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The influence of the environment on the implementation of good university governance in private universities in the city of Bandung

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Article Info

ABSTRACT

Good university government is related to the entire system that is formed starting from rights, processes and control, both inside and outside company management. This research aims to investigate the influence of the external and internal environment on the application of the principles of Good University Governance (GUG) and their implications for the quality of private universities (PU) in Bandung City. This study uses a quantitative approach with a research instrument in the form of a questionnaire designed to measure perceptions of external and internal environmental conditions, implementation of GUG, competitive strategies, and quality of PU. Data analysis was carried out by carrying out normality tests, data linearity tests, and SEM assumptions. The research results show that the external and internal environment has a significant influence on the implementation of GUG at PU Bandung. The findings of this research confirm that the external and internal environment plays an important role in implementing GUG at PU Bandung. Furthermore, the implementation of GUG has a positive impact on the overall quality of PU. By implementing GUG principles well, private universities can strengthen their competitive strategies and overall improve their quality in society.

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Introduction

The success of a business depends on offering globally competitive products and services. The most effective competitive position is achieved based on several factors such as price, taste, availability and quality. A product or service that is not competitive will have a bad impact on the company (David & David, 2015). Companies must have a strategy to develop the products or services they will offer. Business strategies that companies can choose include cost leadership, competing on price, differentiation and product or service quality (Ritson, 2013). Product or service quality can be seen as an important strategy to gain a competitive advantage for a company (Evans, 2015). Companies that choose a competitive strategy by trying to improve the quality of products and services will have more chances of success. Choosing a strategy that considers quality in relation to the price charged for the product or service tends to have a greater chance of success (Lynch, 2015). The development of such a business strategy can be intended to improve service or quality, so as to improve the organization's reputation and provide characteristics that differentiate it from competitors (Evans, 2015).

The concept of quality has developed since 1980, the movement for product or service quality has stimulated the development of various techniques, so that companies see that quality can be used as a strategic weapon to differentiate themselves from their competitors (McGee & Channon, 2021). Quality has evolved to meet demands in various organizations, as a result various quality management procedures have been implemented in various types of organizations (Sreedharan, Raju, & Srinivas, 2015). The implementation of quality principles is different in each field in all organizations, it depends on parameters such as the size and subsector of the organization. Previous research shows that quality implementation has been implemented in different sectors, including the health sector (Niemeijer in Singh & Rathi, 2019), the manufacturing sector (Hodge & Ross, 2011 ; Wang & Chen, 2012) , the automotive sector (Habidin & Yusof, 2012), aviation sector (Psychogios & Tsironis, 2012), banking sector (Xu, Zhang, & Ye, 2013)and education sector (Yuen & Thai, 2015).

Education is a valuable asset that is able to provide people with knowledge, abilities and strength to succeed in future life (Hendra, 2017). Global competition poses challenges that emphasize the importance of knowledge as the main driver of a country's growth. Knowledge becomes a demand that attracts market attention to mobilize and utilize resources to create value. Higher education is one of the main drivers in forming and developing knowledge, so that it can develop relationships with industry and business in a series of business partnerships. Academic interests are based on their ability to meet the needs of students, society, and the welfare of higher education itself (Chen, Chen, & Padró, 2015).

Higher education is a school education pathway at a higher level than secondary education in the school education pathway. The educational unit that provides higher education is called a tertiary institution which can take the form of an academy, polytechnic, high school, institute or university (Indrajit & Djokopranoto in Sari, Qorib, Harahap, & Jufrizen, 2018). Higher education is divided into two types, including state universities and private universities. The number of universities, both state universities (PTN) and private universities (PU) in Indonesia, has increased. There are 4,500 universities in Indonesia with 170 PTNs and the remaining 4,330 PUs and 2,370 study programs. Private universities have taken a big role from the state because 97% of universities in Indonesia are PU and only 3% are PTN. 70% of students receive higher education in the private sector, and only 30% study at PTN (Nurulliah, 2016). In law number 12 of 2102, PTN and PU are no longer a dichotomy, but in this study they are differentiated in terms of their accreditation ranking and governance because PU tend not to be fully managed by the government so control lies with the private sector.

