RESEARCH ARTICLE

STRATEGIC PLANNING AT THE NEWLY ESTABLISHED PRIVATE HIGHER EDUCATION INSTITUTION WITH FULL SCHOLARSHIP PROGRAM (CASE STUDY OF STIDKI AR RAHMAH SURABAYA)

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ARTICLE DETAILS	ABSTRACT

STIDKI Ar Rahmah was established in 2015 focusing on creating mosque managers having comprehensive skills: mosque management, fully Quran memorizing, and deep religion understanding. In its educational system, it provides full scholarship to the students funded by a number of institutional donors and individual ones. As a newly operating organization, STIDKI Ar Rahmah has not had clear plan of development and strategic iniciatives in reaching the established vision. Therefore, this study was aimed to perform strategic planning process of STIDKI Ar Rahmah development based on Balanced Scorecard model as a strategic planning model for other newly established private higher education institutions with full scholarship program. Qualitative research approach and case study method were used in this study. It started from examining the mission and vision statement of STIDKI Ar Rahmah. The step continued with identifying stakeholders' values proposition, SWOT analysis, identifying strategic issues, and finally developing strategies through formulating strategic objectives clustered in strategic themes, measures, next five years targets, and strategic initiatives for reaching the targets. This study resulted the recommended statement of mission and vision, three strategic issues to overcome, 16 strategic objectives with their measures clustred in 4 strategic themes, targets, and initiatives.

KEYWORDS

1. INTRODUCTION

As technology and globalization develop, Higher Education Institutions (HEIs) in Indonesia face rapid environmental changes and increasingly fierce competition. According to the data released by the Ministry of Research, Technology and Higher Education of Indonesia on April 10, 2017, there are currently 4,516 HEIs throughout Indonesia. According to the Minister, as quoted in www.news.detik.com (March 10, 2017), this very large number of HEIs is inversely proportional to that in China. With a population of 1.4 billion, it has only 2,824 HEIs and dozens of them are able to be among the world's top 500. While world's top 500 HEIs from Indonesia are only 3 universities.

In line with the above facts, most HEIs currently operate in an increasingly competitive environment (Taylor and Miroiu, 2002). In this situation, every institution needs to have strategic planning by assessing their range of activities and determining their priorities (Taylor and Miroiu, 2002). STIDKI Ar Rahmah Surabaya is a Private Islamic College established in 2015 with one study program namely Dakwah Management focused on shaping imams and mosque managers with three integrated competencies: mosque management, fully Quran memorizing, and extensive Islamic knowledge. Therefore, it provides full scholarships for all students, covering registration fees, lectures, housing and daily meals. The funding for covering these costs is supported through the cooperation built with a number of donors, both institutions and individuals. This cooperation requires professionalism, financial accountability, and also progressive organizational performance.

At present, STIDKI Ar Rahmah faces a number of challenges, namely the strengthening of the educational model with the peculiarities to be built, the strengthening of its existence before stakeholders, as well as the gradual achievement of the stated vision. On the other hand, its operational performance tends to be sectorial without priority setting agreed upon among organizational components. Whereas, with very limited resources, STIDKI Ar Rahmah is required to determine the right priority steps according to environmental conditions faced. In fact, as a newly established institution, STIDKI Ar Rahmah only has an annual work program plan and does not yet have a clear and sustainable development plan.

The research results reported that an average of 99.21% of HEIs in China had strategic planning as an important instrument in their development (Hu et al., 2017). This is corroborated by the results of Xie's research that since the 1990s, one of the best universities in China, Peking University, has applied strategic planning that led to significant development (Xie, 2014). Strategic planning is defined as a systematic process by which an organization build commitment among its key component about the actions that become important priority in realizing its mission (Allison and Kaye, 2005). Rowley and Sherman also defined it as a formal process designed to assist organizations in identifying and maintaining optimal harmony with the most important elements of their environment (Rowley and Sherman, 2001).

In performing effective strategic planning, Niven stated that the Balanced Scorecard has evolved from just as a performance measurement tool to a strategic management system (Niven, 2003). More and more organizations are making it an important tool in aligning short-term actions with their strategies (Niven, 2003). Kaplan and Norton stated that Balanced Scorecard will force organizations to ensure that their programs support their strategies (Kaplan and Norton, 2007). Then they determine which actions will drive them towards their targets and set short-term milestones that will mark their progress along the strategic path they have chosen (Kaplan and Norton, 2007). Niven proposed a strategic planning model with the Balanced Scorecard for non-profit organization in five steps: getting started; stakeholder analysis; conducting SWOT analysis; identifying strategic issues; and developing strategies begun from developing mission, values, and vision as a basic foundation for the implemented strategy (Niven, 2003).

