in private colleges in the region in Indonesia.

Various findings about various efforts to improve the effectiveness of the study program's performance have been disclosed; and the researcher tried to provide proposals in

this article about improving the effectiveness of performance using competitive advantage, transformational leadership, and organizational commitment to the study program chairmen.

The competitive advantages of study programs at private universities in Indonesia can be improved in the following ways:

- Sending study program lecturers to various training programs supporting the implementation of high credibility teaching, research and community service activities.
- Frequently hold various 'joint learning' activities between study program lecturers, so that new creativity emerges from one lecturer to be able to inspire other lecturers in carrying out the teaching, research and community service duties; and minimize various obstacles that may occur in the management of study programs.
- Provide direction and even input that at least in one year the study program through its lecturers has joint research with outside institutions of the campus.
- Collaborating with other organizations that are likely to be able to provide opportunities for study programs to obtain Corporate Social Responsibility (CSR) grants directed at improving the quality of information systems.
- Although there are several study programs that have not been optimal in the sophistication of information systems; at least the study program is accustomed to using systemic performance with a clear pattern; which is supported by the academic management rules of study programs or other similar regulations; so that the flow of academic and non-academic implementation of the study program becomes directed and systematic

Associated with improving the quality of transformational leadership, various methods can be carried out as follows:

- Always hold study program briefings or meetings in order to socialize the objectives to be achieved and overcome various problems in managing the study program.
- Give special attention to lecturers who do not have functional positions or have not received lecturer certification.
- Always actively informing about various grants that are required or other competitive grants; so that the target number of study program studies is fulfilled.
- Providing great rewards for the achievements of lecturers in any field that supports the academic activities of the study program.
- Make a joint research road map plan; which are divided into research teams; requires lecturers to take part in various international level call papers and workshops.

To increase organizational commitment, various things can be done as follows:

- Study carefully the various developments in regulations and policies regarding the management of study programs so that they will be ready to face the direction of development of these regulations in the future.
- Provide constructive proposals to the central institutions; about various things that are useful for the ease of





managing study programs, for example: academic information systems that are easily accessible.

- Keep the number of new students increasing; because directly or indirectly the number of increase in new students will relatively improve the welfare of study program members.
- Conduct various business and non-business collaborations that are equally beneficial for both parties, so that the credibility of the study program is high
- Trying to consider the target given by the central institution is the minimum target of the study program;
- Realizing self-awareness that the members of the study program are loyal supporters of the study program, so that as the head of the study program has a greater target than the lecturer.

This research is a qualitative research that contains responses from respondents. The increase in performance effectiveness contributed by competitive advantage, transformational leadership, and commitment has not yet been measured. Future research is expected to be able to measure definitively the large increase in the effectiveness of these performance; and a model that is truly feasible is possible to increase the effectiveness of the performance of study programs at private universities in regional areas in Indonesia; both using variables that have been studied in this study and / or other variables that are interrelated.