The progress of higher education in Indonesia in terms of quantity is not matched by improvements in quality, so that the condition of private universities becomes unhealthy (Wawan & Masitoh, 2015). The competitive ability of private universities is closely related to the quality of private universities (Goetsch & Davis in Garwe, 2014), where the quality of higher education is the first priority of the Strategic Plan of the Ministry of Research, Technology and Higher Education in Indonesia for the 2015-2019 period (Bagus, 2016). The quality of higher education in Indonesia in general is still not up to expectations. Based on quality standards data from the National Accreditation Board for Higher Education (BAN-PT) as of January 2016, only 26 (0.66%) tertiary institutions in Indonesia are accredited with institution A. Most of these tertiary institutions are state universities, especially those with Legal Entity status. There are still very few private universities that are accredited A institutions, of the 3,181 private universities in Indonesia, only 5 private universities are accredited A (Bagus, 2016).

The increasing number of private universities in Indonesia is able to increase the GER (Gross Participation Rate) in West Java province (Nurulliah, 2016). Table 1.1 Number of Universities and Number of Students in West Java Province Academic Year 2007/2008 - 2009/2010 shows the development of the number of universities, especially in West Java province. The number of PTNs from 2007-2009 did not change, while the number of PU in West Java increased. The increase in the number of PU in West Java does not result in the number of new students registering or the total number of students in PU increasing. The number of students at PU tends to decrease every year, while the number of students at PTN tends to increase (Bagus, 2016).

The increasing number of private universities each year causes increased competition and results in a decrease in the number of students, some of whom even stop operating activities (Wawan & Masitoh, 2015). PU that experience a decrease in the number of students will immediately be evaluated to find the cause. The Coordination of Private Universities (Kopertis) will close a number of private universities in West Java whose activities are unclear based on evaluation results (Esvandi, 2013). The large number of tertiary institutions in Bandung consists of several forms of higher education such as universities, academies, polytechnics, high schools and institutes. Each type of tertiary institution has different quality, disparities in the quality of higher education can be seen from the accreditation results of tertiary institutions and their study programs (Bagus, 2016).

The results of private higher education accreditation in Bandung in 2017 show that the most common form of private higher education in Bandung is high school with 45 institutions, while the least is higher education in the form of institute with 2 institutions. There are 82 PU that have not been accredited, while PU that have been accredited have only received B and C accreditation. The results of private higher education accreditation in Bandung in 2017 show that the quality of the majority of private universities in Bandung is still very worrying because many are not accredited and need serious and systematic handling.

Higher education institutions around the world have to face great challenges and are required to provide and maintain higher quality learning environments based on standards. The quality of higher education has received attention, because higher education plays an important role in advancing society towards sustainable development (Noaman, Ragab, Madbouly, Khedra, & Fayoumi, 2015). The quality of higher education must be guaranteed in order to produce graduates who are competitive and meet employment needs both nationally and internationally. The impact of the low quality of higher education will result in the low quality of graduates, resulting in them being unable to compete in the global era, so they cannot fill the jobs needed (Setiawan, 2016)

The concept of organizational quality is contained in strategic management theory which states that before an organization can begin formulating management strategies to improve quality, the organization must observe the external and internal environment to identify its strengths and weaknesses as well as opportunities and threats that may occur (Wheelen, Hunger, Hoffman, & Bamford, 2015). The need for strategic planning is based on considerations of accelerating changes in the organizational environment which will give rise to uncertainty in the organizational environment (Machmud & Sidharta, 2013). One way of environmental quality can be seen from the expected income distribution in determining the optimal level of environmental quality (Graves, 2013). The business environment is always experiencing changes caused by internal and external factors, thus requiring companies to adapt to anticipate the influence of changes in the business environment (Palondongan & Mangunwihardjo, 2017).

