Managerial Performance Model of Private Higher Education in The South Sumatra

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Abstract—This paper tries to assess the application of quantitative approaches and hypothesis testing using ‘Path Analysis’ technique as an alternative approach to the performance of managerial leadership that can be used to achieve the goals in finding and determine the factors that influence and support the managerial performance leadership. Analysis of the data that is used in this study consisted of descriptive analysis to look at the characteristics of the population which is netted in the study and path analysis. The sample of technique in this study is using proportionate stratified random sampling technique. The number of samples, which is used as the respondent in the unit of analysis of this study, is 130 head of private universities around Koperatis region II, southern Sumatran. The results of data analysis show that (1) the leadership of a significant and positive impact on managerial performance, (2) empowerment of human resources directly affects on managerial performance, (3) governance directly affects managerial performance, (4) the leadership of a significant and positive impact on governance, (5) directly affects the organizational culture of good governance, (6) human resources empowerment significant and positive impact on governance.

Key Words: leadership, organizational culture, empowerment, good governance and managerial performance

I. INTRODUCTION

Globalization era was characterized by various changes in the aspects of life, as the impact of human resource development (HRD). It is one of the important and strategic keywords. One of the strategic Private College was to support the availability of human resources (HR) professionals is education, particularly through higher education.

Increasing the managerial performance will improve and encourage stakeholders (leadership, faculty, support staff and students) in developing performance with full motivation, effectively, efficiently and productively. Competition among educational institutions are increasingly caught up in materialists such as building, number of air-conditioned rooms, and number of new students to be the standard of managerial performance success of a University. Another standard of college managerial performance success as suggested by Stoop (1996) in Wibisono (2006) that besides of financial variables (financial), more non-financial variables (nonfinancial) such as human resource development variable for the college.

This situation can be indicated by: (1) Unsupported Managerial performance by organization performance (2)
Mahoney et al. (1963) stated that managerial performance is the performance of member of organization managerial activities such as planning, investigation, coordination, supervision, staff arrangements, negotiation, and representation. Variables performance measured by using an instrument developed by Mahoney et al. (1963). This measurement consists of a one dimensional of performance and eight sub-dimensions of planning, investigating, coordinating, evaluating, supervising, staffing, negotiating, and representing.

Leadership in varies university according to each university, however, the leadership style must be qualified by applying discipline culture in the university. Problems in a university can be handled properly by a charismatic leader. A University will success in achieving its goal when they have a high confidence to bring the organization to achieve success. Leadership is an attitude, style and ability possessed by a leader. (Tampubolon, 2001: 1000).

The ability to influence others is strongly related to the ability to fulfill the needs of its members (Gibson 1986: 334). Whereas, according to Catherine Borgh, Jean BoCoch, Peter Scott, and David Smith (2000) good leadership consists of utilization of influence, human interaction, communication process, and goal achievement.

**Organization Culture**

Organizational culture is the principle settlement of both internal and external problems which is implemented consistently by a group who then pass on the culture to new organization members as a strategy to understand, think, and feel about the related issues (Peter F. Drucker). 2

Robbins (1998; 248) defines organizational culture as a system of shared meaning held by members that distinguishes the organization with other organizations. Furthermore, Robbins (1998; 248) states that a system of shared meaning is formed by citizens who at the same time makes the difference with the organization.

A system of shared meaning is a set of key characteristics from the values of an organization ("a system of shared meaning held by members that distinguishes the organization from other organization. This system of shared meaning is, on closer examination, a set of key characteristics that the organization values").

**Empowerment**

Empowerment of human resources is the key to success in improving the quality of a company in the long term. According to Noe et al. (1994) empowerment (empowerment) is an assignment of responsibilities and authority of the workers to make decisions regarding all product development and decision-making. Byars and Rue (1997) defines empowerment as a form of decentralization that involves the assignment of responsibilities to subordinates in decision making. Meanwhile, according to Sharafat Khan (1997), empowerment is a long-term personal relationship and sustainable trust between employees and management. Sharafat Khan (1997) offers a model of empowerment that can be developed within an organization to ensure the success of the process of empowerment together in a society together. Empowerment Model (Empowerment) is Sharafat Khan, among others; 1) Desire, 2) Trust, 3) Confidence, 4) Credibility, 5) Accountability, and 6) Communication.

