



Anticipating Global Business Challenges and Opportunities: The Need to Redesign New Performance Indicators within Balanced Scorecard Framework for Higher Education Institutions in Indonesia

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Abstract :

Indonesian universities have implemented performance evaluation by using quality assurance. Both internal and external audit are carried out periodically. For internal quality assurance, the universities have quality assurance and audit unit. For external, there is a national accreditation board (BAN-PT) that evaluates study program/department and institutions. This study investigates the readiness of Indonesian higher education institution in anticipating global business challenges and opportunities. Second, this study explores the implementation of balanced scorecard performance indicators. For Indonesian context, this study propose new balanced scorecard concept that combines balanced scorecard and Indonesian education quality standard.

By using the descriptive analysis of top ten universities 4ICU and Webometrics ranking, the findings are as follows. First, the Indonesia top ten universities are also ranked as excellent (A) for their national accreditation. This reflects that to be able to have international recognition, the Indonesia universities need to improve themselves by fulfilling the national accreditation standard. Second, to compete, the universities should apply the new balanced scorecard by using the national quality standard as performance indicators. Third, the author also proposes a new concept of higher education management which called as accreditation based strategic management.

ANTICIPATING GLOBAL BUSINESS CHALLENGES AND OPPORTUNITIES

In a world economic system that is fast shifting towards a knowledge-intensive economy, the need to develop higher education is an important element for a country's survival. Universities need to produce or adapt new knowledge to ensure their relevance to the prosperity and well-being of society. The impact and consequences of globalization and deregulation of the service sectors with respect to higher education need to be cautiously and carefully assessed. The high demand for higher education and the possible negative aspects of the "marketization" of higher education could be catastrophic and further alienate the poor. It might also destroy



the very building blocks that have been laid down for decades in reforming and improving the Indonesian higher education system.

Higher education has been facing dramatic changes over recent decades, including diversification of provision, new modes of delivery (such as distance learning and e-learning), more heterogeneous student bodies, the growing internationalisation of higher education, research and innovation are leveraging knowledge production.

Nowadays, there are at least two institutions that regularly publish the Indonesian university ranking, Webometrics and 4ICU. Webometrics uses four indicators to evaluate the popularity of higher education institutions globally: Presence (20%) by measuring the total number of webpages hosted in the main webdomain (including all the subdomains and directories) of the university as indexed by the largest commercial search engine (Google); impact (50%) by measuring the quality of the contents is evaluated through a “virtual referendum”, counting all the external inlinks that the University webdomain receives from third parties; Openness (15%) by evaluating the global effort to set up institutional research repositories is explicitly recognized in this indicator that takes into account the number of rich files (pdf, doc, docx, ppt) published in dedicated websites according to the academic search engine Google Scholar; Excellence (15%) by evaluating the academic papers published in high impact international journals are playing a very important role in the ranking of Universities.

4 International Colleges & Universities (4ICU) is an international higher education search engine and directory reviewing accredited Universities and Colleges in the world. 4icu.org includes 11,160 Colleges and Universities, ranked by web popularity, in 200 countries. The 4icu.org directory includes worldwide higher education organizations which satisfy the following requirements: are officially recognized, licensed or accredited by national or regional bodies such as ministries of education and/or recognized higher education accrediting organizations, are officially entitled to grant four-year undergraduate degrees and/or postgraduate degrees, provide traditional face-to-face learning facilities, programs and courses.

Indonesia is an emerging country that has top economy growth. Up to present, there are more than 3500 higher education institutions that provide diploma, undergraduate, master and doctoral program. To review the readiness of this country to compete globally, this research collected the top ten universities according the international ranking (webometrics and 4ICU). To equal, this research uses two popular organization that periodically rank the worldwide universities including Indonesian universities.

The publication released by 4ICU organization (July 2013) for top ten universities in Indonesia are published in table 1. These universities are known as the



popular universities in Indonesia. For comparison, Webometrics also released the top ten universities in Indonesia (July 2013). Every release has a different top ten universities. To see the rank compared to the worldwide universities, Webometrics published the 100 universities ranking as figured in Table 3 (for top ten only).

Table 1. Top Ten Universities by 4ICU Organization

Indonesian Rank	Universities/ Institutes
1	Universitas Gadjah Mada (UGM) Yogyakarta
2	Universitas Indonesia (UI)
3	Institut Teknologi Bandung (ITB)
4	Universitas Muhammadiyah Yogyakarta (UMY)
5	Universitas Kristen Petra Surabaya
6	Universitas Padjadjaran (Unpad) Bandung
7	Universitas Brawijaya (UB) Malang
8	Universitas Negeri Sebelas Maret (UNS) Surakarta
9	Universitas Diponegoro (Undip) Semarang
10	Universitas Sumatera Utara (USU).

Table 2. The Top Ten Universities by Webometrics

Indonesian Rank	Universities/ Institutes
1	Institut Teknologi Bandung (ITB)
2	Universitas Gadjah Mada (UGM)
3	Universitas Indonesia (UI)
4	Universitas Padjadjaran (Unpad)
5	Universitas Gunadharma
6	Universitas Brawijaya (UB)
7	Institut Pertanian Bogor (IPB)
8	Universitas Kristen Petra
9	Universitas Airlangga (Unair)
10	Universitas Diponegoro (Undip).