## REFERENCES

- [1] J. Schalk, R. Torenvlied, and J. Allen, "Network embeddedness and public agency performance: The strength of strong ties in Dutch higher education," *J. Public Adm. Res. Theory*, vol. 20, no. 3, pp. 629–653, 2010.
- [2] A. Abiodun, "SME firms performance in Nigeria: Competitive advantage and its impact," vol. 3, no. 2, pp. 75–86, 2014.
- [3] G. Dustin, M. Bharat, and M. Jitendra, "Competitive Advantage and Motivating Innovation," *Adv. Manag.*, vol. 7, no. 1, pp. 1–8, 2014.
- [4] M. Malik, S. Nawab, B. Naeem, and R. Q. Danish, "Job satisfaction and organizational commitment of university teachers in public sector of Pakistan," *Int. J. Bus. Manag.*, vol. 5, no. 6, pp. 17–26, 2010.
- [5] S. J. Motowild and W. C. Borman, "A Theory of Individual Differences in Task and Contextual Performance," no. April 2013, pp. 37–41, 2009.
- [6] P. C. Abrami, S. Apollonia, and S. Rosenfield, "The Dimensionality of Student Ratings of Instruction: What We Know and What We Do Not," *Scholarsh. Teach. Learn. High. Educ. An Evidence-Based Perspect.*, pp. 385–456, 2007.
- [7] M. L. Singgih, "Penilaian Kinerja Suatu Jurusan Dengan Kriteria Malcolm Baldrige National Quality Award dan Penentuan Ranking Menggunakan Analytic Network Process Moses," *J. Teknol. Manaj. Inform.*, vol. 6, no. 3, p. , 2008.
- [8] J. J. Jamrog, M. Vickers, M. H. Overholt, and C. L. Morrison, "High-Performance Organizations:," *People Strateg.*, vol. 31, no. 1, pp. 29–38, 2007.
- [9] C. Ehmke, "Strategies for competitive advantage," *West. Cent. Risk Manag. Educ. ....*, pp. 1–8, 2011.
- [10] M. E. Porter, *Competitive Advantage: Creating and Sustaining Superior Performance: with a new introduction*. New york: The Free Press, 1998.
- [11] P. M. Wright, G. C. McMahan, and A. McWilliams, "Human Resources and Sustained Competitive Advantage: a Resource-based Perspective," *Int. J. Hum. Resour. Manag.*, vol. 5, no. 2, pp. 301–326, 1994.
- [12] S. Agha, L. Alrubaiee, and M. Jamhour, "Effect of Core Competence on Competitive Advantage and Organizational Performance," *Int. J. Bus. Manag.*, vol. 7, no. 1, pp. 192–204, 2012.
- [13] S. N. Russell and H. H. Millar, "Exploring the Relationships among Sustainable Manufacturing Practices, Business Performance and Competitive Advantage: Perspectives from a Developing Economy," *J. Manag. Sustain.*, vol. 4, no. 3, pp. 37–53, 2014.
- [14] B. M. Bass, "Two decades of research and development in transformational leadership," *Eur. J. Work Organ. Psychol.*, vol. 8, no. 1, pp. 9–32, 1999.
- [15] M. Birasnav, "Relationship between transformational leadership behaviors and manufacturing strategy," *Int. J. Organ. Anal.*, vol. 22, no. 2, pp. 205–223, 2014.
- [16] B. M. Bass and R. E. Riggio, *Transformational Leadership*, 2nd ed. New Jersey: Lawrence Erlbaum Associates, Inc., 2005.
- [17] H. a. a. Argia and A. Ismail, "The Influence of Transformational Leadership on the Level of TQM Implementation in the Higher Education Sector," *High. Educ. Stud.*, vol. 3, no. 1, pp. 136–146, 2013.
- [18] M. S. Bakar and R. Mahmood, "Linking Transformational Leadership and Corporate Entrepreneurship to Performance in the Public Higher Education Institutions in Malaysia," *Adv. Manag. Appl. Econ.*, vol. 4, no. 3, pp. 109–122, 2014.
- [19] W. Fu and S. P. Deshpande, "The Impact of Caring Climate, Job Satisfaction, and Organizational Commitment on Job Performance of Employees in a China??s Insurance Company," *J. Bus. Ethics*, vol. 124, no. 2, pp. 339–349, 2014.
- [20] M. Tsai, C. Cheng, and Y. Chang, "Drivers of Hospitality Industry Employees' Job Satisfaction , Organizational Commitment and Job Performance," *African J. Bus. Manag.*, vol. 4, no. 18, pp. 4118–4134, 2010.
- [21] L. Ki-Hoon and R. Ball, "Achieving Sustainable Corporate Competitiveness," *Greener Manag. Int.*, vol. Winter, no. 44, pp. 89–104, 2003.
- [22] X. Sheng, "The Empirical Inquiry between Organizational Commitment and Employee Performance-with X Company as an Example," *J. Bus. Adm. Res.*, vol. 3, no. 1, p. p59, 2014.