**Good Governance**

Governance is a behavior, a way or method used by a company to optimally utilize the full potential and elements owned in order to achieve the vision and mission that has been set. Technically good governances expressed as a systematic effort in a process to achieve the goals of the organization, through the functions of planning, execution, control, and increase follow-up.

Moreover, besides covering all of the elements and process above, good governance also has a key aim to continually increase the quality of the company in order to achieve the vision and mission which has been set. Key Elements of good Governance, One of which can be considered suitable for the company, is a formulation made by Sutiono (2004) on the characteristics of good governance, which is modified as follows; transparency, organization, participation, responsiveness, efficiency and effectiveness, accountability, leadership. While there are 10 principals according to the UNDP Good Governance; (1) Law Enforcement, (2) Transparency, 3) Equality, 4) Responsiveness, (5) Forward Insights, (6) Accountability, (7) Supervision, (8) Efficiency, (9) Effectiveness, and 10) Professionalism. While the scope of Governance in the PT in general includes elements; planning, execution, control, and continuous quality improvement.

**Research Hypothesis.**

The hypothesis proposed in this research are: 1) there is a direct leadership influence on managerial performance; 2) there is a direct leadership influence on governance; and there is no direct influence on the performance of managerial leadership through good governance; 3) there is a direct influence of organizational culture on governance; and there is no direct influence of organizational culture on managerial performance by good governance; 4) there is a direct influence on the governance empowerment; and there is no direct influence on the performance of managerial empowerment through governance; 5) there is a direct influence on the performance of managerial empowerment; 6) there is a direct influence on the performance of managerial governance; 7) there is a significant relationship between leadership and organizational culture, 8) there is a significant relationship between leadership with empowerment and 9) there is a significant relationship between culture based organizations and empowerment.

**II. METHODOLOGY RESEARCH**

**Research Methods.**

The method used in this study are; Causal method with observation, interview, questionnaire. The method used in this study is a survey of explanation (explanatory survey method). Observation is conduct by direct observations to several sections and universities there and see at first hand.
who served the section at the Private Higher Education in Kopertis region II Sumabagsel.

The unit of analysis of this research is a private university in southern Sumatra which is incorporated in Kopertis Region II Palembang as many as 130 Colleges (PRIVATE COLLLAGE). The data used in this data were primary data, and the data collection techniques were through interviews, observations, and questionnaires.

**Research Objective:**

- To explain the impact of leadership, organization culture, and utilization of managerial performance.
- To determine how big the direct impact of leadership towards managerial performance. To determine how big the direct impact of leadership towards good governance; and to determine how big the indirect influence of leadership towards managerial performance
- To determine how big the direct impact of organization culture towards good governance; and the indirect effect of organization culture towards managerial performance through good governance.
- To determine how big the direct impact of human resource empowerment towards good governance; and the indirect effect of empowerment of human resources towards managerial performance through governance.
- To determine how big the direct impact of the empowerment of human resources towards managerial performance is.
- To determine how big the direct impact is simultaneously between leadership, organization culture, and empowerment of human resources towards governance.

**Population and Sample**

The population for this research were all the leaders of private higher education institutions in Kopertis Region II, South of Sumatera. Samples in this research were taken using Stratified random sampling technique, and the technique used to obtain 130 samples form a population of 195 respondents, the formula or Isaac & Michale (1981:192) in Sukardi (2004:55) model were used.

**III. RESULT AND DISCUSSION**

**Model test**

A causal model was formed theoretically from the flow in the following diagram. Standardized solution

The model above shows that the coefficient of the analysis flow result were: (1) substructure of the first model, the line between x1, x2, x3 towards y, and (2) substructure on model two lines between x1, x2, x, and y towards z after trimming was done.