This research will enrich examples of strategic planning implementation with the Balanced Scorecard approach for non-profit organizations, especially for newly established private HEIs that have full scholarship program for their students.

2. METHOD

2.1 Reaserch Method

This study used a qualitative approach that allows researchers to elaborate a phenomenon without relying on numerical measurements (Zikmund et al., 2013). While the method used was case study. According to a study, a case study is suitable strategy to be applied if the subject of a research question relates to how or why and when the focus of the research leads to phenomena that occur in the future (Yin, 2015).

2.2 Data Collection Technique

In this study, the data were collected through observations, documents study, depth interviews, and Focus Group Interviews (FGI). Informants of this research were purposively selected from both internal and external party of STIDKI Ar Rahmah to function as data triangulation (different data sources) as the following:
a. Depth Interviews were directed for clarifying mission and vision from Chairman of Board of Trustees and Chairman of STIDKI Ar Rahmah. The depth interviews were also addressed to the key stakeholders' representatives from the students, donors, and mosque managers as prospective alumni users to identify their value proposition.
b. Focus Group Interviews (FGI) involving the chairman, the four vice chairmen, and head of administration, was held to recommend mission and vision improvement, conduct SWOT analysis, identify strategic issues, and develop strategy using Balanced Scorecard approach.

2.3 Data Analysis

After being collected, primary and secondary data were analyzed using descriptive and explorative qualitative analysis approach with Balanced Scorecard model.

3. RESULTS AND DISCUSSION

3.1 Clarification of Mission and Vision Statement

The current mission statement of STIDKI Ar Rahmah were evaluated using three criteria proposed: (1) inspire change, (2) long term in nature, and (3) easily understood and communicated. This evaluation resulted that the word "competitive advantage" in its mission doesn't have clear meaning and unfamiliar for its people and the word "civilization leaders" tends to be difficult to understand (Niven, 2002).
Therefore, to improve its mission statement. Niven suggested six questions model (Niven, 2002):
1. Who is STIDKI Ar Rahmah? It is an HEI focused on shaping imams, mosque managers, and leaders of the ummah
2. What are social problems faced with the presence of STIDKI Ar Rahmah? a very large number of mosques in Indonesia have not been optimized as an axis of ummah's improvement.
3. How does STIDKI Ar Rahmah react to the problems above? It must build synergy with various related parties in carrying out "Tri Dharma Perguruan Tinggi" to strengthen the function of mosques as centers of community improvement.
4. How should STIDKI Ar Rahmah respond to the demands of its main stakeholders? It must present professional and accountable management as well as quality-based education.
5. What is the culture of STIDKI Ar Rahmah? Its culture includes a faith-based integrity, improvement initiatives, professionalism in task completion, and mercy-based interaction.

6. What makes STIDKI Ar Rahmah different or unique? Its three uniquenesses are: its focused education target, its integral education system, and a 24-hour education system supported by pesantren.

A summary was formulated to be recommended mission statement as follows:
1) To organize higher education that focuses on shaping imams, mosque managers, and leaders of the ummah.
2) To implement "Tri Dharma Perguruan Tinggi" and synergize with various parties in strengthening the function of the mosque as an axis of community improvement.
3) To build professional, accountable, and quality-based education management.

The current vision of STIDKI Ar Rahmah was also evaluated using six criteria proposed by Niven, which are concise, appealing to all stakeholders, consistent with mission and values, verifiable, feasible, and inspirational (Niven, 2002). Therefore, the vision needs to be improved to be: Becoming a superior HEI at the Asia Pacific level in shaping mosque imams and managers as well as ummah leaders in 2030.