Table 3. Indonesia Rank and Worldwide Rank Universities/ Institutes

Indonesia Rank	Worldwide Rank	UNIVERSITIES/ INSTITUTES
1	440	Universitas Gadjah Mada
2	497	Institute of Technology Bandung
3	581	University of Indonesia
4	634	Gunadarma University
5	722	Brawijaya University
6	781	Diponegoro University
7	839	Bogor Agricultural University
8	848	Institut Teknologi Sepuluh Nopember
9	885	Universitas Padjadjaran
10	929	Airlangga University

From the above data, we can see that the top Indonesian universities are still out of 400 top ranks in the world. Indonesian higher education should take comprehensive program in order to compete internationally and leap in quality. The question is why internationally Indonesian higher education is still behind the other countries. One of possible explanations is the consistency to use uniform performance standard. National board of Education has its own standard, but most of higher education does not have similar scheme to use that standard. Most of universities just prioritize the funding from students to operate. They also still use the traditional management approach. If they are aware with the quality standard, they should also use balanced performance indicators. To elaborate the balanced performance indicators introduced by the Board of National Education Standard, we can see the below information.

NATIONAL STANDARD AND ACCREDITATION

Indonesia has applied the accreditation system since the end of 1990s as performance measurement system for higher education institutions. Accreditation is known as a process of deciding quality standards, and assessing and evaluating institutional performance based on the decided standards. In higher education system, institution includes higher education institution (university, institute, college, academy, polytechnic), and their study programs. It is a kind of external evaluation of related institution. These types of higher education institution have their own specific characteristics concerning their functions, management system, program contents, and student profile.

Accreditation is understood as a decision of quality standard and evaluation of an educational institution (higher education institution) by an external agency. The



criteria for higher education accreditation are varied due to the variation of interpretation of the higher education nature.

BAN-PT (National Accreditation Board-Higher Educations) adopts two accreditation models, i.e. study program accreditation, and higher education institution accreditation. The two models are conducted based on the same dimensions and standards, and focused to the same aspects. Initially, accreditation of Diploma/Undergraduate study program, Postgraduate study programs, and Institutional applied different set of standards. Since 2009, undergraduate study program and institutional accreditations all levels of study program and higher education institution apply the same accreditation standards as follows.

1. Vision, mission, objectives, aims, and attaining strategies.
2. Governance, leadership, management system, and quality assurance.
3. Student and graduate.
4. Human resource.
5. Curriculum, instruction, and academic atmosphere.
6. Finance, facilities, infrastructure, and information system.
7. Research, community service, and partnership.

The development of quality assurance system has long been initiated in Indonesia since 1996. Long before, in the year 1981, various model of quality management system were introduced in majority of Indonesian HEIs. These include introduction of quality circles, quality control, and total quality controls system. By the issuance of the National Education Act no 20, 2003, and the enactment of its derivative regulations the position of quality assurance system becomes more and more important because the existence of a QA unit is mandatory by the law. Consequently, it is mandatory for every HEIs operated in Indonesia to build its own Internal Quality Assurance System (IQA-system).

Up to the moment, despite the regulations prescribing the possibility of establishment of independent quality assurance agency for HEIs under the approval of the Minister of National Education, basically BAN-PT is the only one external quality assurance agency for HEIs operated in Indonesia. In addition, there are many private companies offering ISO 9000 series QA system to Indonesian HEIs on voluntary bases. In spite of the quality assurance system is under a massive improvement in BANPT, the orientation principally remains the same, i.e., implementation of the continuous quality improvement. The QA-system development is carried out to accommodate some progresses of QA best practices, either as consequences of BAN-PT's involvement in the ASEAN Quality Assurance Network (AQAN), Asia Pacific Quality



Network (APQN), or International Network for Quality Assurance Agencies in Higher Education (INQAAHE). BAN-PT has just introduced a new QA-system, a modification of the old system with 14 (fourteen) criteria into only 7 (seven) criteria/standards. The old 14 (fourteen) criteria/standards have been consolidated nowadays into a more systematic model adapting and combining the QA model of European Foundation of Quality Management (EFQM) and Malcolm Baldrige's model.

To elaborate whether those international recognized institutions are also get the best accreditation (C-low to A-top), table 4 shows the best university for every level in getting A score. Universitas Gunadarma is the best in getting A score for Diploma level. Universitas Gadjah Mada is the best in getting A score for undergraduate level. Institut Pertanian Bogor is the best in getting A score for graduate level. Institut Pertanian Bogor gets highest numbers in terms of A Score for doctoral level.

To investigate the best university in terms of accreditation score, we can see at table 5. Totally (diploma, undergraduate, graduate and doctoral), the top university is Institut Pertanian Bogor, Universitas Gadjah Mada, Universitas Indonesia, Institut Teknologi Bandung, Universitas Padjajaran, Universitas Brawijaya, Universitas Diponegoro, Universitas Negeri Sebelas Maret, Universitas Gunadharma, Universitas Sumatera Utara, Universitas Petra, and Universitas Muhammadiyah Yogyakarta respectively. This ranking is quite different with Webometrics and 4ICU.

Table 4. The Best University/ Institute For Getting Highest Accreditation Rank

Level	Universities/ Institutes	Rank A		Rank B		Rank C	
		Count	Percentage	Count	Percentage	Count	Percentage
Under Graduate	UniversitasGadjahMada	64	45%	12	16%	0	0%
Under Graduate	Universitas Indonesia	47	46%	17	28%	1	20%
Under Graduate	InstitutTeknologi Bandung	47	66%	17	28%	1	20%
Under Graduate	UniversitasPadjajaran	36	68%	9	21%	2	40%
Under Graduate	InstitutPertanian Bogor	35	21%	3	6%	1	13%
Under Graduate	UniversitasBrawijaya	32	60%	22	49%	4	67%



