

# The Important of Leadership Role in Achieving High Quality of Higher Education in the Era of Asean Economic Community

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**Abstract-** The establishment of Regional Cooperation so called the ASEAN Economic Community (AEC) will certainly have many implications to both economic as well as non-economic well-being of the people in Indonesia. Of these implications, higher education systems will no doubt be affected by the establishment of the AEC. As a consequence, leadership at higher educational level becomes important to minimize negative impacts of the AEC on the higher education systems. This is partly because higher education is the key to national development particularly in producing a high quality human resources and qualified professionals. These conditions will further increase the nation's competitiveness and productivity of the economy. This paper aims at examining the role of leadership in achieving high quality of higher education in facing the ASEAN Economic Community (AEC). Data and information collected were heavily based on secondary data and government regulation advanced in the literatures. The study argued that the leadership factor plays significant role in achieving high quality of higher education al institution. Therefore, leadership of higher education or universities needs to be improved as it can improve the quality of universities.

**Index Terms-** Leadership, university, Organization, Quality Management System

## I. INTRODUCTION

University as an organization in the process of its development will no doubt face the external dynamic challenges associated with the establishment of ASEAN Economic Community (AEC). To face these challenges, university that has three missions as the teaching, research, and advocating institutions or so called Tri Dharma should be properly managed by a quality management system. By having this quality management system, the university will be able to reach the vision and mission, and hence is able to become competitive university for a long-term. The competition faced by the university is not only between state and private universities, but also with foreign universities operating in Indonesia. For this reason, any universities should be able to increase the quality of their education personnel and their leadership in running the university. These improvement should be done continuously and sustainably in order to be able to compete at the national level and at international level. These kind improvements need to be intensified especially as Indonesia takes part in the regional economic cooperation of AEC.

To carry out the mission and function, universities need to able to act as an institution that produces high quality human resources. By having this, university will be able to actively participate in national development activities as well as able to become a high caliber institution in the global competition in science and technology. However, to realize these objectives, universities must be well-managed professionally, efficiently and effectively. The management towards high quality university involved not only inputs and processes, but also able to perform better outputs and outcomes. These conditions can only be achieved if and only if there are leadership and leaders who have skills in managing the university based on quality management system and good governance of university. Therefore, leaders and leadership are two important factors in realizing university that capable to compete in the era of globalization and ASEAN Economic Community.

This brief paper aims at discussing two things. The first is to examine how can leaders in the university improve the quality of the lectures and the human resources available in the university. The second is to discuss whether or not university is important to obtain the certification standard of ISO 9001? However, before these two matters are examined, the following section 2 deals with the review literature. The third section will be followed by discussion. Finally, concluding note will be given in section 4. Note that the sources of data and information used throughout this study were based on secondary data especially the regulation issued by the government and information taking from lectures as well as experience as a lecturer many universities in Indonesia.

## II. LITERATURE REVIEW

### 2.1 Organizational Theory

As mentioned above, human resources are considered as the main components of an organization. This is partly because human resources play active roles in the planning and organizing the institution. They do not only have thoughts, feelings, desire, and status, but they have also different educational background, age, gender brought into the organization. Human resources certainly do not like a machine, money and materials that are passive and can be controlled and regulated to fully support the achievement of organizational goals.

According to Wikipedia, the organization is a group of people who have a common goal. In social sciences, organization was learnt by researchers from many disciplines such as sociology, economics, political science, psychology, and

management. Studies on organization are often called the study of organization, organizational behavior or the analysis of the organization. Organization is basically used as a place or a place for people to come together, work together in a rational and systematic, planned, guided and controlled, in utilizing the resources (money, material, machine, method, environment), infrastructure, data and etc. that are used efficiently and effectively to achieve the objectives organization.

### 2.1.1 Classical Organizational Theory

This theory is called the "traditional theory" or also called "machine theory" which have developed since the early 1800s. Organization according to this theory was defined as the structure of relationships, powers, objectives, roles, activities, communication and other factors when people work together. This classical organization fully outlines the anatomy of a formal organization. There are four main elements that are found in the formal organization:

- a. Coordinated Activity system;
- b. Group of people;
- c. Cooperation; and
- d. Power and leadership.

However, according to classical school of thought, an organization depends on four key conditions, namely, power, serve one another, doctrine, and discipline which are used as the important pillars in the formal organization. These pillars are:

- a. The division of labor for coordination;
- b. Switch process and functional (vertical and horizontal of growth process);
- c. Structure (the relationship between activities); and
- d. Span of control (how many bosses can control subordinate).

### 1.1.2 Neo-Classic Organizational Theory

This theory is simply known as the Human Relations Movement theory. This theory emphasizes the importance of psychological and social aspects of the employees as individuals and as part of a working group. The development of neoclassical theory was inspired from experiments conducted in Hawthorne and from the writings of Hugo Munsterberg. The experiments were carried out from 1924 to 1932 that marked the beginning of the development of the theory of human relations and a crystallization of neoclassical theory.

