

## Private Universities Survive and Thrive: From a Leadership and Human Resource Perspective

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### ABSTRACT

Private higher education institutions have encountered challenges in adapting to the dynamic landscape of change, prompting them to implement diverse tactics in order to ensure their survival. This study used a library research methodology to examine the techniques employed by private institutions in response to disruptive circumstances from leadership and human resource perspective, with a focus on their ability to adapt and thrive. The data collecting process adheres to the five stages of the historical method, which include the selection of a topic and the acquisition of relevant evidence, the examination of the sources from which the evidence is derived, the assessment of the evidence itself, the analysis and interpretation of the gathered evidence, and the presentation of the evidence together with a concluding statement. A comprehensive examination of the techniques implemented by the private university has yielded a typology consisting of four primary strategies: survival, synchronising, stretching, and supremacy. The four techniques exhibit interrelation and potential overlap in some instances. Nevertheless, survival is indicative of a strategy centred around survival. The act of stretching and synchronising contributes to the enhancement of survival and the potential for growth. Additionally, the implementation of a supremacy strategy has the ability to establish a favourable long-term image and foster positive connections with important stakeholders. These techniques have the potential to support the survival and further growth of private higher education in the current period of change.

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## 1. INTRODUCTION

There is a variance in the degree of centrality among universities. Universities operate over a wide variety of academic areas, with certain universities playing a more significant role across several sectors than others. These interdependencies and connections impact both the external, such as social and economic duties, and internal components of higher education, including teaching, research, and knowledge transfer. The financial expectations placed on higher education institutions are a reflection of the demand for personnel with the necessary information and skills in knowledge-based sectors, as well

as the recognition of the significance of research and knowledge creation (Jongbloed et al., 2008). Wildavsky (2012) observed that the existence of parallel competitions universally marks academic organisational behaviour. The variety in the ways universities combine resources and build relationships across multiple institutional domains is influenced by national historical legacies and political cultures.

The number of private universities in Indonesia is expected to decrease between 2018 and 2021 due to three factors: relocation, consolidation, and insolvency (Putra, 2019). There are still many private universities with under a thousand students (Salbiah & Zaking, 2021), making it challenging to ensure quality due to a lack of resources. According to Paristiyanti, secretary of the Directorate General of Higher Education, 336 licensed private institutions have no students, 476 private universities have less than 100 students, and 912 private colleges have 100-500 students (Wahyuni, 2021). This suggests that many private institutions continue to be of below-average quality, both in terms of resources and the quality of the learning process. However, providing high-quality services is essential to higher education institutions' ability to stand out from the crowd and remain viable over the long run (Papanthymou & Darra, 2017).

Despite the fact that these analyses may prove vital to the continued existence of private colleges and institutions. We're in the midst of a crisis, and yet there have been relatively few analyses on the long-term repercussions of a pandemic on the economy, society, and human behavior. Predicting the long-term effects of the COVID-19 pandemic is challenging, as noted by Donthu and Gustafsson (2020). More than 1,600 private universities will be encouraged to merge by the Ministry of Education, Culture, Research, and Technology (Zubaidah, 2021). To investigate how private institutions are adjusting their strategies to keep up with the times, this study employs an archival research method.

Creative problem-solving and the ability to adapt to change are two factors that have been shown to increase a company's chances of surviving a crisis (Beraha et al., 2018; Liu et al., 2014). Organisations incur significant costs, including emotional tolls, when crises go unresolved, making crisis management a top concern. It is important for academics to consider the potential relevance and impact of theoretical contributions on practising managers because "business crises are a practical matter." Therefore, crisis management savvy is not limited to academic scholarship, but is essential for managers and leaders (Sarkar et al., 2018). The ability to adopt and implement novel processes and goods is important to a business's innovative potential. As a result, the company is more able to adapt to the uncertainty of the market than its rivals (Eisenhardt and Martin, 2000). When a business innovates, it increases its long-term competitiveness and its capacity to deal with uncertainty (Beraha et al., 2018).

On the other hand, flexibility describes an organization's adaptability to new circumstances (Verreynne, 2023). Innovation necessitates a mindset that is open to change and can be interpreted in a variety of ways; they include responsiveness, adaptability, adjustment, agility, multiplicity, and contingency (Farnese, Fida, & Livi, 2016; Sushil, 1997). Creativity and flexibility are required in order to adapt to new circumstances and handle emergencies effectively (Farnese et al., 2016). This research looks into Indonesia's private universities' innovative and adaptable measures in the face of this challenge.