Level	Universities/ Institutes	Rank A		Rank B		Rank C	
Under Graduate	UniversitasDiponegoro	26	57%	17	36%	1	10%
Under Graduate	UniversitasNegeriSebelasMaret	22	65%	34	44%	1	11%
Under Graduate	Universitas Sumatera Utara	13	93%	35	54%	7	29%
Under Graduate	Universitas Petra	11	100%	2	67%	1	100%
Under Graduate	UniversitasGunadarma	11	79%	2	18%	0	0%
Under Graduate	UniversitasMuhammadiyah Yogyakarta	8	100%	12	75%	0	0%
Graduate	InstitutPertanian Bogor	103	61%	24	47%	2	25%
Graduate	UniversitasGadjahMada	53	37%	25	33%	2	40%
Graduate	Universitas Indonesia	34	33%	22	36%	1	20%
Graduate	InstitutTeknologi Bandung	17	24%	22	36%	1	20%
Graduate	UniversitasBrawijaya	15	28%	16	36%	1	17%
Graduate	UniversitasDiponegoro	11	24%	14	30%	3	30%
Graduate	UniversitasPadjajaran	10	19%	14	33%	0	0%
Graduate	UniversitasNegeriSebelasMaret	7	21%	19	25%	5	56%
Graduate	UniversitasGunadarma	2	14%	6	55%	0	0%
Graduate	Universitas Sumatera Utara	1	7%	19	29%	6	25%
Graduate	UniversitasMuhammadiyah Yogyakarta	0	0%	2	13%	1	100%
Graduate	Universitas Petra	0	0%	1	33%	0	0%
Doctoral	InstitutPertanian Bogor	29	17%	14	27%	0	0%
Doctoral	UniversitasGadjahMada	23	16%	20	26%	1	20%
Doctoral	Universitas Indonesia	15	15%	9	15%	1	20%
Doctoral	UniversitasBrawijaya	6	11%	5	11%	0	0%



Level	Universities/ Institutes	Rank A		Rank B		Rank C	
		Count	Percentage	Count	Percentage	Count	Percentage
Doctoral	Universitas Padjajaran	4	8%	4	9%	0	0%
Doctoral	Universitas Diponegoro	4	9%	2	4%	1	10%
Doctoral	Institut Teknologi Bandung	1	1%	9	15%	1	20%
Doctoral	Universitas Muhammadiyah Yogyakarta	0	0%	2	13%	0	0%
Doctoral	Universitas Petra	0	0%	0	0%	0	0%
Doctoral	Universitas Negeri Sebelas Maret	0	0%	4	5%	1	11%
Doctoral	Universitas Sumatera Utara	0	0%	3	5%	2	8%
Doctoral	Universitas Gunadarma	0	0%	2	18%	0	0%
Diploma	Universitas Gunadarma	7	35%	1	9%	0	0%
Diploma	Universitas Indonesia	6	6%	13	21%	2	40%
Diploma	Institut Teknologi Bandung	6	8%	13	21%	2	40%
Diploma	Universitas Negeri Sebelas Maret	5	15%	20	26%	2	22%
Diploma	Universitas Diponegoro	5	11%	14	30%	5	50%
Diploma	Universitas Padjajaran	3	6%	16	37%	3	60%
Diploma	Universitas Gadjah Mada	2	1%	19	25%	2	40%
Diploma	Institut Pertanian Bogor	1	1%	10	20%	5	63%
Diploma	Universitas Muhammadiyah Yogyakarta	0	0%	0	0%	0	0%
Diploma	Universitas Petra	0	0%	0	0%	0	0%
Diploma	Universitas Brawijaya	0	0%	2	4%	1	17%
Diploma	Universitas Sumatera Utara	0	0%	8	12%	9	38%



Table 5. The Total Best Accreditation

University/Institute	Rank A		Rank B		Rank C		Total	
	Count	Percentage	Count	Percentage	Count	Percentage	Count	Percentage
1. InstitutPertanian Bogor	168	74%	51	22%	8	4%	227	100%
2. UniversitasGadjahMada	142	64%	76	34%	5	2%	223	100%
3. Universitas Indonesia	102	61%	61	36%	5	3%	168	100%
4. InstitutTeknologi Bandung	71	52%	61	45%	5	4%	137	100%
5. UniversitasPadjajaran	53	52%	43	43%	5	5%	101	100%
6. UniversitasBrawijaya	53	51%	45	43%	6	6%	104	100%
7. UniversitasDiponegoro	46	45%	47	46%	10	10%	103	100%
8. UniversitasNegeriSebelasMaret	34	28%	77	64%	9	8%	120	100%
9. UniversitasGunadharma	20	65%	11	35%	0	0%	31	100%
10. Universitas Sumatera Utara	14	14%	65	63%	24	23%	103	100%
11. Universitas Petra	11	73%	3	20%	1	7%	15	100%
12. UniversitasMuhammadiyah	8	32%	16	64%	1	4%	25	100%

To get more information about the best university, this research investigates more about the international cooperation. The finding can be indicators why the universities are popular in web or internet. Table 6 shows the numbers of cooperation done by each institution. Unfortunately, the information is not complete. This is caused of no much information can be accessed in university/ institute website. But, as early finding, the table 6shows the linkage between popular university, accreditation and the international cooperation. The best universities generally link with many international institutions.