In the division of labor, the neoclassical theory suggests the need of the following things:

- a. Participation;
- b. Work Expansion;
- c. Bottom up Management.

### 1.1.3 Modern Organizational Theory

This modern theory usually referred to as an analysis system on organization. This theory considers that all elements of the organization is integrated and interdependence, in which it was argued that the organization is not a closed system that is associated with a stable environment, but the organization is an open system. This modern theory was developed in 1950.

The modern approach argued that the present theory of organization was not a theory, but it is a theory about the way of thinking about the organization, how to view and analyze more precisely and depth, which are done through the order or regularity of organizational behavior, which only applies to a certain environment or condition.

The characteristics of Modern Theory, among others are as follows.

1. Sometimes called the analysis of organizational systems
2. Considers all elements of organization
3. View the organization as a system,
4. Self-adjustment, that is, the organization can survive if it is able to adapt to the changing environment;
5. The organization and its environment must be seen as interdependent.

Furthermore, the nature of the Modern Theory are:

1. Looking at an organization as a system that consists of five main parts, namely: input, process, output, reverse flow, and the environment,
2. Dynamism,
3. Multi-level and multi-dimensional,
4. Multi motivation,
5. Multi-disciplinary,
6. Descriptive;
7. Multi variable,
8. Adaptive.

The modern theory shows three activities about universal relationship that can always appear in the human system in organizational behavior, namely: 1. Communication; 2. Balance concept; and 3. Decision making process. The objectives of organizational development are :

1. Creating a harmonious working relationship between the leadership with the staff members of the organization;
2. Creating an organizational problem-solving skills are more open.
3. Creating transparency in communication;
4. As the morale of members of the organization and the ability to self-control.

### 2.1.4. Theory of leadership

An organization certainly needs a leader who is able to lead and manage their organizations, and so there is a need to have someone who is active, skilled and competent in the lead and can succeed in an organization.

Leadership originates from the word lead which containing two major issues, namely the leader as a subject, and people who are led as the object towards the success of the work activities of them. There are theories of leadership as follows.

1. Theory of Personality or Personality Characteristics (Trait theories).

This theory departs from the premise that the success of a leader is determined by the properties, temperament or traits owned by the leaders, Based on this premise, there is assumption that to be a successful leader is determined by the ability of the leader. This ability is meant as a person's quality with a variety of properties, temperament or other characteristics.

Ideal characteristics that need to be owned by a leader, according to Siagian (1994) are as follows. First, she/he has a broad general knowledge, good memory, rationalistic, objectivity, pragmatism, flexibility, adaptability, future orientation. Second, she/he has inquisitive nature, a sense of time, sense of high cohesion, sense of relevance, exemplary, firmness, courage, anticipatory attitude, a willingness to be a good listener, and integrative capacity. The third is that she/he has ability to grow and develop, analytic, determine priorities, distinguish between urgent and important, the skills to educate, and effective communication.

However, the trait theory has many weaknesses. These weaknesses among others are too descriptive, there is no relevancy between properties which are superior to the effectiveness leadership, and regarded as classical theory, but if we reflect moral values and morals contained therein regarding the various formulations of the nature, characteristics or temperament leader, these are vitally needed by the leadership that applies the principles of moral values.

## 2. Theory of Behavior

The rationale of this theory is that leadership is an individual's behavior when conducting direction of a group towards the objective's achievement. In this case, the leader has the description of the behavior:

### a. Consideration and Structure initiation.

This is a behavior of leader who tend to attach importance subordinates characterized by a friendly, want to consult, supportive, defend, listen, accept the proposal and keep thinking the welfare of subordinates and treat others like him/her self. Apart from that, there are also other leadership behavioral that are more concerned on organizational tasks.

### b. Oriented to subordinates and production

A behavior leader who has great concern to his/her subordinates. This is characterized by an emphasis on superior-subordinate relationship, personal attention of leaders at satisfying needs of subordinates and accept differences in personality, ability and behavior of subordinates. While leader behavior who has production orientation is a leader who has a tendency to emphasis on the technical aspects of work, prioritizing the implementation and completion of tasks and goals' achievement.