The interruption is still ongoing, and its conclusion is uncertain. Getting past this phase is something everyone desires, but there are a few options for doing so. Comprehensive research is needed to learn from people who can survive and even prosper despite adversity. Success in other KPIs, such as profitability and market share, depends on the company's ability to survive (Sushil, 2015). Leaders and faculty at universities need to have the flexibility to adjust to new circumstances. To effect change, private university administrations must take the lead (Doyle & Brady, 2018). This article aims to shed light on the ways in which private institutions of higher learning adapt to new circumstances in order to thrive. It zeroes in on Indonesia, the largest economy in Southeast Asia and the country with the fourth-highest population in the world. It relied on news articles from widely available print and digital archives, including newspapers and news websites. A thorough examination of tactics used by private colleges in Indonesia has led to the proposal of a typology comprising four techniques.

## 2. METHODS

The current investigation utilized a qualitative research methodology, employing library research. After conducting a rigorous text analysis, the researchers were able to identify important themes and then propose a typology of company response tactics. The data collection technique adheres to the five stages of the historical approach as outlined by Golder (2000). The academic process involves many key steps: (1) the careful selection of a topic and the acquisition of relevant information; (2) the critical review of the sources from which the evidence is derived; (3) the rigorous evaluation of the evidence itself; (4) the thorough analysis and interpretation of the evidence; and (5) the effective presentation of the evidence, leading to a well-supported conclusion.

According to published studies, private higher education institutions in Indonesia have adopted several strategies to adapt to the evolving business landscapes. The four strategies are closely linked to the concept of strategic flexibility, which involves taking proactive and reactive measures to adapt to internal or external changes. This is achieved by utilising an organization's core values, culture, core competencies, strategic assets, and strategic positions (Sushil, 2015). In a more precise manner, the four techniques can be strongly associated with ten distinct connotations of flexibility as identified by Sushil (1997). These connotations include agility, customization, adaptiveness, compromise, responsiveness, contingency, adjustment, resilience, variety, and localness.

## 3. FINDINGS AND DISCUSSION

### *3.1 Increased Motivation and an Enhanced Capacity to Achieve Organisational Goals*

Motivation is the mechanism via which an individual's endeavours are fueled, guided, and maintained in order to achieve a specific objective. The definition comprises three essential components: energy, direction, and persistence. The energy element represents the level of intensity, motivation, and vitality. An individual who is driven exhibits determination and exerts diligent effort. Nevertheless, it is crucial to take into account not only the intensity but also the quality of the effort (Bushi, 2021). Efforts exerted at high levels do not guarantee good job performance unless they are directed towards benefiting the organisation.

The level of innovativeness of a private higher education response plan is considered high when it demonstrates a substantial degree of novelty in its implementation by the organization (Tierney et al., 2016). The strategy is categorised as having a substantial impact on change when it necessitates a notable modification or adjustment of its present business model, operational model, and/or existing products and services. Consequently, this study proposes four distinct corporate reaction options, including survival, synchronising, stretching, and dominance strategies. Despite the presence of traditions and artefacts on college and university campuses, higher education has always encouraged change and creativity. To support this claim, it offer examples of how higher education has historically embraced "sustainable" innovations to adapt to societal changes. Disruptive technologies have altered other industries with simplicity, cost, convenience, and novelty, but have not yet affected higher education. Although disruptive innovations like online education are expected to transform higher education, universities differ from businesses as they rely on the long-standing prestige of their faculty and departments for legitimacy. While the theory of disruptive innovation may help explain new educational paradigms, it is important to evaluate the language around disruption critically.

The implementation of a growth plan can yield various benefits for universities, including enhanced motivation and a heightened ability to fulfil their institutional objectives. Moreover, it can contribute to the development of financially robust universities (Shao et al., 2019). Expansion can be considered synonymous with development due to the significant influence it has on private colleges. In order to facilitate the process of development, private colleges must possess adequate resources that are capable of providing support. Simarmata (2019) posits that an organization's resources encompass various dimensions, namely physical resources, people resources, intellectual resources, and financial

resources. The success of private universities in implementing development initiatives is contingent upon this characteristic.