Table 6. The International Cooperation of the Indonesian Best Universities

Institution	International Cooperation with QA Networking	International cooperation with University	International cooperation with International Institutions	International cooperation with Companies
UniversitasGadjahMada	AUN, AUN QA	289 (40 countries)	no available information	no available information
Universitas Indonesia	APRU (Association of Pacific Rim Universities), AUN (ASEAN University Network), ASAIHL (Association of South East Asia Institution of Higher Learning).	no available information	no available information	no available information
InstitutTeknologi Bandung	no available information	295 universities	no available information	no available information
UniversitasMuhammadiyah Yogyakarta	no available information	no available information	no available information	no available information
Universitas Petra	no available information	10 universities	no available information	no available information
UniversitasPadjajaran	no available information	27 countries	8 institutions	3 companies
UniversitasBrawijaya	no available information	64 universities	no available information	no available information
UniversitasNegeriSebelasMaret	no available information	no available information	no available information	no available information
UniversitasDiponegoro	no available information	3 universities	no available information	no available information
Universitas Sumatera Utara	no available information	1 university	no available information	no available information
UniversitasGunadharma	no available information	11 university	no available information	no available information



Institution	International Cooperation with QA Networking	International cooperation with University	International cooperation with International Institutions	International cooperation with Companies
InstitutPertanian Bogor	no available information	32 institutions	no available information	no available information

BALANCED SCORECARD AND NEW HIGHER EDUCATION BALANCED SCORECARD

The quality approach (e.g., Deming, 1993; Juran, 1995; Ruben, 1995), emphasizing external stakeholder focus, process effectiveness and efficiency, benchmarking, human resource management, and integration and alignment among components of an organizational system, provided impetus for the use of a more comprehensive array of performance indicators. Many major corporations now couple financial indicators with other measures selected to reflect key elements of their mission, vision and strategic direction. The usefulness of these indicators extends beyond performance measurement, per se, and contributes also to self-assessment, strategic planning, and the creation of focus and consensus on goals and directions within the organization.

One approach that addresses this need in a systematic way is the Balanced Scorecard (BSC) concept developed by a study group composed of representatives from major corporations including American Standard, Bell South, Cray Research, DuPont, General Electric and Hewlett-Packard (Kaplan and Norton, 1994, 1995, 1996a, 1996b). As described by Kaplan and Norton (1996, p. 2), "The Balanced Scorecard translates an organization's mission and strategy into a comprehensive set of performance measures that provides a framework for a strategic measurement and management system." The Kaplan and Norton balanced scorecard looks at an organization from four perspectives (known as four perspectives of BSC):

- *Financial*: How do we look to shareholders (stakeholders in public sector and Higher education)?
- *Internal business processes*: What must we excel at?
- *Innovation and Learning*: How can we continue to improve and create value?
- *Customer*: How do our customers see us?



Each one of the above four perspectives are linked with the appropriate objectives, measures, targets and initiatives. Specifically, Kaplan and Norton (1995b, p. 10) explain: The Balanced Scorecard should translate a business unit's mission and strategy into tangible objectives and measures. The measures represent a *balance* between external measures for shareholders and customers, and internal measures of critical business processes, innovation, and learning and growth. The measures are *balance* between outcome measures—the results of past efforts—and the measures that drive future performance. And the scorecard is balanced between objective, easily quantified outcome measures and subjective, somewhat judgmental, performance.

New Performance Indicators within Balanced Scorecard Framework for Higher Education Institutions in Indonesia

In Indonesia, the management of a higher education institution, long-term planning issues are not systematic with the implementation program. This can be seen in the institution management practices, such as: no big house on "performance indicators", vision mission and objectives set out suddenly for the benefit of accreditation, between vision and mission is not in line with what is executed, not involving all interested parties, management does not consider changes in the environment of organization, "whispering" to students, alumni, and users requesting support graduate study program accreditation.

Another problem inherent in the management of institutions is the coherence of the planning and implementation of the work program. Strategy formulation, strategic planning, and budgeting (short-term financial plan) is not related at all (even in many cases, study program or department were not involved in strategic planning). So, Indonesia higher education needs two solutions: uniform and balanced quality standard as performance indicators and new accreditation or quality standard strategic management model.

Accreditation based strategic management is a concept that author offers. Strategic management is a process used by higher education institutions to formulate and implement strategies in providing the best customer value for realizing the vision of organization. One of the performance management concepts that is widely used today is the perspective of the Balanced Scorecard. Logic of business strategic plan is built on four perspectives:

1. Stakeholders Perspective. This perspective illustrates how stakeholders will view the success of an institution in carrying out the mandate of organizing higher education institution.
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2. Financial Perspective. This perspective illustrates how the level of efficiency and effectiveness in the management of financial resources to support the institutions that implemented the successful achievement of stakeholder perspectives.
3. Internal Process Perspective. This perspective illustrates how the level of quality of service process carried out by the institution to support the successful achievement of the financial perspectives and stakeholders,
4. Learning and Development Perspective. This perspective illustrates how institutions develop human resource capacity so as to sustain the successful achievement of the internal process perspective, financial and stakeholders.

Four perspectives are the basic logic of the planning that will set out the vision, mission into goals, objectives, policies and programs that will facilitate more scalable institutions in establishing a performance to be achieved in the medium term or five years. Measurable performance is strongly influenced by the performance measurement system, namely:

1. Performance measurement framework. Performance measurement framework consisting of stage-setting performance indicators, performance data collection and performance measurement. Accreditation based strategic management is a performance measurement framework that uses 7 standards of National Accreditation Board.
2. Evaluation of the performance. This stage aims to make evaluate the realization, progress and obstacles encountered in the achievement of the mission, to be assessed and studied for the improvement of the implementation of programs/ activities in the future.
3. Analysis of performance accountability. The analysis includes the description of the achievement of performance linkages with the program activities and policies in order to realize the goals, objectives, mission and vision as set out in the strategic plan of the business.

