ISECE 2010

International Seminar on Economic, Culture and Environment
The University of Mataram, Indonesia, 11-13 November 2010

Book of
PROGRAM & ABSTRACT

PT Newmont
Nusa Tenggara

III. PARALLEL SESSIONS

Parallel Sessions	Environment A (Sustainable Agriculture) Mod : Dr. Herman Suheri Venue : Bima 1	Environment B (Green Technology) Mod : Dr.M. Taufik Fauzi Venue : Bima 2	Environment C (Biodiversity and Climate Change) Mod : Dr. Yusron Sa'adi Venue : Bima 3	Economics A Mod : Dr. Hermanto Venue : Nakula	Prospect Economics Mod : Prof. Dr. I Made Sudarma Vanue : Sadewa	Culture Mod: Edy Syahrial, M.Sc Venue: Arjuna
16.00-16.10	ENV-01	ENV-13	ENV-25	ECN-01	ECN-14	CUL-01
16.10-16.20	ENV-02	ENV-14	ENV-26	ECN-02	ECN-15	CUL-02
16.20-16.30	ENV-03	ENV-15	ENV-27	ECN-03	ECN-16	CUL-03
16.30-16.40	ENV-04	ENV-16	ENV-28	ECN-04	ECN-17	CUL-04
16.40-16.50	ENV-05	ENV-17	ENV-29	ECN-05	ECN-18	CUL-05
16.50-17.00	ENV-06	ENV-18	ENV-30	ECN-06	ECN-19	CUL-06
17.10-17.20	ENV-07	ENV-19	ENV-31	ECN-07	ECN-20	CUL-07
17.20-17.30	ENV-08	ENV-20	ENV-32	ECN-08	ECN-21	CUL-08
17.30-17.40	ENV-09	ENV-21	ENV-33	ECN-09	ECN-22	CUL-09
17.40-17.50	ENV-10	ENV-22	ENV-34	ECN-10	ECN-23	CUL-10
17.50-18.00	ENV-11	ENV-23	ENV-35	ECN-11	ECN-24	CUL-11
18.00-18.10	ENV-12	ENV-24	ENV-36	ECN-12	ECN-25	CUL-12
18.10-18.20	ENV-37	ENV-38		ECN-13		CUL-13
18.20-19.00	Break					

19.00-22.00	Gala Dinner and Closing Ceremony	Venue
19.00-20.00	Dinner	Nusantara Restaurant
20.00-20.05	Opening	
20.05-20.20	Opening performance	
20.15-20.45	Special Speech (Newmont)	
20.45-21.00	Summary and Recommendation	
21.00-21.05	Closing Speech by Rector of Mataram University	

END OF DAY TWO

Accountability Study on Higher Education Institution in Improving Organization Culture

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Abstract
Globalization brings forth closer relationships and competitions between countries. Education world remains important to socialize and introduce the new era to peoples and prepares them to face new challenges produced by this inevitable event. There are indications that many educational institutions in this country experience difficulties to survive in this world competition. The further impact of the education system's failure begins to affects the peoples. They are uncomfortable and not ready to this new society, competition, culture particularly work culture that implies on the importance of excellence, quality, professionalism, etc. This paper tries to examine methods to increase organization culture in local higher education institutions. Accountability is assumed to have positive impact in establishing better education institutions. Government has actually requested this accountability in all public and private organization but until this day the progress is unsatisfactory. This country used to live without accountability and it has become a culture and tradition in all area of daily life including the workplace. This research tries to examine various elements of accountability in all areas of higher education institutions that affect organization culture and further, the impact of good organization culture to other areas as well. The studies take aim of several public higher education institutions in Bandung. The end result shows that accountability in several areas such as leadership, management capacity, etc have positive effect to organization culture and overall it will affect lecturer, learning process, and graduate's quality.
Keywords: Accountability, higher education institutions, culture, quality