## 3. Situational theory

The success of a leader according to the theory of situational leadership is determined by the characteristics of the specific behaviors that are tailored to the situation that demands leadership and organizational situation faced by taking into account the factor of time and space. Situational factors that influence the style of a particular leadership according to Siagian (1994: 129) is:

- a. Types of work and work complexity;
- b. The shape and nature of the technology used;
- c. Perceptions, attitudes and leadership styles;
- d. Norms adopted by the group;
- e. Span of control;
- f. Threats from outside the organization;
- g. The level of stress;
- h. organizational environment

## 4. Great Man theory and the Big Bang theory

These theories argue that leadership is an innate talent or it is brought from the birth. Bennis and Nanus (1990) described that this theory assumes that leaders are born, but not made. Power was owned by a certain number of people, who through the process of inheritance has the ability to lead or because of luck they have talent to occupy a position as a leader. An individual who become King, his son certainly has the talent to become the King to lead the people. While the Big Bang theory argued that an individual become a leader as a result of a major event. This theory integrates between the situation and the followers. Situation according to this theory includes revolution, chaos / riot, rebellion, and reform. Because of this situation, an individual become a leader, while the followers are those who personifying a person and willing submissive and obedient.

## 2.1.5 Theory of Leadership Styles

Leadership is the process of influencing or giving examples to followers in an effort to achieve organizational goals. Most people still tend to say that effective leaders have a nature or characteristics of certain very important example. These include charisma, long-term outlook, the power of persuasion and intensity. Indeed, if we think of the heroic leaders like Gen. Sudirman, Soekarno, Napoleon, Washington, Lincoln, and so we must recognize that the nature as it is attached to them and have them use to achieve the goals they want.

There are several styles of leadership the figure of the leader. These among others are as follows.

1. Autocratic Leadership style. This leader tends to self-centered or directive. In other words, a leader who only determine their own decisions, and does not need subordinate in making any plans and decisions.

2. Democratic leadership style. The style of leadership in which he/she has ability to influence others to be willing to cooperate in achieving the objectives that have been defined in various ways or activities that may be held jointly determined between subordinates and leaders.

3. Delegation style. This is a leader who has characteristics in which he/she is rarely in providing direction. Thus, the decision made by this leader is handed to subordinates, and a member of the organization is expected to resolve all the problems itself.

4. Bureaucratic style. It is a leadership style that manage their organization based on the available regulation. Thus, this leader is characterized by the rigor of the implementation of a procedure that has been in effect for the lead and his/her subordinates.

5. Laissez Faire style. This is a leadership style that encourage members' ability to take initiative.

6. Charismatic Style. This is a leadership style that use his/her charisma to attract people. People will be fascinated by the way the leader talked that will excite and motivate them. Usually, leaders with this kind of personality style will be visionaries. They also are very fond of the changes and challenges.

7. Authoritarian style. This style of leaders tend to concentrate all the decisions taken and policies made by him/herself.

8. Diplomatic style. This style of leadership are those who like to take advantage from others without making other losing.
9. Moralistic Style. The style of leadership in this context is generally warm and polite to everyone. They have a high empathy to all problems of the subordinates, patient, generous. Any form of virtues exist in this type of leaders.
10. Administrative style. The leadership style of this type would seem less innovative and quiet rigid in the sense that they tend to use the rules in making policy decisions. His/her attitude is very conservative and is afraid in taking risks and they tend to be as safety leader.
11. Analytical Style. In this type of leadership style, typically the decision-making is based on a process of analysis, especially analysis of the logic of any information obtained.
12. Assertive leadership style. This leadership style is more aggressive and is keen to give attention so much on a personal control compared with other styles.
13. Entrepreneur style. This leadership style puts on power and the end result and less emphasis on the need for cooperation. This model of leadership style usually will always find a competitor and set a high target.
14. Visionary Style. This style in which the leaders like to show what he/she has done gives meaning to the work and effort that needs to be run jointly by the members of the company by giving direction and meaning of a work and the work done by the clear vision.
15. Situational style. The style of leadership that like to show that a leader is able to many different things, depending on the level of readiness of the followers.
16. Militaristic style. The leadership style is type of leaders who are very similar to the type of authoritarian leader. She/he tend to acting as a dictator against members of the group.

### 2.1.6 Quality Management System

ISO 9001QMS is a quality management system standard that is recognized internationally. ISO 9001 is the global benchmark for quality management system which has issued more than one million worldwide. ISO 9001 can be applied in all types of organizations irrespective of size or location where the organization is. One of the major strengths of ISO 9001 is the ability to attract all types of organizations. The focus of ISO tend to be more on processes and customer satisfaction rather than procedures. The ISO 9001 can also be applied in services.

Gasperz (2002: 10) defined a quality of management system as follows: " a set of documented procedures and standard practices for management system that aim to ensure the suitability of the process and the products (goods / services) to the needs or requirements are determined or specified by the customer or organization ". Stephen (1997: 196), however, defined ISO 9001: 2000 as a quality system which is composed of an organizational structure, documented procedures, and tools. The goal is to present the attributes of the organization's structure, procedures and / or tools that must be present in order to satisfy the requirements of ISO 9001: 2000. Therefore, a quality management system of the ISO 9001: 2000 relates to

quality management that consists of organizational structure, documentation, procedures and tools contained in the organization. The goal is to provide transparency regarding the organizational structure, procedures, and organizational tools to give satisfaction to the consumers.

