

Leadership Strategy of State University Public Service Agency to Increasing Organizational Performance in Indonesia

Habibullah Jimad^{1,2✉}, M. Syamsul Maarif², M. Joko Affandi², Anggarini Sukmawati³

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¹Faculty of Economics and Business, University of Lampung, Indonesia

²School of Business, IPB University, Indonesia

³Faculty of Economics and Management, IPB University, Indonesia

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Abstract

The purpose of this study was to analyze the leadership strategy of the State University Public Service Agency in improving the performance of institutions in Indonesia. The study was conducted at three State University Public Service Agency in Indonesia on regional considerations and ranking of State University Public Service Agency institutions version of The Ministry of Research, Technology and State University (MoRHE) for 2015-2017, namely the University of Lampung (West Region), Sebeles Maret University (Central Region) and Gorontalo State University (Eastern Region). Leadership strategy as an effort to improve the performance of institutions of State University Public Service Agency involves twelve experts, namely the highest leader (Rector), Vice Rector, Dean and Chair of the Institute for at least one period (four years). Development of strategies using Analytical Hierarchy Process (AHP). Leadership strategy of State University Public Service Agency can be implemented by integrating the leader selection system, leadership development and leadership performance evaluation. The performance measures include graduate quality, publication quality, innovation quality, student quality and service quality.

✉ Address Correspondence:

E-mail: habibullah_jimad@yahoo.com

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INTRODUCTION

State University forms professional mental models and community leaders and plays an important role in creating a sustainable society (Dyer & Dyer, 2015). The increasing demand of the community for the quality of State University has made universities to strive to improve the quality of teaching and research conducted to improve their competitiveness. One of the efforts made by universities is to carry out organizational transformation. The transformation of State University institutions into State University Public Service Agency provides an opportunity for the government satker to sell product services without prioritizing profit seeking and in carrying out activities based on the principles of efficiency and productivity. The application of Public Service Agency is a form of the theory of new public management (NPM) which places government organization units as agents in providing services to the public.

Leaders play a very important role in the process of transformation carried out by universities. Leaders must develop ways to help other leaders or prospective leaders understand and manage the changes that occur around them. The leader is also responsible for the performance of the university he leads. The performance improvement of the State University Public Service Agency institutions is determined by the effective leadership model. State University leaders as decision makers can formulate strategies by considering internal factors and external factors to produce quality output and can be well received by users. The demands of users on the quality of the output of State University institutions are also increasing, the level of competition is high and the environment is always changing dynamically in the business world, forcing users to look for output that is truly credible and has high resistance in winning competition.

The low competitiveness of state universities in Indonesia compared to other universities in Asia, shows that the performance of leaders is not maximized. This makes the leaders of state university must strive to improve their competitiveness. The implementation of the ASEAN Economic Community (AEC), which

began in early 2016, is a challenge and opportunity for the world of State University, related to two schemes of five schemes in the AEC, namely free flows of services and free flow of skilled labor (free flows of skilled labor). Freedom of service flows related to free service activities including the world of State University to open branches or representatives in ASEAN countries. While the freedom of skilled labor flows, provides freedom and freedom for skilled workers to compete and work in ASEAN countries. Entering the AEC era both opportunities and challenges must be able to be captured and anticipated with strategic steps, so that State University in Indonesia can compete with State University in ASEAN and be able to produce graduates who can be accepted to work, not only in Indonesia but also in ASEAN countries.

Effective State University leadership will determine performance achievement in order to meet the expectations of the community and related stakeholders. Organizational performance is very dependent on organizational leaders and employees they lead (Masa'deh, Obeidat, & Tarhini, 2016). Not yet the maximum performance of universities indicates a lack of commitment of leaders and leadership effectiveness in the organization. To achieve this performance, a leader who is not only able to manage academic activities is required as a core business of a college but also has an entrepreneurial spirit, namely the ability to create opportunities and build networks of collaboration in managing and developing institutions. Therefore, it is necessary to have an accountable performance indicator of State University that can be accepted by all stakeholders. Effective leadership is needed to achieve positive change through creating a shared vision, increasing effectiveness, creating higher standards and building instructional capacity (Litz & Scott, 2016). The research conducted by Hassan, Gallear, & Sivarajah (2018), shows that leadership effectiveness is determined by subordinate acceptance of the leader. Fragueiro & Thomas (2011), successful schools are generally led by superior academics, who through their backgrounds are able to signal a clear understanding of academic culture and their awareness of the efforts that will be made to

become intellectual leaders and directors. Some problems related to the performance of universities in Indonesia include the quality of research and the quantity of publications that are still limited, inadequate educational facilities and infrastructure, academic culture has not been well developed and there are still many study programs and colleges that have not been accredited.