Accreditation based strategic management uses 7 standards as performance perspectives. National Accreditation Board (BAN) requires seven performance standards, which include:

Standard 1: Vision, Mission, Goals and Objectives, and Strategy Achievement

This standard is the benchmark of excellence and quality of implementation of the program strategies to achieve future target. Strategy and effort are understood and fully supported by both the commitment and participation by all stakeholders. The entire formulation is easy to understand, logically described, sequences and settings follow the steps logically. Strategy implementation and success is measured



by the measures easily understood all stakeholders, so that the proposed vision is really a vision, not a dream and decoration ("platitude").

Standard 2: Governance, Leadership, Management Systems, and Quality Assurance

This standard is the benchmark of excellence quality of governance, leadership, management systems, and quality assurance courses as an integrated whole as an important key to the success in the principal mission: education, research, and community service. Governance should reflect the implementation of "good university governance" and accommodate all values, norms, structures, roles, functions, and aspirations of stakeholders. Leadership is a standard effectively provide direction, motivation and inspiration to achieve the vision, mission, achieve goals and objectives through the strategies developed. Management system must be effectively and efficiently carry out the functions of planning, organizing, staff development, direction, and supervision. Quality assurance system must reflect the implementation of continuous quality improvement in all series of quality management systems in order to satisfy the customer.

Standard 3: Students and Alumni

This standard is the benchmark of excellence and quality of graduate and students. Faculty/ study program should provide quality assurance, policy and implementation feasibility of recruitment and selection of candidates for management and graduate students as a whole integrated quality.

Standard 4: Human Resources

This standard is the benchmark of excellence quality and reliable human resources. To ensure the quality of faculty members, the institutions must have the authority and decision-making in the selection, placement, and career development. The program of study must have a monitoring and evaluation system to ensure effective management of the quality of academic programs.

Standard 5: Curriculum, Learning, and Academic Atmosphere

This standard is the benchmark of excellence quality of curriculum, learning, and academic atmosphere to ensure the quality of academic programs. The curriculum is designed and implemented to ensure the achievement of objectives, the implementation of the mission, vision and realization of the study program. The curriculum should be able to provide the competency in accordance with the interests and talents. The learning process should be organized to ensure learners have the competencies set out in the curriculum. The atmosphere in the academic program of study must support learners in achieving the expected competencies.



Standard 6: Finance, Facilities and Infrastructure, Systems and Information

This standard is the benchmark of excellence quality of finance, facilities and infrastructure, as well as information systems. Finance management systems, facilities and infrastructure, as well as information systems must ensure the feasibility, sustainability, and sustainability programs in the academic affairs.

Standard 7: Research, Community Services, and Cooperation

This standard is the benchmark of excellence of research quality, community service, and cooperation. Research, community service, and cooperation should be integrated with the quality assurance to support the realization of the vision, mission implementation, achievement of objectives, and success strategies of the universities.

The four perspectives of the Balanced Scorecard can also be interpreted within the national standard quality perspective.

Table 7. The Linkage between Balanced Scorecard Perspective and National Standard Quality Perspective

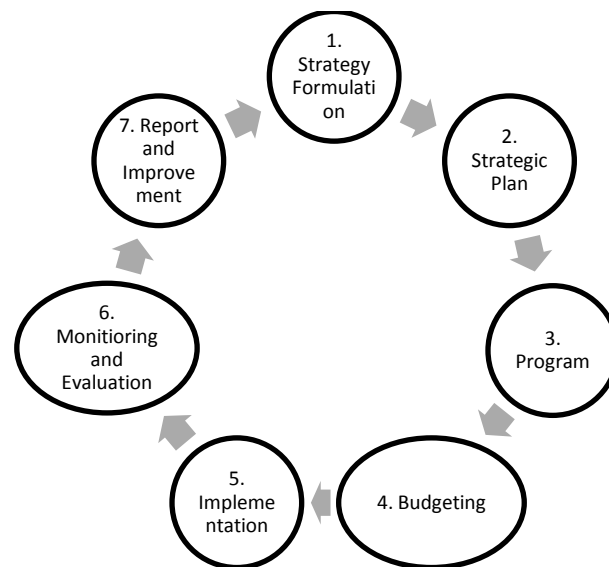
Balanced Scorecard Perspective	National Standard Quality Perspective
Finance	1. Finance, Facilities and Infrastructure, Systems and Information (Standard 6)
Customer	2. Student and alumni (Standard 3) 3. Research, Service/ Community Service, Cooperation (Standard 7)
Internal Process	4. Vision, Mission, Goals and Target, and Achieving strategy (Standard 1) 5. Governance, Leadership, Management Systems, and Quality Assurance (Standard 2) 6. Curriculum, Learning, and Academic Atmosphere (Standard 5)
Learning and Growth	7. Human Resources (Standard 4)



Strategic Management Cycle within the Accreditation Process

Strategic management is a continuous process. Strategic management process can be seen in Figure 1.

Figure 1. Strategic Management Cycle



The following is a brief explanation of the stages of strategic management and its relation to BAN-PT quality standard.

