# Management Strategy of Higher Education in Increasing the Reputation and Competitiveness of University

# (Case Studies at Karimun University and Universal Batam University)

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#### Abstract

This research is motivated by the lack of good reputation of university compared to other University outside the Riau Archipelago. In general, this study aims to describe the strategic management of higher education institutions in improving reputation and competitiveness at Karimun University and Batam Universal University. In particular, the purpose of this research is to find out and study; 1) Environmental analysis, 2) Strategy formulation, 3) Strategy implementation, 4) Strategy evaluation and control, 5) Problems, and 6) Superior PT strategic management in improving University reputation and competitiveness. Case studies at Karimun University and Batam Universal University. Therefore, this research is based on Hunger & Wheleen Strategic Management Theory, Griffin's Reputation Theory and Porter's Competitiveness Theory. This study used descriptive qualitative method. The results of this study are 1) universities have carried out environmental analysis both internally and externally but have not implemented it on an ongoing basis. 2) University have carried out strategy formulation based on the development of vision, mission, goals, policies and strategies. However, the strategy formulated has not focused on building reputation and competitive advantage. 3) University has attempted to implement strategies to improve reputation and competitiveness, but not optimally. Even though the budget is adequate, University does not yet have programs, budget allocations and SOP to improve reputation. 4) Evaluation of the strategy carried out by university does not use proper performance indicators, so that University cannot compare University performance results with expected performance achievements, 5) University has several crucial problems including University have not implemented the principles of building reputation and University do not yet have excellence competitive outperforming

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competitors. 6) University is not maximal in creating competitive advantage of higher education. The conclusion of this study is that the strategic management of higher education in improving reputation and competitiveness at Karimun University and Batam Universal University is not optimal.

#### Keywords

#### $Strategic\ Management,\ Pcns\ r\_rgni\ ,\ Competitiveness.$

The good reputation of University will influence student choices. Griffin (2011: 11) states that: Institutional reputation is basically their performance related to the ability to accommodate various selected approaches, interactions to complement each other's desires, and efforts to achieve situations that have been designed/defined by stakeholders. Therefore, the reputation of University is important to build, maintain and improve.

Shamma (in Warta, 2017:39), mentions several things that can form a reputation. There are at least seven things that can form a reputation including; 1) The behavior and actions of members and the communications they make, 2) Individual experiences or all parties who have a common interest in the organization, 3) Presentations or anything displayed by the organization, 4) Media interpretation in the organization, 5) Word of mouth word of mouth or word of mouth, 6) Information from industry competitors, 7) Rumors.

A good reputation will increase the competitiveness of University; therefore, it is important for University to build, maintain and improve their reputation. Porter (1990) suggests that competitiveness is productivity which is defined as the output of labor productivity. This theory states that a country gains a competitive advantage if the companies in that country are competitive.

Thus, to build reputation and competitiveness, a tool is needed. By using strategic management as a tool, University can formulate various competitive advantage strategies. As Mulyasana (2011:190) argues that;

Strategic management is a set of managerial decisions and strategic actions that are oriented

towards demands for change and future challenges that are formulated in strategy formulation, implementation and strategy evaluation systems by taking into account developments in the internal and external environment of educational institutions/organizations and aiming to maintain and win the competition.

Based on these opinions, the company's performance, in this case the reputation and competitiveness of University, can be pursued by implementing strategic management, namely determining managerial decisions and realizing strategic actions that are oriented towards changing demands and future challenges that are very dynamic and competitive. This is as Certo in Yunus (2016: 15), defines strategic management as analysis, decisions and actions taken by companies to create and maintain competitive advantage.

The process of strategic management in tertiary institutions greatly influences the improvement of the reputation and competitiveness of University. This is as stated by Wheelen & Hunger (2003:9) that strategic management is a series of managerial decisions and activities that determine the success of the company. There are four steps in strategic management including; 1) Environmental observation (SWOT analysis) which consists of two stages, namely external analysis and internal 2) Formulation of strategy, analysis. 3) Implementation of strategy, 4) Evaluation and control of strategy. interest in continuing their studies at the tertiary level. Second, prospective students are looking for important information about the college they want to go to. Third, a prospective student decides to enroll in a particular college. In the decision-making process, will be influenced by many factors. Ambarwati, et al

(2015: 2) states that there are external stimuli in the form of marketing and environmental stimuli that can influence a person's decision making.