This study aims to analyze the leadership strategies of State University Public Service Agency in improving the performance of institutions in Indonesia. This research is important to do, given the performance of State University Public Service Agency which has not been in line with expectations, requires a strong leadership model and limited research on leadership at the State University Public Service Agency in Indonesia. The novelty in this study is that this researcher combines three types of leadership, namely transformational leadership, transactional leadership and authentic leadership and the use of System of System Methodology (SOSM) in formulating leadership strategies at State University Public Service Agency in Indonesia.

LITERATUR REVIEW

Performance Management

Performance Management is an ongoing process for identifying, measuring, and developing individual and team performance and harmonizing performance with the organization's strategic goals (Aguinis, 2013). Performance management is an ongoing process which includes defining strategies (setting goals), implementing strategies, communication, training and measuring performance and feedback and guidance for performance improvement (Brudan, 2010; Sahoo & Mishra, 2012). Performance management refers to organizational activities to improve the performance of people or target groups with the ultimate goal of increasing organizational effectiveness (Hartog, Boselie, & Paauwe, 2004).

Performance measurement measures, either quantitatively or qualitatively, input, output or activity level of an event or process, the results of these measurements are used in performance management as actions that produce improvements in behavior, process motivation and innovation

(Boyle & Hassan, 2014). Some methods are designed to measure performance including the performance measurement matrix, the results and determinant framework (the results and determinants framework), the balance scorecard, the smart pyramid (the smart pyramid), the organization's macro process model, and the performance prism (Atkinson, 2012). Aguinis (2013), uses several approaches to performance measurement, namely (1) Behavioral approach, this approach is a process approach that emphasizes what employees do, not on the end result. (2) Outcome approach, this approach uses a bottom line approach that emphasizes the outcome and results and does not attach importance to employee behavior and the process. (3) The nature approach is an approach that emphasizes individual performance and ignores specific situations, behaviors, and results. Daly (2012), several methods that can be used to measure employee performance, namely (1) critical incident, (2) rating scale, (3) employee rating, (4) rating scale based on behavior (5) narrative or essay evaluation (6) management by objective (7) 360° performance appraisal.

Leadership Concept In Organization

Soane, Butler, & Stanton (2015), transformational leaders are effective leaders because they can increase followers 'awareness, provide vision and strategy, encourage followers to contribute more and increase the portfolio of followers' needs to improve themselves and achieve their desires. Bass & Riggio (2006), state that transformational leadership consists of four components, namely idealized influences (or charisma), inspirational motivation, intellectual stimulation and individualized consideration. The four components are transformational behavior of leaders to followers and their environment. Leaders are a source of inspiration and role models for followers because they have integrity and are more concerned with organizational interests than their personal interests. In addition, transformational leadership behaviors provide emotional and instrumental support and provide intellectual stimulation to followers to learn and understand the target of work to be done and implicitly prepare for organizational leadership regeneration.

Transformational leaders inspire and motivate employees to display positive work behavior, psychological empowerment on the work of employees (Afsar, Badir, & Saeed, 2014).

Transactional leadership occurs when leaders reward or discipline followers, depending on the adequacy of followers' performance (Bass & Riggio, 2006). In transactional leadership, leaders based on social exchanges produce expected performance, while followers are expected to agree and obey leaders to avoid punishment (Bass & Riggio, 2006; Masa'deh et al., 2016). Transactional leadership depends on contingent reinforcement, positive contingent reward (CR) or the more negative active forms of management-by-exception (MBE-A or MBE-P). According to Yulk (2010), transactional leadership involves an exchange process that generates followers' needs for leaders' demands, but it is not possible to generate enthusiasm and commitment to task goals, as a result of transformational leadership. Transactional leadership focuses on short-term leadership, leaders want important information from subordinates who have problem solving skills (Masa'deh et al., 2016). Michel, Lyons, & Cho (2011), state that the most effective leaders are leaders who are both transformational and transactional. Transformational leadership is positively related to the outcome of followers, namely intrinsic motivation, self potential, creativity, perceptions of fairness, work involvement, performance, and positive psychological capital, while transformational leadership is related to organizational performance and leader effectiveness.