**Structure 1 Model**

The model equation forms sub-structure model 1, is said to be highly significant with the equation as follow: Y = 19.81 + 0.22*X1 + 0.52*X2 + 0.18*X3, errorvar. = 0.34, Ry = 0.66 (8.17) (0.072) (0.071) (0.073) 2.43 3.09 7.25 2.48 7.94 Individual Testing of Coefficient The affect of leadership (x1) towards Good Governance (Y) (Y) t-count = 3.09 and t-table = 1,960

**First Hypothesis.**

The path coefficient is significant if t-count > t-table. The calculation results from t test were t-count = 3.09, whereas t-table = 1.96 at dk = 12 and α = 0.05, therefore t-count > t-table or 3.09 > 1.96. This shows that the impact of leadership (X1) towards Governance (Y) was highly significant. Which means that t-count > t-table, H0 rejected and H1 accepted. The proposed hypothesis, there is an impact of leadership influence X1) towards the system of performance (Y).

**Second Hypothesis.**

Through the path coefficient test of significance and organization culture (X2) towards Good Governance (Y) managerial performance (Z), therefore the test of significance was done by using t test. This test is called the trimming theory. Path coefficient is significant if value t-count > t-table. Results of the t test calculations were t-count = 7.25, whereas table =1,960 at dk =128 and α =0.05, therefore t-count > t-table or 7.25 > 1,960. This shows that the impact of leadership (X1) towards good governance (Y) was highly significant. Which means that t-count > t-table, H0 was denied and H1 was accepted. The proposed hypothesis, there is an impact of organization culture (X2) towards good governance (Y).
Third Hypothesis
Through the path coefficient test of significance and empowerment of human resources (X3) towards Good Governance (Y) which was tested using the trimming theory. The coefficient is significant if t-count > t-table. Results from the t-test were t-count = 2.48, whereas t-table = 1.960 at dk = 128 and α = 0.05, therefore t-count > t-table or 2.48 > 1.96. This result shows that the impact of empowerment of human resources (X3) towards Good Governance (Y) is highly significant. Therefore, t-count > t-table which means that H0 d as denied and H1 accepted. This also means that the proposed hypothesis was that there is an impact of empowerment of human resources(X3) towards Good Governance (Y).

Structure 2 Model:
The path significance result of the coefficient test as a whole is the structural equation model 2: Z = 28.10 + 0.34*Y + 0.31*X1 + 0.21*X3, errorvar. = 0.43, Ry = 0.57 (9.29) (0.084) (0.084) (0.083) 3.02 3.98 2.56 7.94

Fourth Hypothesis
The results of the test of significance path coefficient and good governance (Y) towards managerial performance (Z), the t-test was performed. This test is called the trimming theory. The path coefficient is significant of t-count > t-table. The calculation results of the t-test were t-count =3.98, whereas t-table = 1.960 at dk = 128 and α = 0.05, therefore t-count > t-table or 3.98 > 1.96. This result shows that the impact of good governance (Y) towards managerial performance (Z) was highly significant. This means that t-count > t-table so that H0 was denied and H1 accepted. The proposed hypothesis is that there is an impact of good governance (Y) towards managerial performance (Z).

Fifth Hypothesis
Leadership has a highly significant positive impact towards managerial performance was obtained from the test of significance path coefficient and leadership (X1) towards managerial performance (Z), after the t-test was performed using the trimming theory. The coefficient past is significant if t-count > t-table. The calculation results of the t-test were t-count =3.75 whereas t-table = 1.960 at dk = 128 and α = 0.05, so that t-count > t-table or 2.56 > 1.96. This result shows that the impact of leadership (X1) towards managerial performance (Z) was highly significant, in which t-count > t-table and that H0 is denied and H1 is accepted. The proposed hypothesis is that there is an impact of human resources (X3) towards managerial performance (Z).

Direct Impact
Analysis model 2 substructure equation which was formed individually, is: Y=19.81 + 0.22*X1 + 0.52*X2 + 0.18*X3, Errorvar= 0.34 Ry = 0.66.

Substructure coefficient (1). R2 = 0.66. The equation structure formed is said to be significant and can be used as a prediction tool to observe the signs, which occur towards variable Z caused by treatment, which is given, by Y, X1, and X3.

