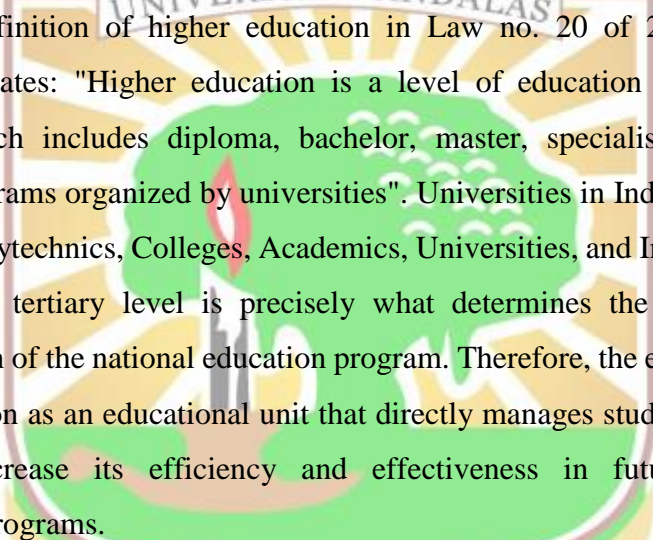


CHAPTER I

INTRODUCTION

This chapter contains the research background, problem formulation, research objectives, research scopes, and proposal outline.

1.1 Background



The definition of higher education in Law no. 20 of 2003, article 19 paragraph 1 states: "Higher education is a level of education after secondary education which includes diploma, bachelor, master, specialist, and doctoral education programs organized by universities". Universities in Indonesia can be in the form of Polytechnics, Colleges, Academics, Universities, and Institutes. In fact, success at the tertiary level is precisely what determines the success of the implementation of the national education program. Therefore, the empowerment of higher education as an educational unit that directly manages students is expected to further increase its efficiency and effectiveness in future educational development programs.

Along with the times and global demands, the development of education is expected to follow the direction of existing developments. Thus, encouraging organizations that are struggling with the world of education to improve performance, improve management capabilities that are reliable, trustworthy and accountable to their academic community. One of the important challenges faced by universities is how to manage a performance so that the institution in the present and in the future will be better, superior and able to compete both in the national and global arenas (Sallis, 2010).

To improve the performance and productivity of a university, optimal organizational planning is needed. Universities as the public sector also need to

determine the right strategy so that the educational process can be implemented and organizational goals can be achieved. In addition, with the rapid development of universities, universities need to have an effective performance design to be able to maintain their viability, so that proper management design is needed. Management plans can help organizations deal with unpredictable changes. Performance management is a series of activities starting from performance planning, performance monitoring, and performance evaluation.

Andalas University currently has a good reputation, this is evidenced by the accreditation of campuses that have been accredited A SK BAN PT No. 327/SK/BAN-PT/Akred/PT/XII/2018 dated December 4, 2018. In the same year, the Ministry of Research, Technology and Higher Education (Kemenristekdikti) released the clustering of Indonesian universities. The main components used to assess the performance of Indonesian universities include 5 (five) components, namely: the quality of human resources with a weight of 25%, institutional aspects with a weight of 28%, student aspects with a weight of 12%, aspects of research and community service with a weight of 30%, and the innovation aspect with a weight of 5%. The results of clustering 1 in 2018 can be seen in **Table 1.1**.

Table 1.1 List of Cluster 1 Universities 2018

No	Nama Perguruan Tinggi	Skor
1	Institut Teknologi Bandung	3,57
2	Universitas Gadjah Mada	3,54
3	Institut Pertanian Bogor	3,41
4	Universitas Indonesia	3,28
5	Universitas Diponegoro	3,12
6	Institut Teknologi Sepuluh Nopember	3,10
7	Universitas Airlangga	3,03
8	Universitas Hasanuddin	2,99
9	Universitas Padjajaran	2,95
10	Universitas Andalas	2,88
11	Universitas Negeri Yogyakarta	2,83
12	Universitas Brawijaya	2,82
13	Universitas Pendidikan Indonesia	2,70
14	Universitas Negeri Malang	2,61

(Source: Directorate General of Higher Education Ministry of Education and Culture of the Republic of Indonesia, 2018)

Based on **Table 1.1**, it can be seen that Andalas University is ranked 10th in this first cluster with a score of 2.88. This first cluster indicates that universities have the characteristics to be ready to be upgraded to international rankings. In this first cluster, human resources and strong infrastructure have been successfully utilized to achieve high national achievements.

However, in August 2020, the Ministry of Research, Technology and Higher Education re-released the clustering of Indonesian universities and Andalas University ranked 13th in cluster 1 which can be seen in **Table 1.2**.

Table 1.2 List of Cluster 1 Universities 2020

No	Nama Perguruan Tinggi	Skor
1	Institut Pertanian Bogor	3,648
2	Universitas Indonesia	3,414
3	Universitas Gadjah Mada	3,315
4	Universitas Airlangga	3,299
5	Institut Teknologi Bandung	3,275
6	Institut Teknologi Sepuluh Nopember	3,218
7	Universitas Hasanuddin	3,161
8	Universitas Brawijaya	3,161
9	Universitas Diponegoro	3,111
10	Universitas Padjajaran	3,007
11	Universitas Sebelas Maret	2,930
12	Universitas Negeri Yogyakarta	2,908
13	Universitas Andalas	2,860
14	Universitas Sumatera Utara	2,792
15	Universitas Negeri Malang	2,747

(Source: Directorate General of Higher Education Ministry of Education and Culture of the Republic of Indonesia, 2020)

In 2020, the Ministry of Research, Technology and Higher Education assessed the performance of universities with indicators, namely: input with a weight of 20%, process with a weight of 25%, output with a weight of 25%, and outcomes with a weight of 30%. Seeing the declining ranking and score of Andalas University, it is necessary to study aspects of performance management that can optimize and improve the performance of Andalas University at the national and

international level following the provisions of the Ministry of Research, Technology and Higher Education.