Barling (2014), the theory of authentic leadership is the theory of leadership of the new genre, rooted in transformational leadership. This theory uses a positive psychology approach. There are four components in authentic leadership, namely: (1) self awareness (2) unbiased processing of external information, (3) relational transparency, and (4) internalized moral perspective. Luthans & Avolio (2003), authentic leadership is a process of interaction between psychological capacity and the context of organizational development to create positive self-awareness and positive regulated self in leaders and followers. Henderson (2015), authentic leaders are leaders who serve, honest and

have a moral compass for their expressions and actions. Avolio & Gardner (2005), authentic leadership can make fundamental differences in organizations with increased self-awareness, build optimism, confidence and hope, promote transparent relationships and decision making that can build trust and commitment among followers; and by encouraging inclusive structures and a positive ethical climate.

Leader Competency

Leadership competencies can be grouped using three approaches, namely management competencies that depend on functional analysis of work to determine expected standards of behavior; approaches that identify effective and superior manager competency behaviors as well as organizational competencies or strategic core approaches (Bolden & Gosling, 2006). Competent leadership has values, knowledge, intellectual drive, ethics, charisma, creativity, confidence, and courage (Almatrooshi, Singh, & Sherine, 2016). Normore, Brooks, & Silva (2016), states that the core competencies of State University leaders consist of moral competence, pedagogical competence, information competence, organizational competence, economic competence, and cultural competence. The leader must also have good emotional intelligence, which reflects social and emotional competence so that he is able to adapt to his environment (Christie, Jordan, Troth, & Lawrence, 2007). Academic competence is related to the ability of State University Public Service Agency leaders to produce quality academic work. Research conducted by Spendlove (2007), shows that academic credibility and college experience, research and teaching activities and managerial roles are important factors for effective leadership in State University. Business competencies are related to the ability of leaders to get funds and the ability to build networks of cooperation with the business corporation and the industry. Managerial competencies are related to managerial activities in designing, implementing and evaluating activities that can support performance. Ethical competence is related to aspects of value management, development and moral reasoning, public and personal morality and ethical skills.

METHOD

The study was conducted on three samples of State Universities representing regions in Indonesia, namely the University of Lampung (Western Region), Sebelas Maret University (Central Region), and Gorontalo State University (Eastern Region). Sampling is based on regional considerations and the ranking of State University institutions version of the Kemristekdikti for 2015-2017. The study was conducted in twelve months, from April 2017 to March 2018. The number of respondents in this study were 370 educators and education staff from the University of Lampung (125 people), Sebelas Maret University (182 people), and Gorontalo Public University (63 people).

The compilation of a list of questions for the formulation of leadership strategies in an effort to improve the performance of the institutions of State University Public Service Agency involved 12 experts. The criteria used as experts are those who have experience in leading a State University Public Service Agency, both as the highest leader (Rector), Vice Rector, Dean and Chair of the Institute for at least one period (four years).

To develop the strategy used Analytical Hierarchy Process (AHP) developed by Saaty (1986), as a tool in decision making. Saaty (1986), describes three principles used in solving problems with explicit logical analysis underlying AHP, namely; hierarchy, determine priorities and logical consistency. The AHP model uses human perception which is considered an "expert" as the

main input. AHP also tests consistency of assessment, if there is a deviation that is too far from a consistently perfect value, the assessment needs to be corrected or the hierarchy must be restructured. The acceptable level of inconsistency is less than 10 percent (0.1). If the value of the Consistency Ratio (RK) ≤ 0.1 (10 percent), then the results of the preference ratio are consistent and vice versa if $RK > 0.1$ (10 percent), then the results of the preference comparison are inconsistent. If it is not consistent, then there are two choices, namely repeating the comparison of preferences or doing the autocorrecting process.

There are three principles for solving problems, namely (Saaty, 1986) : (1) the principle of decomposition, the principle of decomposition in the hierarchy to capture the basic elements of the problem (2) comparative judgment, is used to prepare a paired comparison matrix of the relative importance of the elements in the second level with respect to the overall objectives of the first level and (3) synthesis of priorities, priority synthesized from the second level down by multiplying local priority of their corresponding criterion, this gives the composite or global priority of that element which is then used to weight the local priorities of elements in the level below compared by its criterion.