1   Introduction

In this globalization era the distance between countries are getting closer. This event has made the cooperation and competition level between countries increased. This is a strong reason for countries across the world to accelerate their development and repair all aspects of their nation life especially their economic development and competitiveness. Education world is the most effective media to socialize this global message and to prepare the human resources with high quality, competitive and with global perspective. There are various responses due to globalization events such as free trade area establishment. Most of our people are worried and frightened about it. This is understandable remembering that there are indications that our competitiveness level is still low compared to others. This is reflected in our educational institutions that experience difficulties in competing in global level. This is also happened to our higher education institutions. The researcher views that the organization culture owned by many higher education institutions in this country are not yet at the level of international organization culture. Cultures like excellence, quality culture, time management, work professionalism, and other culture needed to compete at global level are still low. Actually our country started to focus on accountability application to all

organization in this country public and private. Accountability application and management on all higher educational institutions in this country hopefully will increase the current organization culture to a better one and eventually will resulted in quality improvement in all aspect of higher education institution life and further will affect the quality of graduates. Education world improvement will eventually improve workplace and the nation itself.

In this research, the researcher examines some private higher education institutions. The reason is because they are an independent organization that expected to be managed professionally with minimum aid from the government. The other reason is because there are indications that they experience difficulties that force them to improve their quality in the middle of national, regional and global competition. One of their nearest competitors comes from public higher education institution. Nowadays public higher education institutions receive aids from the government and allowed to search for their own funds as well. This policy will increase their quality and make them at direct competition with their private counterpart to get potential students. This competition is not the only difficulties experienced by private higher education. The increasing number of the private higher education institution itself intensifies existing competition. The increasing number of private higher education institution (150 in 1995, to ± 491 in 2010) in *Kopertis IV* area, the establishment of foreign higher education institution, and the increasing of capacity in public higher education institutions also increase the competition and resulted in more supply than demand. Almost all private higher education institution felt the impact of this competition which can be seen from the diminishing of their student every year. The result is that almost thirty to forty percent of private higher education institutions in Indonesia are on their track of bankruptcy.

In this heavy competition, quality improvement is unavoidable. They have to do it in order to exist, to compete and to gain trust from society. New paradigm of higher education management emphasizes the importance of institution autonomy based on accountability. In a healthy higher education institution, the recognition and awareness of accountability will emerge from the needs of higher education institution to answer the demand of stakeholders.

In order to guarantee accountability in higher education institutions management, the education board of Indonesia/*Dirjen Dikti* through SK No 184/u/2001 on November 23rd 2001, perform control, guidance and monitoring act for higher education by using:

1) Main Development Plan/*Rencana Induk Pengembangan* (RIP)
2) Strategic Plan
3) Curriculum
4) Lecturer
5) Future student
6) Facilities
7) Education performing
8) Research
9) Social work and public services
10) Cooperation
11) Funding and administration programs
12) Report on teaching learning process

In 2008 Institution accreditation includes 7 standards of:

1) Vision and mission
2) Governance and leadership
3) Students and graduates bodies
4) Human resources
5) Education, research and social work/public services
6) Funding and facilities
7) Quality assurance systems and information management.

This paper tries to examine element like leadership and other elements that is indicated to have influence and positive effect to organization culture which is located in management capacity, and the effect of organization culture to the other areas of higher education institution such as faculty qualified performance, effective learning process, quality graduate, and the whole institution as an integration system.

2   Theory

2.1   Organization Culture

Culture is the way used by a group of people to view everything around them, to settle certain problems, to do and finish their work, etc. Engkoswara (2007:12) said that culture on wide perspective is a system of value in various dimension of life that works for several periods to the future as a result and guidance to life and to act. We can simply said that organization culture is a culture that exist in organization level. And there are several similarities between culture and organization culture. Stupak (2007) said an interesting idea about organization culture. He said that organization has more similarities with a nation, clan or tribes rather than rational units, mechanics entity or a set of knowledge management.