Indirect Impact
PX1-Z = (px1).(pz).X1 towards Z through Y
= (0.22) (0.34) ; Pxz = 0.748 R²x1-z = 0.66 = 14,513 Highly Significant
pX2-Z = (px2).(pz) … X2 towards Z through Y
= (0.52)( 0.34) ; p2-z = 0.1768 R2 x 2-z = 0.66 = 3,429 Highly Significant
pX3-Z = (px3).(pz) … X3 towards Z through Y
= (0.21) (0.34) ; p2-z = 0.714 R2 x2z = 0.66 = 13,851 Highly Significant
Due to the absence of a direct impact which connects variable X2 to Z, therefore the total impact Px2 is equal to the coefficient score of the indirect impact from X2 to Z.

![Table 1. Data Recapitulation of the Hypothesis Testing Results](image)

![Table 2. Summary of the Indirect Impact Coefficient](image)
Total Impact

Based on the statistical test results of this research, there is a total impact $x_1$ and $x_2$ as much as $(Px_1y + Py_2) + (Px_3z)$ which is: 

$$0.22 + 0.34 = 0.99; (2)$$

total impact of $x_2$ and $z$ value is $(Pyx_2) * (Pzy) = 0.52; (3)$

$0.34 = 0.86$; and the total impact of $x_3$ and $z$ value is $(Pxy * Pyz) + (Px_3z) = 0.92$. The equation, which represents the impact, is as follow:

$$Y = 19.81 + 0.22*X_1 + 0.52*X_2 + 0.18*X_3, Errorvar = 0.34$$

$$R^2 = 0.66;.....(1) Z = 28.10 + 0.34*Y + 0.31*X_1 + 0.21*X_3, Errorvar. = 0.43 R^2 = 0.57;.....(2)$$

IV. DISCUSSION

Implication Based conclusion above, this research will provide implication as: (1) if it will improve governance, it should be improve of leader quality, culture organization and empowerment in private collage, and (2) if it will improve quality of leader performance, it should be improve on governance, leadership and empowerment in private collage.

Recommendation (Suggestions)

A recommendation from an academically point of view is that there needs to be the addition of a variable, that variable being contingency, the use of another method of analysis, the creation of a mechanism to optimize managerial performance, the commitment of leaders in a leadership, the increase in organization culture which begins form the internal, and the empowerment of organization culture.

To cultivate values held by PRIVATE COLLLAGE to every human can be done by way of conveying the desired value in the language adopted by most employees. Narrative meaning according to the desired value based on the benefits in it perceived by its members. Encourage employees with positive statements about their ability to carry out shared values. By getting to know the culture of the organization, it will facilitate the management in taking both strategic and operational measures.

Measure of performance and governance of the college should be clearly understood by all employees and involve all employees, especially ones regarding the association measures of organizational performance with the goal of managerial work program. Performance measurement should be accepted and trusted as a reference by those who are going to use it.

The identity of this study shows that leadership, organization culture, and empowerment of human resources on good governance towards managerial performance gives an impact (multiplier effect) towards satisfaction of employees and stakeholders in PRIVATE COLLLAGE is of moderate level. It has implications from improvement in stung organization culture through: 1) A resource strategy in the form of financial motivation and non financial motivation as well as positive and negative motivation in order to increase the competence and commitment of the employees, and 2) a business strategy in order to improve education services and institution income motivation through profit center: UPT university to be optimal. Thus affecting the managerial, organizational, stakeholders, and employee performance.

Local cultural needs to be adapted of characterized by their regional culture, nationally and globally to develop the quality of the environment which is more attractive to the users of educational services (think globally, act locally), so that there will be a change where today is better than yesterday, and tomorrow will be better than today. Periodically, for example once a year, the Department will need to evaluate the success, effectiveness, efficiency and benefits of empowerment activities of the lecturers as a whole. Chairman of the Department does not have to wait for the mandate from the Dean or the Rector to plan and carry out activities regarding faculty empowerment. Each lecturer should always seek to develop themselves in a sustainable manner within various fields of capabilities that can support the implementation of the department’s mission. Leaders of the Department / Faculty / University coordinate, assist, support, facilitate, and / or provide facilities for lecturers who want to develop themselves. Leaders of the Department / Faculty / University need pioneering, seek and take advantage of various opportunities to empower lecturers.