I. STRATEGY FORMULATION

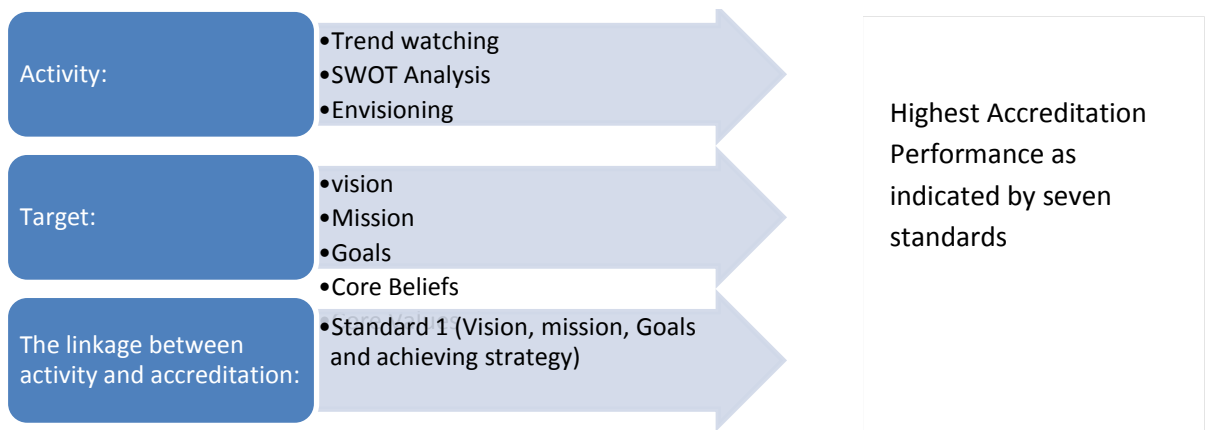
Strategies are formulated through 4 steps:

1. Trendwatching. Trendwatching is an activity to observe changes in the macro environment, industry, and competition to identify opportunities that can be achieved and threats faced by the organization in the environment.
 2. SWOT Analysis. SWOT (strengths, Weaknesses, Opportunities, and Threat) analysis is conducted through two stages: Analysis of External and Analysis of Internal. Higher education institution can use this step and for accreditation context, the document can be used as self evaluation document.
 3. Envisioning. Progress of faculty or university can not be separated from the "dream". Dreams are formulated through a series of statements in
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the form of the organization's vision, mission, purpose, basic beliefs, basic values and strategic plan of the organization. Implementation of the vision and mission can be done in the form of a Strategic Plan (Strategic Plan). This step can be used for the accreditation context to support standard 1 and self evaluation.

Figure 2. Activity, Target and the Linkage Between National Standard and Strategic Management



II. Strategic Plan Formulation

In order to achieve the vision, mission and objectives successfully, educational institutions need to formulate strategies that can be incorporated in the document Development Master Plan (RIP), Strategic Plan and Operational Plan. This step can be useful to predict the next five-25 years activity.

Figure 2. Strategic Plan Activity, Target and the Linkage Between National Standard and Strategic Management





Strategic Plan within the accreditation based strategic management use 7 standards as performance indicators.

Table 7. Accreditation based Strategic Plan

Goals	Targets
Standard 1: vision, mission, goals and objectives, as well as the achievement of the strategy	
Improving the quality and effectiveness of the implementation of the vision, mission, goals and objectives, as well as the achievement of the strategy.	1. Clarity and realistic vision, mission, goals, and objectives, as well as strategies for achieving goals
	2. Understanding the vision, mission, goals, and objectives by all internal stakeholders (internal stakeholders): the academicians (professors and students) and education personnel.
Standard 2: Governance, Leadership, Management Systems, Quality Assurance	
Improving the efficiency and effectiveness of the implementation of Governance, Leadership, Management Systems, Quality Assurance.	1. Implementation of governance that ensures the implementation of the five pillars of governance, namely: (1) credible (2) transparent (3) accountable (4) responsible (5) fairness
	2. Organizational structure. efficiency of the organizational structure, and organizational structure to support the management of the courses below.
	3. Leadership which has the characteristics of: operational leadership, organizational leadership, public leadership.
	4. Functional and operational management systems which include: planning, organizing, staffing, leading, controlling, internal and external operations.
	5. Implementation efficiently and effectively of quality assurance.
Standard 3: Students and Alumni	
Improved capabilities, competencies of students and alumni who are able to deal with social issues	1. Recruitment and selection of new students and the effectiveness of its implementation.
	2. The increase in average years of graduate study and the average GPA, efforts to develop and improve the quality of graduates.
Standard 4: Human Resources	
Improved efficiency and effectiveness	1. Adequacy and tenured faculty qualifications, amount of reimbursement,



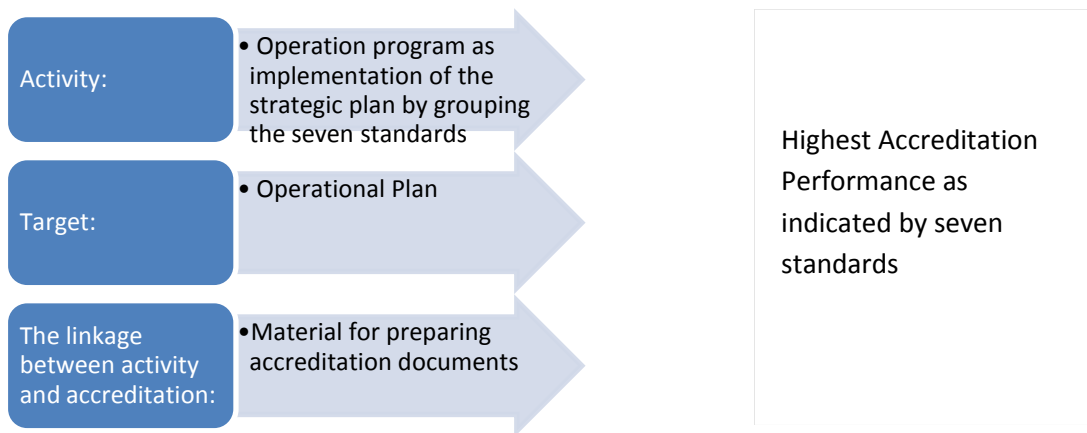
Goals	Targets
ofutilizationof Human Resources	tenured facultyrecruitmentanddevelopment.
	2.Adequacyandqualifications ofeducational personnel
Standard 5: curriculum, learning, andacademic atmosphere	
Improving the quality ofcurriculum, learning, andacademic atmosphere	1. Increased role in the preparation, implementation, and curriculum development for courses run higher quality.
	2. Increased role in monitoring and evaluating the learning process
	3 Increasing the role of institution in the creation of a conducive academic's atmosphere.
Standard 6: financing, infrastructure, and information systems	
Improving the efficiency, effectiveness, productivity of financing, infrastructure, and information systems	1. Source of funding source and adequacy of funds, institutional efforts in addressing the current funding situation and the efforts to overcome if there is a shortage.
	2. Infrastructure: the value of the investment that has been made in the last three years as well as investment plans in the next five years.
	3. Infrastructure: quality and adequacy of access and development plan
	4. System information: the type of information system that is used in the learning process and administration (academic, business, employment), the accessibility of data in information systems, media / information dissemination / policy for the academic society, as well as information systems development strategic plan long term.
Standard 7: research, community servicesandcollaboration	
Improvingaccess toandutilization ofresearch, community servicesandservicescollaboration	1.Increase thenumber ofresearch activitiesthat includeactivities, totalresearch funding, researchand development efforts
	2.Improvingservice activities/community servicethat includesmanyactivities, the totalfunds, andefforts to developservice activities/community service
	3.Increase theamountandquality ofcooperationactivitiesthatsupport theeffectiveimplementation of themissionandimpactcooperationforthe implementationanddevelopment ofthe study program