Shein (1985:114) saw organization culture as a set of basic assumptions that is found and developed by a group of people as a way that is already proved to be successfully works to solve various external adaptation and internal integration problems. These methods will be taught to new members as the right ways to think and to feel about certain problems. Moorhead and Griffins (1992) said that organization culture is a set of value that is accepted as the correct value to aid someone in organization to understand which actions is acceptable and which one is not. These values will be socialized through stories, and other symbolic means.

There are several ways a culture can be created in an organization whether it through leadership, learning process, and adaptation result, etc. Actually organization culture is a resources and energy source that can be treated as a power and chance to strengthen organization. The real problems are how to use and develop it at the right proportion. The complexity of surrounding environment that influences the organization culture, is actually a chance to managers to do a renewal and performance improvement to a company or organization.

Since we know that organization culture plays important roles in organization improvement, the leaders should tries to strengthen their organization cultures. The management needs to create an organization culture that develop positive working behavior, high commitment, and positive work satisfaction that reflect employee engagement which eventually will contributes in improving management performance. Management could also develop the underdeveloped cultures that already exist in Indonesian workers. Engkoswara (2007:61) said that there are 10 characteristic of Indonesian people divided in three major groups:

- Main characteristic: healthy, faith and obedience, great understandable, patriotic, tough and discipline.
- Profession characteristic: smart, productive and professional
- Addition characteristic: creativity.

The effort to resurrects and develops the cultures already exist in Indonesian workers and the creation of new positive organization culture hopefully will build the organizations and institutions across this nation to be a more competitive one.

2.2   Accountability

Trow (196:310) defines accountability as a responsibility to give report to others, to justify, answering several question about how resources given being used and what is the result/outcome. In higher education institution context, Cambell and Rozanyai (2002) define accountability as a guarantee/assurance from a unit to its stakeholders that they have provided good quality of education. In those many statements it can be concluded that

accountability is an action to give an answer, responsibility and explain the performance of a leader or institution to the authority that has the right to ask and receive explanation.

Trow (1996) in Carrie and Huisman (2004) said that the function of accountability is at first as a limitation of an absolute power. This will decrease the possibility of someone to do fraught and manipulation and at the other side it will strengthen the legitimate of various institution that give reports to certain groups. Second, accountability is claimed to have the capability to maintain and even improve performance quality by forcing the involved parties to do a checking and correction of their activity and operation critically and make all those action visible to outsiders. Third, accountability can be used as a set of regulation through various report and standard. The institutions that give report have to obey this regulation.

Educational accountability can be seen as a form of obligation from the education board to be responsible for any success and failure that can be happen in a process of education. In a teaching learning context, we should improve accountability in order create an optimal and effective teaching learning process and to improve quality graduate.

According to Brown (2003) in Bober (2004), accountability includes:

- Leadership. Explore how senior leaders obey and utilize organization values, several clues, and various performance expectations. Leadership also explore how leaders focus themselves to students and stakeholder, to organizational learning and innovation.
- Strategic planning, examines how organization develop and utilize various strategic goals and planning, measure their quality, and their effectiveness.
- Students, stakeholders, and market focus became the target of how organization set their standards, hopes, and their constituent choice; build relation with them; and explore various key factors that will lead them to customer satisfaction, and eternity.
- Information and analysis that focused on various management information systems and organization performance assessment systems – especially about how the data produced by these systems has been analyzed.
- Focus on faculty and staffs; examine the approaches used by organization in order to motivate their staffs and faculties to improve their full potential and maintain or build a positive work environment that adopt values of excellence performance and growth.
- Process management; examine various key aspects from organization strategies in order to maintain all vital workflow (student service, student aid, instructional planning, etc)
- Various organizational performance results, explore various results connected with student learning process, funding (budget, market), operational effectiveness, and compare them to key competitors' performance level.

To achieve maximum result, accountability needed to be applied in whole organization areas in order to support each other positively.