Therefore, information is needed about the good reputation of the tertiary institution before prospective students decide where to study. The good reputation of a tertiary institution generally refers to the internal quality of the institution. These internal qualities cover various aspects that support the achievement of the Tridharma of Higher Education including Education and teaching, research and Community Service (PKM).

#### **Research Methode**

This study uses a qualitative approach. A qualitative approach is expected to be able to produce in-depth descriptions of speech, writing or behavior that can be observed from certain individuals, groups, communities or organizations. The method used is descriptive qualitative, namely empirical research where data is collected and presented not in the form of numbers, but in narrative form. The data collected will be used as a making a description of basis for the implementation of strategic management in improving the quality of education. Therefore, the use of a qualitative descriptive research design in this study is intended to describe and analyze the strategic management process of Higher Education in improving reputation and competitiveness at Karimun University and Universal Batam University.

# **Result and Discussion**

Reputation and competitiveness are issues of perception and evaluation that arise due to appearance and quality of performance, thus requiring action or implementation of strategies in the long term and are dynamic in nature because they are influenced by intense competition and ever-changing environmental conditions. Therefore, this research is based on the philosophy of Pragmatism, which is a new method in philosophy that implements theory into practice. This research is also based on the Theory of the Six Value Systems. By implementing Teleological Value in the strategic management process, University can build a strong foundation to achieve a competitive advantage that is unique and different from other educational institutions.

Reputation is a crucial aspect that is very important to be built, maintained and repaired by University. A good reputation can have a significant influence on the decision of prospective students in choosing a private university. This is as Griffin (2011: 11) states that: Institutional reputation is basically their performance related to the ability to accommodate various selected approaches, interactions to complement each other's desires, and efforts to achieve situations that have been designed/defined by stakeholders.

Therefore, to build reputation and competitiveness, strategic management is needed as a tool. As Mulyasana (2011:190) argues that;

Strategic management is a set of managerial decisions and strategic actions that are oriented towards demands for change and future challenges that are formulated in strategy formulation, implementation and strategy evaluation systems by taking into account developments in the internal and external environment of educational institutions/organizations and aiming to maintain and win the competition.

The process of strategic management in tertiary institutions greatly influences the improvement of the reputation and competitiveness of University. This is as stated by Wheelen & Hunger (2003:9) that strategic management is a series of managerial decisions and activities that determine the success of the company. There are four steps in strategic management including; 1) Observation of the environment which consists of two stages, namely external analysis and internal analysis External Analysis. 2) Formulation of strategy, 3) Implementation of strategy, 4) Evaluation and control of strategy.

By using strategic management as a tool or tool, University can formulate a reputation building strategy using the Shamma Model. As Shamma (in Warta, 2017:39), mentions several things that can form a reputation.

There are at least seven things that can form a reputation including; 1) The behavior and actions of members and the communications they make, 2) Individual experiences or all parties who have a common interest in the organization, 3) Presentations or anything displayed by the organization, 4) Media interpretation in the organization, 5) Word of mouth word of mouth or word of mouth, 6) Information from industry competitors, 7) Rumors.

Based on this opinion, it can be ascertained that building a reputation is not an easy thing; it takes some kind of additional energy or vitamins to be able to stand up and be maintained afterwards. Fomburn in Warta (2017:40) argues that there are six keys to building reputation, namely;

Competitive effectiveness; Organizations in this case develop a strategy that results in an effective way to outperform its competitors.

Market Leadership (market leadership); This relates to customer proximity and market dominance, leadership in the industry, and market acquisition due to superior and different products (distintive and different).

Orientation to customers (customer focus), the organization has a high commitment to its customers, providing the best quality in products and services, fostering trust through a clear, clear identity and positive image.

Familiarity and good attitude (familiarity and favorability); The organization develops a friendly, warm attitude and is always present in good condition and pleasant for customers.