For various problems, a scale of 1 to 9 is the best scale in expressing opinions, according to the value and definition of qualitative opinions from the Saaty comparison scale which can be seen in Table 1.

Table 1. Paired comparison rating scale

Intensity of Interest	Information
1	Both elements are equally important
3	One element is a little more important than the other elements
5	One element is more important than the other
7	One element is clearly more important than other elements
9	One element is absolutely important than the other elements
2,4,6,8	Values between two values of adjacent considerations

If an element is compared to itself, it is given a value of 1. If the element i (Ai) is compared to element j (Aj) gets a certain value, then Aj compared to Ai is the opposite.

The preparation of hierarchy in this study begins with the focus of the problem, namely formulating the State University Public Service Agency leadership system development strategy in

improving institutional performance. After that determine the factors, actors, goals and strategies. The first hierarchy is the factors that influence the leadership development system of State University Public Service Agency are: (a) Clarity of mandate and regulation of leadership, (b) Leader competency; (c) Leader behavior, d) A credible, fair and transparent leader selection mechanism; (e) Clarity of leader performance indicators; (f) Stakeholder support for leaders.

The second hierarchy is the actor who plays a role in the development of the State University Public Service Agency leadership system are: (a) Government, (b) Leaders of State University Public Service Agency, (c) Internal stakeholders, (d) Users, (e) Alumni, (f) Donors. The third hierarchy is the goal to be achieved in the development of the State University Public Service Agency leadership system are: (a) Quality of students, (b) Quality of graduates, (c) Quality of publications, (d) Quality of service, (e) Quality of innovation. The fourth hierarchy is an alternative strategy that can be carried out in developing a leadership system in improving institutional performance: (a) Improving the quality of infrastructure for learning and research facilities, (b) Strengthening mutually beneficial collaboration networks with external stakeholders, (c) Improving qualifications internal stakeholders, (d) Increased competency, career and internal stakeholder satisfaction, (e) Improved quality of institutional governance through international accreditation and certification, (f) Intensification and extensification of funding sources.

RESULT AND DISCUSSION

The State University Public Service Agency leadership development strategy analysis involves resource persons consisting of twelve experts who have expertise and experience in managing State University Public Service Agency. In-depth

interviews with experts were conducted to formulate several important aspects in determining the priority of strategies in the development of State University Public Service Agency leadership. AHP technique is used for setting priority strategies.

The main factors that influence the leadership strategy are clarity of mandate and leadership regulation; leader competency; leader behavior; credible, fair and transparent election mechanism; clarity of leadership performance indicators; stakeholder support for leaders. Of the six factors mentioned above, the first priority is the competency of leaders with a weight value of 0.268. This priority shows that the competency aspect must be a concern in the State University Public Service Agency leadership model. Leadership development through increasing competence is absolutely necessary, given the dynamics of change that occurs so quickly with various demands and challenges. Leadership competencies will determine the agility of the organization in optimizing its potential resources and capturing opportunities and building collaboration with stakeholders to accelerate achievement of goals. The second priority is the mechanism of selecting credible leaders who are fair and transparent, with a weighting value of 0.244. The next concern is how to produce leaders who are strong and able to move the organization through a credible, fair and transparent selection mechanism. The selection of leaders must be "clean" of various interests and conflicts that can disrupt the performance of the organization. The main objective is to choose the best person who can continue, improve and improve the performance that has been achieved and bring the organization to achieve its stated vision, mission and goals. Details of the weight values of each factor with a consistency ratio of 0.00, meaning that the assessment is consistent because it is below 0.10, seen in Table 2.