### **3.2 Synchronisation involves adapting, aligning, or adjusting**

Within the historical framework of the era characterised by significant transformations, the second strategic approach, known as synchronisation pertains to the process of adapting, aligning, or adjusting. In the immediate timeframe, this entails exploring novel opportunities and methodologies. The synchronising strategy exhibits a notable degree of creativity, yet it does not entail substantial alterations to the business model. The integration of a novel health protocol entails the requirement for colleges to adhere to and execute new health laws aimed at mitigating the transmission of the Covid-19 virus within the university setting. The implementation of health procedures at Universitas Medan Area includes mandatory temperature checks, wearing masks on campus, practising regular hand hygiene, maintaining physical distance, and avoiding large gatherings (Universitas Medan Area, 2021).

The implementation of digitalization in operational processes exemplifies a strategy aimed at achieving synchronisation. Multiple private institutions have incorporated an online learning methodology by employing diverse educational platforms, including Zoom, WhatsApp, and Google Classroom (Husnul & Suharyadi, 2021). The utilisation of this application facilitates teachers in disseminating educational resources, enabling students to engage in the learning process at their convenience, without spatial constraints, hence enhancing the flexibility of the learning experience (Tanjung Sari Vocational School, 2020). Digitalization refers to the educational process that was traditionally conducted in an online format. Amidst the ongoing epidemic, the Universitas Nasional has effectively leveraged contemporary technology to establish a Cyber Library.

The corporate Social Responsibility (CSR) strategy exemplifies strategic synchronisation. Corporate Social Responsibility (CSR) has emerged as a significant strategic initiative for numerous large corporations within the Covid-19 pandemic (Jones and Comfort, 2020). Numerous private colleges in Indonesia have actively engaged in community initiatives and social endeavours, shown by their provision of financial contributions and essential resources to medical practitioners. These contributions encompass monetary aid, personal protective equipment, medicinal supplies, hand sanitizers, face masks, complimentary accommodations, and other relevant provisions. According to Satriadi (2020), Pelita Harapan University offers support to Siloam Hospitals through the deployment of 50 medical volunteers comprising newly graduated doctors from the medical faculty, as well as 38 volunteers from the nursing department.

### **3.3 Expansion**

The third strategy, known as Stretching, pertains to endeavours to extend existing enterprises and products (or services) into interconnected industries, particularly focusing on medium and long-term objectives. The level of innovation exhibited by this phenomenon is very low, although it exerts a significant influence on established business models. Examples of this strategy include merger and acquisition, staff development, exploration of new markets, private higher education coaching programs, and strategic partnerships with stakeholders. The inclusion of additional stakeholders in strategic collaborations at universities has the potential to enhance the network, reputation, and overall development of these institutions. Knowledge, research, and innovation are gaining significance in today's interconnected world, and universities are seeing changes in their social function as a result (Va'limaa & Hoffman, 2008). As an example, universities' capacity to secure funds and strengthen relationships and collaborative partnerships with key stakeholders, such as an institution's alumni, is driven by commercialization (Altbach et al., 2009). This ability to commercialise knowledge is thus critical for the future growth of individual universities. Each of these factors affects how we come to know things and how we value what we know. Pertamina University has engaged in a collaborative research initiative with Innovation and New Venture (INV) to explore the development of New Renewable Energy (EBT). This endeavour involves the participation of multiple lecturers and students (Warta Ekonomi, 2021).

Employee development encompasses all facets of higher education, encompassing the cultivation and administration of human resources and on-site professional growth opportunities. The period of transition known as the Supremacy Strategy is characterized by a high rate of change and innovation, as a more cutting-edge variant replaces every traditional activity. The fourth tactic is for private universities to adopt and/or develop new commercial procedures, processes, and/or models. This approach is novel and will have far-reaching consequences for existing business models. It calls for a paradigm shift towards strategic flexibility, which emphasizes both proactive and reactive responses to an uncertain future (Sushil, 2015). Companies that are strategic in their approach to learning and innovation are better prepared to respond to new circumstances as they arise.

#### 4. CONCLUSION

This research sheds light on the ways in which Indonesia's private higher education sector adapted to the new era. It suggests categorizing tactics into four broad categories: survival, synchronization, expansion, and dominance. The degree of innovation and the potential effect of transformation on the company's existing business models serve as the basis for these strategies. It is hypothesized that resilient businesses can make necessary changes quickly and mold a fresh capability to weather unstable situations. The current study offers a number of noteworthy theoretical and managerial implications, but it also has a few holes that could be explored in other studies. To begin, it is important to note that the current study is exploratory in nature and makes use of data that is freely available to the public. Interviews with a cross-section of relevant parties should be part of any future research.

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