A good reputation will increase competitiveness. Porter (1990) suggests that competitiveness is productivity which is defined as the output of labor productivity. This

theory states that a country gains a competitive advantage if the companies in that country are competitive. Thus to build reputation and competitiveness, a tool is needed. By using strategic management as a tool, University can formulate various competitive advantage strategies

Based on these opinions, the company's performance, in this case the reputation and competitiveness of University, can be pursued by implementing strategic management, namely determining managerial decisions and realizing strategic actions that are oriented towards changing demands and future challenges that are very dynamic and competitive. This is as Certo in Yunus (2016: 15), defines strategic management as analysis, decisions and actions taken by companies to create and maintain competitive advantage. The research results are;

# **Environmental Analysis**

University has carried out environmental analysis both internally and externally but it has not been optimal. This is based on the existence of research findings which show that environmental analysis has basically been carried out. However, the SWOT analysis conducted by tertiary institutions is not carried out on an ongoing basis, meaning that there is no follow-up process for formulating strategies through the SWOT Matrix to formulate strategies to reduce weaknesses into strengths, or strategies to reduce threats into opportunities for tertiary institutions. In fact, the SWOT analysis process in the matrix can be used as a reference in determining the planning strategy to achieve the goal.

## **Strategy Formulation**

University has carried out strategy formulation based on the development of vision, mission, goals, policies and strategies. However, the strategy formulated has not focused on the principles of reputation building. This is evidenced by: 1) The behavior and actions of members and communication do not affect the good reputation of University, 2) The lack of positive experiences from students or alumni, 3) The ineffective University of University promoting excellence through various media, 4) the lack of empowering the media to covering and interpreting good news/advantages of University, 5) Word of mouth does not reflect positive experiences, 6) There is a threat of negative information from industry competitors, 7) Some unfavorable rumors regarding the low quality of University are not confirmed by University.

## Strategy Implementation

University has attempted to implement a strategy to improve reputation and competitiveness but it has not been optimal. This is evidenced by the fact that universities have formulated various programs, budgets and SOPs. However, these programs do not meet the criteria for building the reputation and competitiveness of higher education institutions. So that the state of reputation is not well maintained and has an impact on the low performance of tertiary institutions in meeting stakeholder expectations

# Strategy Evaluation and Control

Evaluation of the strategy carried out by University does not use appropriate performance indicators, so that University cannot compare University performance results with the expected performance achievements

#### Problems. Based on Shamma's reputation theory, it can be concluded that University' reputation is not good. This is caused by;

a. Member Behavior and Communication: The performance of organizational members, including lecturers, staff, and students, does not directly affect the good reputation of University. The communication that has been done has not focused on efforts to improve the reputation of University.

- Experience of Individuals and Related Parties: Lack of positive experiences experienced by students, parents or other related parties.
- c. Presentation and Organizational Image: The way organizations present themselves through advertisements, social media and websites is not effective
- d. Media Interpretation: University does not empower the media to cover and interpret the good news/advantages of University.
- e. Word of mouth: News or stories spread by word of mouth are less likely to reflect a positive experience
- f. Information from Industry Competitors: Industry competitors may try to create a negative image about competing organizations by spreading dubious or disparaging information.
- g. Rumors: Several unfavorable rumors regarding the low quality of University were not confirmed by University.
- h. Thus, it can be concluded that University has several crusial problems including that University has not implemented the principles of building a reputation and University does not yet have a competitive advantage that outperforms competitors.

## University advantages

University already has advantages that characterize it, but does not yet have a competitive advantage. This is proven by; 1) The low effectiveness of University competition to develop superior strategies, 2) University has not been able to lead the competition in terms of ownership of different and superior products, 3) The lack of fulfillment of University internal quality has affected customer trust, 4) Lack of familiarity and good/nice attitude with stakeholders, 5) The low quality of human resources has affected organizational culture, 6) The lack of University ability to develop effective communication based on high credibility and integrity through various methods and activities that are carried out intensely and consistently.

#### Conclusion

Higher Education strategy management in improving reputation and competitiveness at Karimun University and Universal Batam University is not yet optimal.

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