Table 2. Weight and Goal Priorities based on Factors

Factor	Value	Priority
Clarity of Mandate and Leadership Regulation	0,229	3
Leader Competence	0,268	1
Leader Behavior	0,114	4
Credible, Fair and Transparent Leader Selection Mechanism	0,244	2
Clarity of Leader Performance Indicators	0,093	5
Stakeholder Support for Leaders	0,052	6

The next hierarchy is an actor who plays a role in the development of the State University Public Service Agency leadership system. Actors whose role consists of: government; leader of the State University Public Service Agency; Internal stakeholders: lecturers and educators; users: business world and industry; alumni and donor agencies. The six actors will be compared based on influencing factors. In the factor of clarity of mandate and regulation, the first priority actors were State University Public Service Agency leaders with a weight of 3.19 and the second priority was internal stakeholders with a weight of 2.49. This shows that the leaders of State University Public Service Agency and internal stakeholders must propose to the government related to the mandate and regulation in accordance with the needs and potential of the institution. The ratio consistency value for this ratio is 0.01 (consistent). In the leader competency factor, the first priority actor was the leader of the State University Public Service Agency with a weight of 0.434 and the second priority was the internal stakeholders weighing 0.197. This means that the two actors are the main pillars in increasing the competence of leaders in facing the challenges of dynamic change. Value consistency ratio for this ratio of 0.02 (consistent). As for leader

behavior factors, the first priority actor is the government weighing 0.326 and the second priority is the leader of the State University Public Service Agency with a weight of 0.305. This means that the two actors have a very important role in building leader behavior in accordance with institutional needs. The value of the consistency ratio for this ratio is 0.03 (consistent).

In the factor of the credible, fair and transparent leader election mechanism, the actor who plays an important role is the government weighing 0.520 and the second priority is the leader of the State University Public Service Agency with a weight of 0.173. This means that the creation of an electoral mechanism that can produce quality leaders is very dependent on both actors, especially the government that is very dominating with a weight value of more than 0.50. Value consistency ratio for this ratio of 0.05 (consistent). On both factors, the government and internal stakeholders alternately become actors with the first and second priorities. The combined matrix of comparisons between actors based on factors that influence putting the government into an actor with the first priority, followed by leaders of State University Public Service Agency, internal stakeholders, alumni, users and donor institutions, as shown in Table 3.

Table 3. Actor Weight and Priority Values based on Factors

No	Actor /Factor	Clarity of Mandate and Leadership Regulation	Leader Competency	Leader Behavior	Credible, Fair and Transparent Leader Selection Mechanism	Clarity of Leader Performance Indicators	Stakeholder Support for Leaders	Mean	Priority
		CR= 0.01	CR= 0.02	CR= 0.03	CR= 0.05	CR= 0.02	CR=0.03		
1	Government	0.205	0.165	0.326	0.520	0.340	0.198	0.292	1
2	Leader of the Higher Education Public Service Agency	0.319	0.434	0.305	0.173	0.167	0.089	0.248	2
3	Internal Stakeholders: Lecturers and Educators	0.249	0.197	0.168	0.157	0.252	0.256	0.213	3
4	User: Business/ industry	0.095	0.072	0.067	0.050	0.093	0.155	0.089	5
5	Alumni	0.084	0.071	0.078	0.060	0.087	0.173	0.092	4
6	Donor Institution	0.048	0.061	0.057	0.040	0.061	0.130	0.066	6

The objective of the State University Public Service Agency leadership system development strategy that became the next hierarchy was to improve student quality, graduate quality, publication quality, service quality and quality of innovation. Based on the average value of comparison of objectives based on the actors acting, the first priority is the quality of graduates with an average weight value of 0.392. This means that the State University Public Service Agency institutions are still focused on education and teaching activities to produce quality graduates. All actors place the quality of graduates as the first priority. While the second priority for the objectives achieved is the quality of publications.

The average weight of the values at this destination is 0.196. Improving the quality of publications is an important aspect for State University Public Service Agency after producing quality graduates. In the second priority there are three actors who place the quality of innovation, namely Users (business and industry), alumni and donor institutions. The three actors considered the quality of innovation more important than the quality of publication. Whereas the next priority respectively based on the average weight value is; quality of innovation, quality of students and quality of service. Consistency comparison ratio of all objectives based on actors below 0.1 which shows a consistent overall assessment, as shown in Table 4.