Programs regarding the empowerment of lecturers which are planned well foster a culture which encourages lecturers to keep on improving which will eventually become a foundation for the success and reputation of the majors. The audit through Quality Assurance managerial performance in Private College is not yet maximized. Compared to other dimensions, evaluating the effectiveness is the highest followed by evaluation of the efficiency and economizing evaluation. Commitment to Organizations in Private College in the majority of leaders is not maximized.

The application of principles of good governance in Private Collage is not maximized. Fairness dimension occupies the highest-level followed accountability, transparency, and the lowest is independence. Managerial performance of Private College, which is not yet maximized, is directly impacted by leadership, application of the principles of good governance and empowerment.

The biggest impact in managerial performance of Private College not being maximized lies in the organizational culture and governance. Empirically, the condition of the internal culture which is not maximized yet in showing by the low reputation of PRIVATE COLLLAGE in which it is not included in the entry of World rank, not even Southeast ASIA.

V. CONCLUSION

Leadership has a positive significant impact towards managerial performance which shows that the bigger impact of leadership level, the higher level of managerial performance of leaders at Private College, South Sumatera. Organization culture has a direct impact towards good governance, which is indicated by means of the higher the impact of leadership is towards performance in Private College, therefore the higher the level of performance of leaders at Private College, South Sumatera. This is due to
several elements in leadership, which is also present in managerial performance such as driving human resources, financial management, time management, and appraisal. Empowerment has a direct impact towards good governance. This means that the bigger the impact of leadership towards the level of leadership at Private College, therefore the better the level of managerial performance of the leaders at Private College in South Sumatera. This is because there are several elements in leadership which are also present in managerial performance such as driving human resources, financial management, time management, and appraisal.

Leadership has a direct impact towards good governance (px1y = pyx1) with a value of 0.656 and path coefficient value 0.22. This shows that the better the higher impact of leadership towards managerial performance, the higher level of managerial performance of leaders at Private College in South Sumatera. This is because there are several elements in leadership which are also present in managerial performance such as driving human resources, financial management, time management, and appraisal.

Empowerment has a significant and positive impact towards managerial performance as much as 0.620 and a path coefficient value of 0.21. This shows that the higher the impact of Empowerment towards the level of managerial performance, the higher level of managerial performance for leaders at Private College in South Sumatera. This is because there are several elements in Empowerment which are also present in managerial performance such as driving human resources, financial management, time management, and appraisal.

Good governance has a direct impact on managerial performance as bid as 0.661 with a path coefficient value of 0.34. This shows that the better the higher impact of leadership is towards the level of good government, the better and higher the level of managerial performance of leaders of Private College at South Sumatera. This is because there are several elements in leadership which are also present in managerial performance such as driving human resources, financial management, time management, and appraisal.

Leadership has an indirect impact towards managerial performance through good governance with a value of 0.62 and a path coefficient value of 0.748. This shows that the better and the higher the impact of leadership is towards the leadership level, the better the managerial performance of leaders of Private College in South Sumatera. This is because there are several elements in leadership which are also present in managerial performance such as driving human resources, financial management, time management, and appraisal.

Organization culture has a significant and high indirect impact towards managerial performance through good governance with a value of 0.109 and a path coefficient value of 0.1768. This shows that the better the higher impact of organization culture towards the level of leadership is, the better level of managerial performance produced by Private College leaders in South Sumatera. Empowerment has a significant indirect impact, which is positive towards managerial performance through good governance with a value of 0.612 and a path coefficient value of 0.174. This shows that the better impact of managerial performance towards the level of leadership, the better level of managerial performance produced by Private College leaders at South Sumatera. This is because there are several elements in leadership which are also present in managerial performance such as driving human resources, financial management, time management, and appraisal.

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