3.2 Identification of the Stakeholders' Value Proposition

The strategic planning should also pay attention to the views of stakeholders in order to meet their expectations. The interviews obtained the most important value proposition from each main stakeholder as follows:
1. Students element: full scholarship and education quality
2. Donors element: alumni reputation and synergy of Da'wah
3. Element of the mosque managers: alumni reputation and synergy of Da'wah (assistance and empowerment of mosques)

3.3 SWOT Analysis

According to a study, strategy is designed based on an in-depth understanding of the environment in which the organization currently operates and is anticipated (Niven, 2003). SWOT analysis resulted from FGI is presented in figure 1.
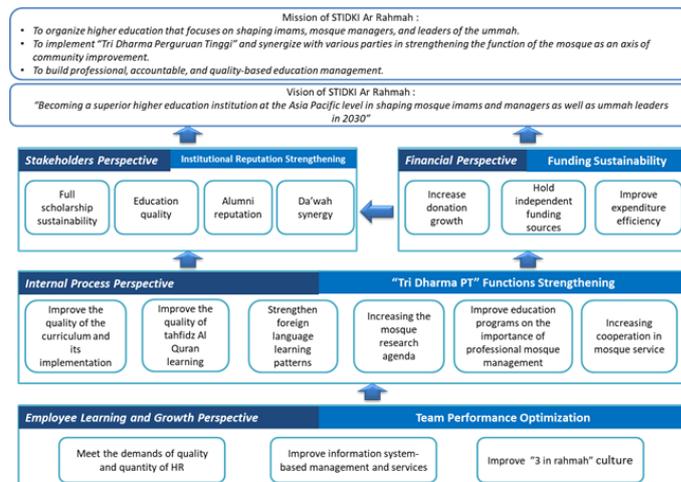

Figure 1: Illustration of SWOT Analysis of STIDKI Ar Rahmah

3.4 Identification of Strategic Issues

After discussing about the SWOT anlysis results, three strategic issues were obtained: (1) Funding sources are not yet sustainable; (2) The functions of Tri Dharma Perguruan Tinggi are not yet well-established; (3) Institutional reputation is not yet strong.

3.5 Formulation of Strategic Goals, Performance Measures, Targets and Initiatives

In accordance with the strategic issues above, four strategic themes were agreed for the development of STIDKI Ar Rahmah in 2019-2023, which are: institutional reputation strengthening, funding sustainability, Tri Dharma PT functions strengthening, and team performance optimization. These strategic themes were translated into 16 strategic objectives as presented in strategy map shown in figure 1. These strategic objectives have their measures, targets, and initiatives to do for the next five years as presented in table 1.

NO	STRATEGIC OBJECTIVES	MEASURES	TARGETS	INITIATIVES
table title	**Table 1:** Strategic plan of STIDKI Ar Rahmah in 2019-2023			
1	Increase full scholarship sustainability	Percentage of full scholarship recipients	2019-2023 : 100%	•Increasing independent income source •Strengthening fundraising management systems
		Percentage of high achieving students scholarship recipients	2019-2020 : 0% 2021 : 5% 2022-2023 : 10%	
2	Improve the education quality	Study program accreditation	2019-2021 : B 2022-2023 : A	•Forming a preparation team for accreditation •Conducting intensive publications on its achievements
		Increasing number of applicants/year	2019-2023 : 25%	
3	Improve the reputation of alumni	Percentage of alumni recruited before graduation	2019 : 50% 2020 : 60% 2021 : 70% 2022-2023 : 80%	•Creating an alumni employment roadmap and indent system for prospective users •Strengthening alumni's language skill
		Percentage of alumni recruited by foreign mosques in Southeast Asia	2019-2020 : 0% 2021 : 5% 2022-2023 : 10%	
4	Increase the synergy of da'wah	Involvement level in mosques community	2019 : initial penetration 2020 : being active 2021-2023 : becoming reference	•Preparing integrated Stakeholders Relationship Management system •Building "mosque expert " from STIDKI Ar Rahmah •Creating a mosque training/coaching model
		The number of MoUs for regional, national, Southeast Asian mosque cooperation/year	2019 : Reg 20 2020 : Reg 10, Nat 10 2021-2023 : Nat 20 Southeast Asia 2	
		The number of MoUs for regional, national and Southeast Asian non-mosque cooperation/year	2019 : Reg 5 2020-2021 : Reg 5, Nat 2, Southeast Asia 1 2022-2023 : Nat 5 Southeast Asia 2	
5	Increase the growth of donations	An increase in active donors number/year	2019-2023 : 20 individual, 2 institutional	•Recruiting capable staff •Holding a gathering and online reports for donors regularly
		An increase in fixed donations amout/year	2019-2023 : 25%	
6	Hold independent funding sources	Number of business units formed	2019-2021 : 1 SBU 2022-2023 : 2 SBUs	•Conducting a feasibility study for a business unit opening •Recruiting HR specifically for the business sector
		Percentage of income from independent sources	2019 : 0% 2020 : 10% 2021 : 20% 2022 : 30% 2023 : 50%	
7	Improve expenditure efficiency	Decrease in non-program costs/year	2019-2023 : 10%	•Strengthening the asset usage and maintenance monitoring system
8	Improve the quality of the curriculum and its implementation	Average students GPA	2019 : 3.6 2020 : 3.65 2021 : 3.7 2022-2023 : 3.75	•Establishing an Academic Advisory Board from the stakeholders and experts •Standardizing lecturers and learning processes
		Percentage of educational procedures completeness	2019 : 30% 2020 : 50% 2021 : 70% 2022 : 90% 2023 : 100%	
		The percentage of students very satisfied and satisfied on the performance of lecturers	2019 : 70% 2020 : 75% 2021 : 80% 2022-2023 : 85%	
9	Improve the quality of tahfidz Al Quran learning	Percentage of tahfizh targets achievement	2019 : 60% 2020 : 70% 2021 : 80% 2022-2023 : 85%	•Strengthening monev process •coaching programs for potential MTQ participants
		Number of regional- Southeast Asian quranic achievements/year	2019 : Reg 5 Nat 5 2020 : Reg 8, Nat 7 2021-2023 : Nat 10 Southeast Asia 1	
10	Strengthen foreign language learning patterns	Achievement percentage target for TOEFL 450 and TOAFL 475	2019 : 50% 2020 : 60% 2021 : 70% 2022-2023 : 75%	•Strengthening CIP on language curriculum development team •Recruiting a native speaker •Complementing the tools needed for TOEFL and TOAFL
		The formation of Arabic-English culture	2019 : System simulation 2020 : 50% running 2021 : 70% running 2022-2023 : 100% running	