### III. DISCUSSION

Efforts to improve the quality of higher education is becoming more important in order to answer the many great challenges in the era of globalization as well as in facing the enactment of the ASEAN Economic Community (AEC). The main realistic challenge in this century is changes and the progress in science and technology. This challenge emerged as a result of globalization of the world, the movement of educators and professionals such as teachers, lawyers, doctors, and foreign labor. These conditions lead to the need to improve higher education institutions to have leaders who have high integrity, competent, and skilled in their field. By having these, the universities as public institutions that provide educational services to the community, can produce graduates who are qualified and have the skills ready to compete in the free market. To achieve the above conditions, it is a must for higher education institutions to have a better university governance based on international quality management, managerial skills, effective leadership that is able to build up, encourage, and seek a strong character. These are important to achieve success in the organization. These notions have been mandated in the Article 31 paragraph (3) of the Constitution of the Republic of Indonesia. Besides that, universities are expected to carry out a strategic role in advancing civilization and welfare of mankind.

According to Government Regulation of the Republic of Indonesia Number 4 Year 2014 on the Implementation of Higher Education and Higher Education Management CHAPTER III Part General Article 21, it was mentioned that the Higher Education Management Arrangements consists of the following. First, autonomous universities that is university need to have autonomy to manage their own institution based on University Pillars locally called Tri Dharma. Second, pattern of university management.

In terms of the management autonomy, this consists of academic autonomy and non-academic autonomy. The academic autonomy include the establishment of norms and operational policies and the implementation of Tri Dharma. While the non academic autonomy include the establishment of norms and operational policies and the implementation of organizational, financial, student affairs, energy, and other infrastructures.

Moreover, in implementing the management autonomy, the university should be based on the principle of accountability, transparency, near-profit, quality assurance and effectiveness and efficiency. In the context of higher education institution, at least the following elements are important, namely, development of policy, academic units, supervisors and quality assurance, academic support or learning resources, and implementing administrative staffs.

In terms of the structure of university organization, there are four elements that should be provided. The first is a university/ academy senate that drawn from representatives of lecturers representing fields of science and technology, or groups

of fields of science and technology developed in universities as set in university statute. The second is leaders, consisting of: a. Rector of the university; b. Chairman; c. Directors. The third is the Internal Controller unit, and the fourth is a board of Trustees or other names depending on the scope of the university tasks.

In terms of lecturers and academic staff, the leader or the chairman of university can be divided into two groups, namely: structural leaders such as Rector and his staff, Dean and his staff; and scientist leaders who led the science groups and has followers regarding his field including students, researchers and other stakeholders.

University organization is an organization that regulates the division of tasks, functions, authority, responsibility, and working relationships of each unit of work in universities, which arranged according to the needs and development of the university referring to the guidelines of the organization. This university should be determined by the Minister of Education and Culture after obtaining approval from the Minister who held government affairs in the field of utilization of the State apparatus and bureaucratic reforms (see, Article 1, paragraph 2 in conjunction with Article 3 of Regulation of the Minister of Education and Culture of the Republic of Indonesia Number 139 of 2014 on Guidelines for the Statute and the organization of Universities).

However, one important factor of success of the university as an organization is that the role of human resources in an organization. In this regard, the human resources in the university should be managed properly in order to realize the vision and mission of the university. But finding the right person with the right skills to the right positions is the most fundamental challenges in human resource management in the university in Indonesia. Therefore, leader in universities must have the managerial ability to organize the university properly.

#### IV. CONCLUDING NOTES

Leadership in higher education institution play important role in facing the globalization era as well as the ASEAN economic Community. The role of leadership would not only affect the employment situation, the performance of teachers are professionals and educators, nature, relationships of humanity among others, but also affect the quality of the work achieved by the institution. However, every leader in the university has his/her own manner and style. This leadership style will affect the success and the failure of the leader in bringing the university achieving its vision and mission.

Therefore, leaders and leadership are critical for the success of the university in facing globalization. This is because by having good leader and leadership, the university will be able to develop and build a conducive environment to produce high productivity of the human resources work in the institution. The leader should also able to execute the principles of good university governance based on ISO 9001 as well as the quality standards made by the National Accreditation Board of Higher Education (BAN-PT).

In addition, concern on the quality of the institution is also the main agenda. This is because by having a good quality the university will be able to compete in the global area not to mention only the ASEAN economic Community. Thus, much

remain to be done to improve the quality of leaders and leadership in the higher education institutions in Indonesia. Failure to do these, the university in particular and the higher education institutions in general will not be able to compete with other higher education institutions in the global arena.

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