Table 4. Weight and Goal Priorities Based on Actor

No	Goals / Actors	Government	Leader of Higher Education Public Service Agency	Internal Stakeholders: Lecturers and Educators	User: Business/ Industri	Alumni	Donor Institution	Mean	Priority
		CR= 0.00	CR= 0.04	CR= 0.02	CR= 0.01	CR= 0.02	CR= 0.01		
1	Quality of students	0.174	0.143	0.202	0.093	0.135	0.071	0.136	4
2	Quality of Graduates	0.420	0.325	0.343	0.424	0.417	0.424	0.392	1
3	Quality of Publication	0.206	0.289	0.239	0.155	0.117	0.168	0.196	2
4	Service Quality	0.099	0.137	0.120	0.130	0.139	0.123	0.125	5
5	Quality of Innovation	0.102	0.106	0.096	0.199	0.191	0.215	0.152	3

The alternative strategies obtained from the results of in-depth interviews are: improving the quality of learning and research sarpras infrastructure; strengthen cooperation networks that benefit each other with external stakeholders; increasing the qualifications of internal stakeholders; increasing competence, career and internal stakeholder satisfaction; improving the quality of institutional governance through

international accreditation and certification; intensification and extensification of funding sources. The six strategies are arranged as an alternative effort to achieve goals. The three main priority objectives are the quality of graduates, quality of publication and quality of innovation. The priority of the development strategy of the State University Public Service Agency leadership system is shown in Table 5.

Table 5. Weight and Priority Development Strategy

No	Factor	Value	Priority
1	Infrastructure Quality Improvement Learning and Research Facilities and Infrastructure	0,218	1
2	Strengthening Collaborative Networks that Benefit with External Stakeholders	0,141	4
3	Increasing the Qualifications of Internal Stakeholders	0,201	2
4	Competency Enhancement, Career and Internal Stakeholder Satisfaction	0,177	3
5	Improving the Quality of Institutional Governance through International Accreditation and Certification	0,129	6
6	Intensification and Extensification of Funding Sources	0,133	5

The result of strategy synthesis according to expert opinion is to improve the quality of learning and research facilities as the main priority of the strategy with a weight of 0.218. Improving the quality of learning has an impact on improving the quality of graduates produced. Learning facilities owned by State University Public Service Agency are still inadequate. Especially with the demands on the quality of graduates who can compete globally and adaptively and flexibly to the dynamics of change, demanding revitalization of the facilities that support learning. Gardiner et al., (2017), suggested State University like other fields was being disrupted by the emergence of the Massive Online Open Course (MOOC) as a result of the development of the digital world. The State University Public Service Agency must renew the curriculum and learning tools including information and communication technology support as a means of supporting learning, so that the graduates produced do not lag behind their competencies with other State University graduates. Improving the quality of facilities and infrastructure supporting research is also needed to produce quality research and ultimately produce quality publications and innovations. Provision of laboratory equipment and research supporting materials must be the concern of the State

University Public Service Agency leaders. Although it has not yet become a research university, the development of superior and unique research infrastructure facilities is a priority and a key feature for the institution.

The second priority of the strategy is to increase the qualifications of internal stakeholders, namely lecturers and education staff, weighing 0.201. The quality of State University cannot be separated from the quality of lecturers and will determine the quality of graduates and the research produced by the State University. One effort to improve the quality of lecturers is to improve the qualifications of lecturers. Until now, most lecturers at State University Public Service Agency still have master's degrees. Improvement of qualifications can be done by sending lecturers to take further studies into doctoral programs with various efforts such as scholarships and cooperation with State University, both at home and abroad. The leader of the State University Public Service Agency must make a lecturer development plan based on the potential and uniqueness of the institution's superiority. In addition to lecturers, education staff also need to improve their qualifications in order to support learning and research activities carried out by lecturers. Education staff such as educational laboratory institutions, technicians, engineers,

librarians and others can be given the opportunity to continue their education so that they can provide support for efforts to improve the quality of graduates, quality of publications and the quality of innovation and other goals.

Competency, career advancement and lecturer and education staff satisfaction are the third strategic priority, weighing 0.177. Increasing the competence of human resources is one of the main focuses to increase capacity in supporting the achievement of goals. This development can involve and collaborate with other parties, in order to provide color and experience for lecturers and education staff. Increasing the competence of lecturers and education staff can be done by sending them to trainings or by participating in internships or internships at other universities or in the business and industry. The development of the lecturers' and education staff's careers also needs the attention of the State University Public Service Agency leaders. Career development is based on the contribution and performance that have been given by the lecturer and education staff to achieve the goals. State University Public Service Agency leaders can develop a merit system for the management of human capital owned. The merit system combines several important aspects such as; performance appraisal, compensation checks, career advancement and education design and training for lecturers and education staff. In addition, job satisfaction also needs attention. Leaders can develop formal and informal dialogues

to know and understand the expectations of lecturers and education staff. Building a pleasant working atmosphere and paying attention to the well-being of lecturers and education staff can have an impact on harmonious relationships and the resulting performance.