11	Increasing the mosque research agenda	Number of mosque research agenda/year	2019 : 25 2020 : 30 2021-2023 : 40	•Strengthening research knowledges for lecturers and students •Creating publication-based reward system •Collaborating with High Impact Researchers from external institutions
		Number of national and international publications/year	2019 : Nat 10 2020 : Nat 20, Int 2 2021-2023 : Nat 25, Int 5	
12	Improve education programs on the importance of professional mosque management	Number of public education activities for mosques/year	2019-2023 : 1 conference, 2 others	•Holding an Annual Mosque Award and Conference •Building media relations
		Number of news publication of mosque education/year	2019 : Nat 5 2020 : Nat 10 2021-2023 : Nat 10 Int 2	
13	Increasing cooperation in mosque service	Benefit distribution of mosque service activities	2019-2020 : 5 provinces 2021 : 7 provinces, 2 countries 2022 : 10 provinces, 2 countries 2023 : 15 provinces, 2 countries	•Formulating the unique concept of the mosque service •Documenting student experiences in mosque service through scientific or non-scientific writing
		Variety of mosque service activities	2019-2020 : imam and managerial practice 2021-2023 : imam, managerial practice, mosque development	
14	Meet the demands of quality and quantity of HR	Human Capital Readiness Index	2019 : 60% 2020 : 70% 2021 : 80% 2022 : 90% 2023 : 100%	•Compiling and implementing the Human Capital Strategic Plan
15	Improve information system-based management and services	Information Capital Readiness Index	2019 : 30% 2020 : 40% 2021 : 50% 2022 : 60% 2023 : 70%	•Compiling and implementing the Information Capital Strategic Plan
16	Improving culture 3 in rahmah	Organization Capital Readiness Index	2019 : 60% 2020 : 70% 2021 : 80% 2022 : 90% 2023 : 100%	•Compiling and implementing the Organization Capital Strategic Plan

4. CONCLUSIONS

The first result of this study was the improvement recommendation for mission and vision statement of STIDKI Ar Rahmah as the basis of its strategic plan. The second finding was the three strategic issues to overcome which are: (1) funding sources are not yet sustainable; (2) The functions of Tri Dharma Perguruan Tinggi are not yet well-established; (3) Institutional reputation is not yet strong. The last result was its five years strategic plan with Balanced Scorecard model including 4 strategic themes (institutional reputation strengthening, funding sustainability, Tri Dharma Perguruan Tinggi functions strengthening, and team performance optimization) and 16 strategic objectives with their measures, targets, and initiatives.

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