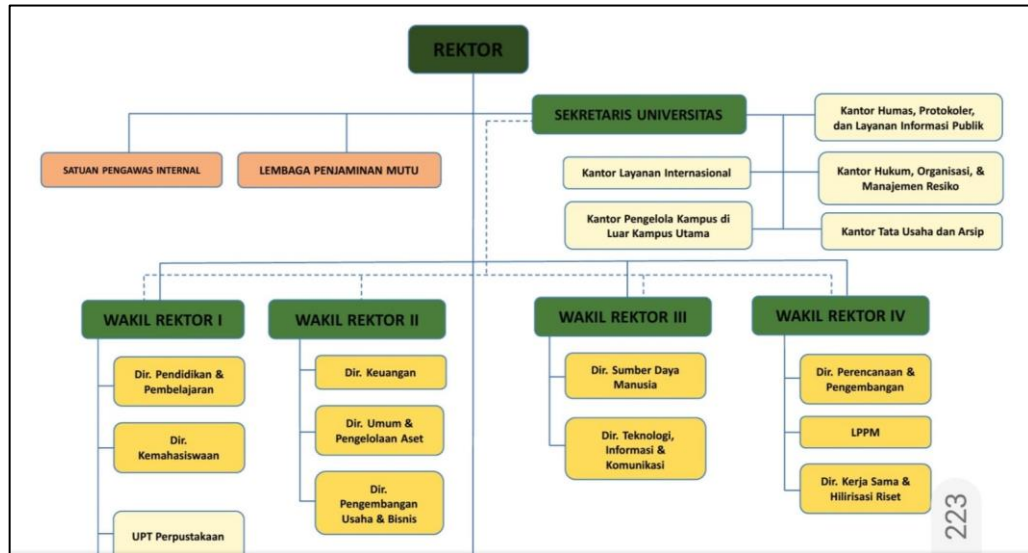


Figure 1.1 Andalas University Organizational Structure
(Source: Struktur Organisasi dan Tata Kerja Unand, 2022)

In **Figure 1.1**, which shows the organizational structure of Andalas University, it can be seen that there is no field that regulates to ensure that organizational activities can achieve the expected results. Based on this, Andalas University must remain focused on carrying out its role. Therefore, the clear direction of programs and activities must be able to maintain consistency in long-term goals. This is where the part of performance management becomes very important, which is realized in the form of a performance management organization design.

An organizational structure becomes an important strategic tool in achieving the organization's vision and mission because the organizational structure is made to achieve a number of organizational goals, namely supporting organizational strategy, organizing resources in the most efficient and effective way, preparing for effective division of tasks and responsibilities between individuals or groups. Ensuring effective coordination of organizational activities and delineating decision-making processes, developing and delineating lines of communication up, down, and across the organization.

According to Ivancevich (2008), organizational design is defined as a decision-making process to choose alternative job frameworks, work projects, and departments. In designing the organizational structure, organizational leaders are able to determine expectations about what individuals and groups will do in achieving organizational goals. The organizational structure is a medium that helps the organization in achieving its goals (Gammahendra, Hamid, & Riza, 2014).

Management has several basic functions in managing an organization, namely planning, organizing, actuating, and controlling. In general, based on the results of the Kemenristekdikti assessment, the total score obtained by Andalas University illustrates that Andalas University has implemented management quite well compared to other universities in Indonesia. However, the challenges ahead are getting tougher, so Andalas University must continue to review aspects of its performance management in order to be able to maintain or improve its current achievements.

Based on this, as one of the best universities in Indonesia, Andalas University must be able to improve the quality of its performance management compared with other universities. This can be started by examining the performance management aspects of Andalas University to be designed into an organization. This performance management organizational design study is expected to help Andalas University make continuous performance improvements. This study uses a checklist of questions regarding performance management audits. Then based on the performance evaluation of the audit, an organizational structure was designed. The results of this organizational structure design can be used as a consideration for the performance management organization design of Andalas University.

1.2 Problem Formulation

Based on the background that has been described, it can be formulated the formulation of the problem in this research is how the proposed design of the performance management organization at Andalas University.

1.3 Research Objective

This research aims to design a proposal for a performance management organization design at Andalas University.

1.4 Research Scope

The limitations of this study are as follows:

1. In this study, the results of the organizational design only until the recommendation stage.
2. The scope of this research is at the managerial level of Andalas University's performance, which are the University, Faculty/Directorate/Institution, Department, and study program.

1.5 Outline of Proposal

The systematics of writing in this report is divided into three chapters, namely:

CHAPTER I PRELIMINARY

This chapter contains the research background, problem formulation, research objectives, research scopes, and proposal outline.

CHAPTER II THEORY BASIS

This chapter contains theories related to problem-solving in this research.

CHAPTER III RESEARCH METHODOLOGY

This chapter describes the steps in research consisting of preliminary studies, information gathering, method selection, research stages, analysis, and closing.

CHAPTER IV PERFORMANCE UNIT DESIGN

This chapter consists of evaluating the performance of Andalas University, designing the organizational structure of the performance management unit, and discussing it.

CHAPTER V CONCLUSIONS AND RECOMMENDATION

This chapter contains an analysis of the organizational structure that has been designed in this final project research.

CHAPTER VI CONCLUSIONS AND RECOMMENDATION

This chapter contains conclusions and recommendation from the results of research that has been carried out. Suggestions are given as consideration for further research.