Furthermore, the strategy priorities are successively strengthening cooperation networks that benefit each other at the level of external interests, weighing 0.141. Then intensification and extensification of funding sources, weighing 0.133. The final strategy of this study is to improve the quality of institutional governance through international accreditation and certification with a weight of 0.129. Strengthening networks in order to build collaborations that provide mutual benefits is very important to be done by the leaders of State University Public Service Agency. This network can be combined with the triple helix collaboration concept involving The State University, business / industry and government or even quadruple helix by involving the community. Intensification and extensification of funding by building communication and trust from donor and philanthropic institutions that can help with institutional funding. Strategies to improve the quality of institutional governance through international accreditation and certification in order to align institutions at the international level and facilitate graduates to find jobs in global companies. The hierarchical structure of focus, factors, actors, goals and strategies can be seen in Figure 1.

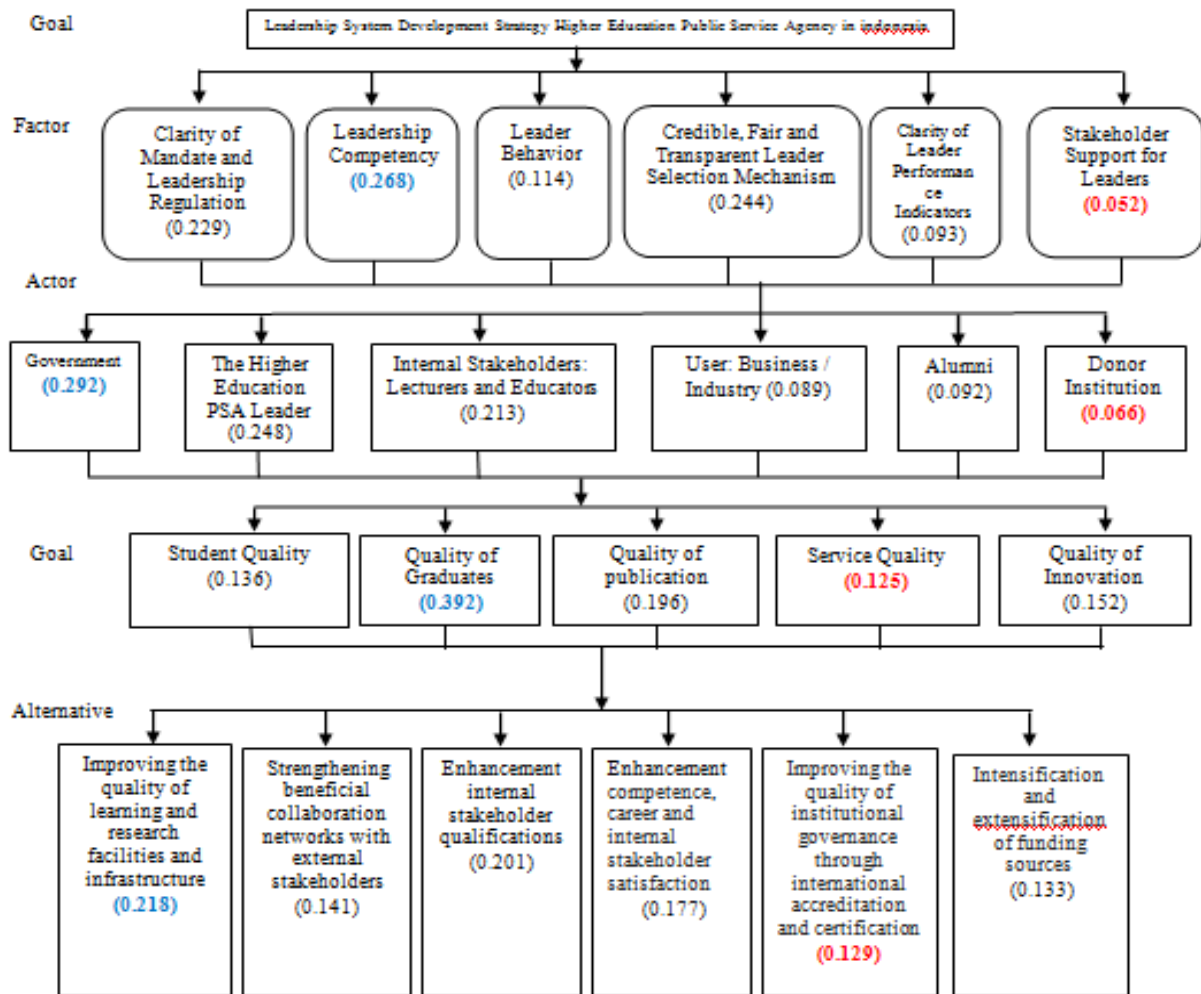


Figure 1. Hierarchy of The State University Public Service Agency Leadership System Development Model

The results of the sensitivity analysis in Figure 1, when the leader competency factor is improved, the factor of clarity of leadership mandate and regulation, leader behavior, credible, fair and transparent leader selection mechanism, clarity of leader performance indicators and stakeholder support for the leader are decreased. Based on the dynamic graph of sensitivity, when the leader competency factor increases or decreases the strategy for improving the quality of sarpras infrastructure learning and research, Strengthens the mutually beneficial collaboration network with external stakeholders, Improves the quality of internal stakeholders, Increases career competencies and internal stakeholder satisfaction, Quality improvement Institutional governance through international accreditation and certification, Intensification and extensification of

funding sources does not significantly influence the increase or decrease in the percentage. Similarly, if there is a change in the increase or decrease in other factors does not affect the strategy that has been set.

Institutional performance is the ultimate goal of the leadership model built. The leader selection sub-system aims to produce leaders who are strong and able to move followers to contribute to achieving performance. The leadership development sub system aims to improve the capacity and capability of leaders and ranks in carrying out roles, tasks and functions in an effort to achieve performance. Then the performance evaluation subsystem aims to ensure performance achievement and become one measure of the effectiveness of the leadership model. Leadership performance based on the order of priority goals in the AHP is the quality of graduates, quality of