III. Program

The work program is the elaboration of a strategic plan in the form of more operational activities. The linkage between programs and accreditation work can be seen in Figure3.

Figure 3. Program Activity, Target and the Linkage Between National Standard and Strategic Management



Example of programs that in line with 7 standards can be seen in table 8.

IV. Budgeting

Work plan as outlined in the quantitative data is the budget. The link budget and accreditation can be seen in Figure 4.

V. Implementation

Operational plan in the form of activity that accompanied the budget implemented performance of the budget cycle. The linkage implementation and accreditation of work can be seen in Figure 5.



Table 8. Example of Accreditation based Program

Strategic Goals	Outcome Measures	Target	Program	Activity
1.1 Clarity and realistic vision, mission, goals, and objectives, as well as strategies for achieving goals	1.1.a Clarity and realistic vision, mission, goals, and objectives	1.1.1 Have clear and realistic vision, mission, goals, and objectives	Reevaluate vision, mission, goals, and objectives	Workshop of reevaluation vision, mission, goals and objectives
	1.1.b Strategy to achieve target with defined time.	1.1.2 have strategic plan to achieve the vision, mission, goals and objectives.	Formulate strategic plan	Workshop of strategic plan formulation
1.2. Understanding the vision, mission, goals, and objectives by all internal stakeholders (internal stakeholders): the academicians (professors and students) and education personnel.	1.2 socialization effectively and can be reflected by the level of understanding of stakeholders.	Well understood by the stakeholders.	Socialization vision, mission, goals, and objectives of the study program to stakeholders	Producing brochures and leaflets vision, mission, goals and objectives of the study program and Distribution them to socialize vision, mission, goals and objectives of the study program through the Internet, TV and Radio



Figure 4. Budget Activity, Target and the Linkage Between National Standard and Strategic Management

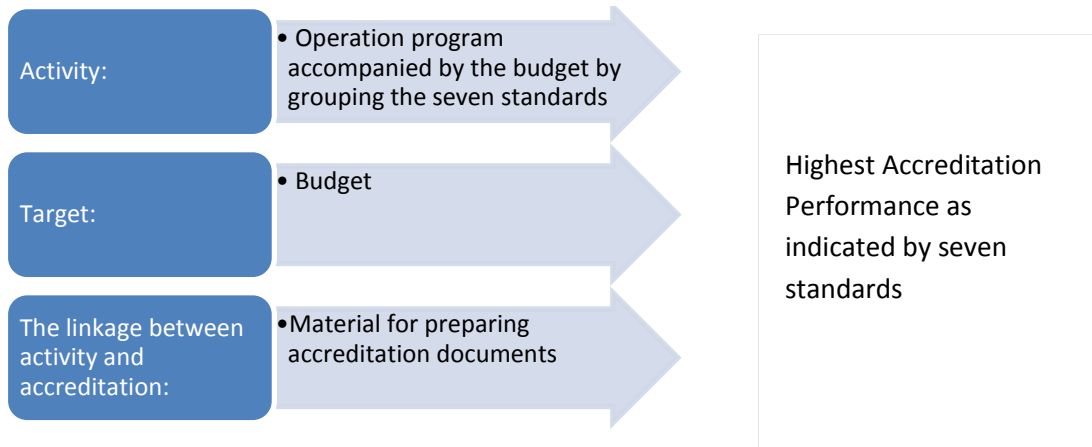
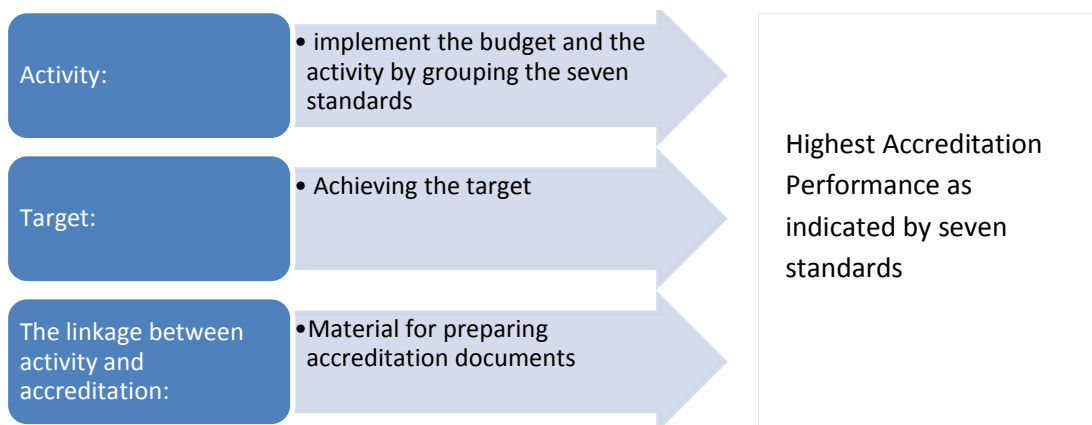