3   Research Method

The main point of this research is accountability focused in accountability focused in leadership, management capacity, faculty performance, and effective learning. One of the elements in management capacity letg is organization culture. There is an indication that organization culture is affected by leadership and various aspects in management capacity. There is also an indication that organization culture in management capacity will affect faculty qualified performance and teaching learning process. These elements assumed as key factors that need improvement in order to create a better organization.

This research is non-experimental research. Kusnendi (2007:37) defines it as a research where the researcher is unable to directly control and manipulate research's object. The goals set for this research is to achieve a clear picture and characteristic of variabels and to find the causes of the results. This research can be included in descriptive research.

This research use explanatory survey method to explain the connection between variables which is leadership, management capacity, faculty performance and effective learning. Researcher uses this method to show the empiric fact met at the field and to analyze the effect of one element to another element. This research use quantitative approach and analyze the information using structural equation method.

In this research several variables was determined to be independent variables and dependent variables:

1. Visionary, response capacity, alertness, smart, leadership capacity are independent variables that affect leadership as dependent variables.
2. Quality of human resources, professionalism, desirable organization culture, adequacy of management information systems, system of incentive, financial policy are independent variables that affect management capacity as dependent variables
3. Education, research, community/public services, administrative task and advisement are independent variables that affect faculty quality performance as dependent variables
4. Relevancy of curriculum, effective learning process, effective and efficiency resources, effectiveness of quality assurance, and quality graduate are independent variables that affect effective learning as dependent variables.

All of the variables will be explained further to variables, sub-variables, indicator and data scale.

4 Research Analyses

Individual test are used for test of significance the results collected. The individual test uses AMOS program and uses critical ratio.
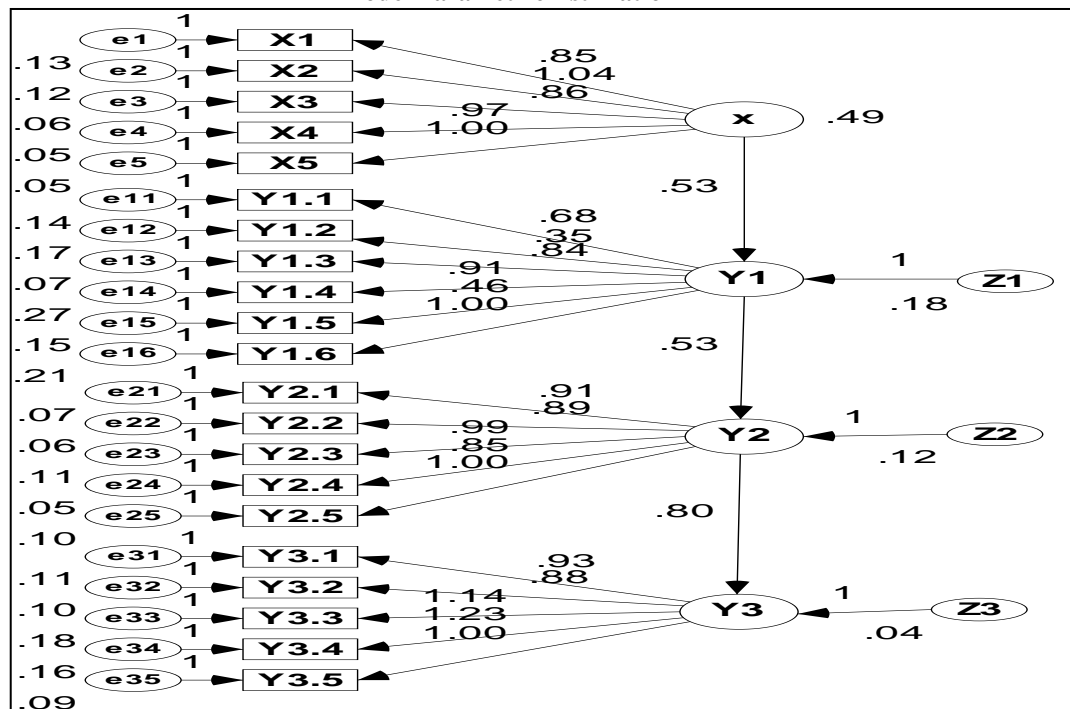
Result of the research:

- Strategic component and accountability of leadership in higher education institutions are capable to create management capacity and have significant effect (43.1%)
- Leadership of higher education institution is affected positively and significantly by visionary (0.861), response capacity (0.906), alertness (0.928), smart (0.948), and leadership capacity (0.950)
- Management capacity is affected positively and significantly by quality of human resources (0.716), professionalism (0.439), desirable organization culture (0.873), adequacy of management information systems (0.709), system of incentive (0.565) and financial policy (0.777)
- The variance in faculty qualified performance affected positively by management capacity but not affected directly by leadership. The effect of management capacity is 42.6%. The affect of leadership to faculty quality performance is leadership$\rightarrow$ management capacity$\rightarrow$ faculty qualified performance = (0.533)(0.532)=0.283
- Faculty qualified performance in higher education institution is affected positively and significantly by education (0.846), research (0.852), community/public services (0.808), administrative task (0.861), and advisement (0.826).
- The variance in effective learning is directly affected by faculty qualified performance but not affected directly by leadership and management capacity. Faculty qualified

performance effect to learning process is 76.5% the rest of it was unexplainable by the models. The effect of leadership to effective learning is leadership→ management capacity→ faculty qualified performance→ effective learning = (0.533)(0.532)(90.796)=0.225

- Effective learning is affected positively and significantly by relevancy of curriculum (0.761), effective learning process (0.763), effective and efficiency resources (0.752), effectiveness of quality resources (0.793), quality graduate (0.815).

Picture 1
Model Parametric Estimation

From the research's results we know that accountability improvement in desirable organization culture eventually will cause a positive and direct effect to management capacity and faculty qualified performance in the higher education institution and indirectly will affect the whole institution. This is a good prove of the importance of good organization culture especially to support faculty and staffs performance.

The research's results also show that leadership give large influence to management capacity including organization culture. It means a good and accountable leadership is amust to start and create a good organization culture.

5   Conclusion

- Organization culture serves as a miniature model of a nation culture. This includes how someone or some people think about something, feel about something, how they do their job and activity, the values existed and honored. This culture eventually will affect directly or indirectly to the success of an organization. This is the reason to review and redevelop organization culture to achieve high competitiveness.
- In order to develop an organization including the organization culture existed, there is a need of demand, control, and good response. All of these efforts are needed in order to push the organization to establish accountability forms to answer all of the demands,

- hopes, and expectations and to fulfill the good standards required to survive in local, regional, and global competition.
- Leadership has a positive and significant effect to management capacity including organizational culture. We need to improve this leadership through education, training, and advisement to make a leader who is capable to do various important activities such as directing, coordinating, managing, motivating, quick and accurate decision making, etc.
- Good and accountable organization culture will eventually affect employees, management, and faculty qualified performance which later on will affect teaching learning process and quality graduate. If accountability applied thoroughly in higher education institution, it will repair and improve the institution quality and competitiveness.
- Higher education institutions have to had a adequate management capacity and planning capacity. Healthy institution can only be created through healthy systems (including healthy organizational culture). This will systematically create a proactive approach to manage every institution constituent in order to establish an effective and efficient institution with clear rights, obligations and accountability.
- Development in faculty qualified performance is a must since it is a strategic requirement to perform quality in a higher education institution. It will also provide the institution a special place between the other institutions.
- Recently the organization cultures of Indonesia are incapable to compete with worker and organization culture of other countries for example in time management competency, in efficiency, etc. Accountability in management capacity is the answer for these problems to take our culture to globally competitive culture and to survive in this heated competition.

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