publication and quality of innovation. Achieving these qualities reflects the continuous improvement of each period of leadership. Evaluation of leadership performance can also be used as the basis for a leader who intends to continue the second period of leadership or return to the election of leaders.

Leadership performance evaluation is carried out by several institutions. The Ministry of Research, Technology and State University (MoRHE) is an institution that has the most interest in performance, some criteria that are used as a measure of performance assessment and ranking of The State University are human resources, institutions, student affairs, research and community service and innovation. The performance appraisal carried out has not been directed at achieving key performance indicators in accordance with the mandate and mission as well as contributing to the achievement of the performance of the The Ministry of Research, Technology and State University (MoRHE).

The leader of the the State University Public Service Agency needs to also consistently carry out continuous performance evaluations for the academic implementation unit that oversees the lecturer and administrative service unit that oversees the education staff. Determination of performance targets is determined by the signing of a performance agreement with unit leaders and unit leaders with each lecturer and education staff personal. Performance assessment is based on performance targets that have been signed and carried out periodically to detect the possibility of not achieving the target. It is necessary to develop a merit system that can spur performance and provide opportunities for units and individuals to compete to achieve optimal performance.

CONCLUSION

This study was conducted to improve the performance of the State University Public Service Agency in Indonesia. The strategy of the leadership of the State University Public Service Agency can be implemented by integrating a system of leader selection, leadership development and evaluation of leadership performance. Implementation of the three systems requires support from internal and

external parties. The priority strategies that can be done are improving the quality of learning and research infrastructure, increasing the qualifications of internal stakeholders, namely lecturers and education personnel. Increasing the competence, career, and satisfaction of lecturers and education personnel, strengthening the network of cooperation that mutually benefits stakeholders, intensification, and extensification of funding sources and improving the quality of institutional governance through international accreditation and certification. Whereas the priority objectives that can be measured are the quality of graduates, quality of publications, quality of innovation, quality of students and quality of service. Suggestions for leadership strategies of the State University Public Service Agency in achieving institutional performance, among others, need to be assessed before the selection process as a consideration to determine the suitability of prospective leaders and the need for an agreement and commitment to follow up on the evaluation results and feedback to improve institutional performance

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