Figure 5. Implementation Activity, Target and the Linkage Between National Standard and Strategic Management

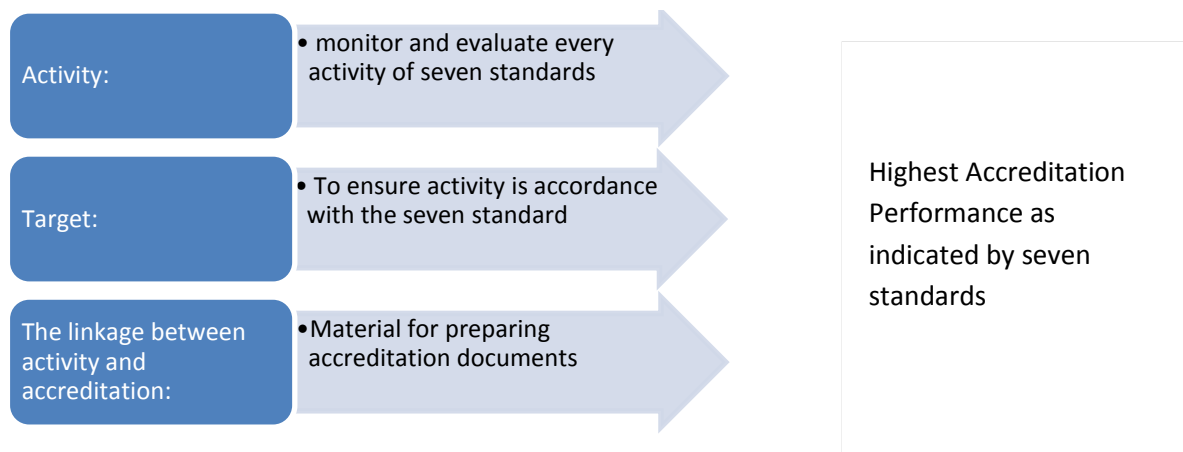


VI. Monitoring And Evaluation

Monitoring and evaluation is done to monitor the implementation of the work program. Linkage of monitoring and evaluation and accreditation can be seen in Figure 6.



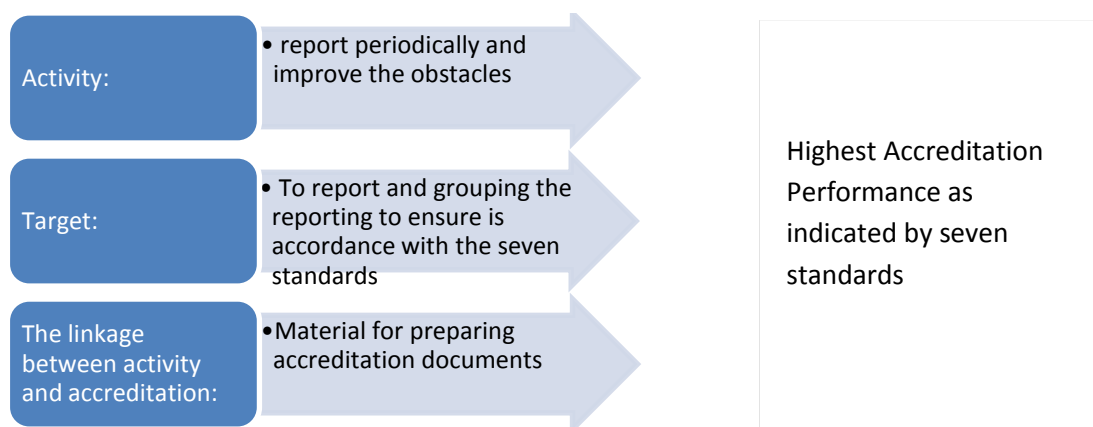
Figure 6. Monitoring and Evaluation Activity, Target and the Linkage Between National Standard and Strategic Management



VII. Report and Improvement

Reports and improvement are made to the top management. The report is a basic for the continuous improvement.

Figure 7. Report and Improvement, Target and the Linkage Between National Standard and Strategic Management



SUMMARY

This paper offers a discussion about the need to reformulate higher education performance system. This paper tries to link new balanced scorecard within the higher education systems, strategic management, international recognition and international cooperation. By using the descriptive analysis of top ten universities 4ICU and Webometrics ranking, the findings are as follows. First, the Indonesia top ten universities are also ranked as excellent (A) for their national accreditation. This reflects that to be able to have international recognition, the Indonesia universities need to improve themselves by fulfilling the national accreditation standard. Second,



to compete, the universities should apply the new balanced scorecard by using the national quality standard as performance indicators. Third, the author also proposes a new concept of higher education management which called as accreditation based strategic management. Accreditation based strategic management can help higher education institution to manage and reach the national quality standard.

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