External environmental factors originate from the presence of competitors, limited suppliers, increasingly scarce resources, changes in government policy, changes in consumer tastes, to economic, social, political conditions and technological developments. The internal environment consists of variable strengths and weaknesses that exist within the organization, but are usually not within the short-term control of top management, including organizational structure, culture, and resources (Wheelen et al., 2015). Based on the results of previous research, a university that has an internal environment in the form of consistently and sustainably quality human resources can improve the health of the organization, so that a conducive learning process can be created, the development of science, technology and the arts as well as increased institutional management performance which will have an impact on increasing university quality rankings in the national and international environment (Nuraeni in Wicaksono & Al-Rizki, 2016). Universities in Singapore and Malaysia have attempted to reform university governance structures, in an effort to strengthen leadership, introduce new governance and performance assessment systems, improve quality assurance mechanisms with accountability and human capital development as key considerations (Mok in Shams & Huisman, 2016).

The quality of private universities can also be influenced by good university government. The OECD (Organization for Economic Co-operation and Development) states that good university government is the implementation of corporate government which is a system where business companies are directed and controlled. The corporate governance structure specifically distributes the rights and responsibilities of company members, such as the board of commissioners, managers, shareholders and other stakeholders, and produces rules and procedures for making decisions in the company (Tangguh Wicaksono & Raharja, 2014). Good university government is related to the entire system that is formed starting from rights, processes and control, both inside and outside company management. University governance in some ways reflects more general reform trends in political administration systems and society, but the higher education sector has its own organizational and cultural traditions, shaped by very specific requirements of professional knowledge and academic freedom (Christensen in Enders, De Boer, & Weyer, 2013).

The results of previous research discuss the quality of Good University Governance, internal and external influences on the organization, external internal influences on organizational health. While this research will discuss the influence of the external and internal environment on the implementation of good university governance carried out at private universities. Based on the description of the problems raised, this research aims to investigate the influence of the external and internal environment on the application of the principles of Good University Governance (GUG) and their implications for the quality of private universities (PU) in Bandung City.

Method

This research uses a strategic management approach, especially regarding the external and internal environment in implementing the principles of good university governance and their implications for organizational quality. Based on the type, this research includes descriptive and verification research. According to Zikmund that descriptive research is research designed to describe characteristics of a population or phenomenon (Kiriinya, Bwisa, & Orwa, 2014). Descriptive research is research designed to describe the characteristics of a population or event. According to (Arikunto, 2017), verification research is research that basically wants to test the truth through data collection in the field. This type of research is generally carried out by, 1) Analyzing the influence of the external environment and internal environment on the application of the principles of good university governance, both partially and simultaneously; and 2) Analyzing the influence of the external environment, internal environment, and the application of good university governance principles on quality.

The type of data in this research consists of data about the general characteristics of private universities in Bandung, along with data for each variable or sub-variable studied. Meanwhile, there are two data sources used, namely: a) primary data sources , namely a survey of PU leaders and lecturers in Bandung and b) secondary data sources, namely data, documents about PU taken from various other supporting sources. The population in this research is private universities in Bandung which are universities, which organize educational departments/programs at the level of Bachelor Degree (S1), consisting of the head of the chancellor, faculty heads and department heads. The sample used is the total sample, namely all members of the target population in the research. According to (Sugiyono, 2017), total sampling is a method that is done by taking a sample that is truly in accordance with the entire object. According to (Arikunto, 2017) if the subject is less than 100, it is advisable to make all of them as research samples, while if more than 100, then 10-25% can be taken ".

Data collection techniques were carried out through literature study, questionnaires that had been tested for validity and reliability, observation and interviews. Data analysis was carried out by carrying out normality tests, data linearity tests, and SEM assumptions.

Results and Discussions

Data Testing Results

Table 1. Data Normality

Variables	min	max	skew	cr	kurtosis	cr
Y3.9	1,000	7,000	,118	,573	1,148	2,793
Y3.8	1,000	7,000	,645	3,138	1,255	3,053
Y3.7	1,000	7,000	,827	4,021	,834	2,028
Y3.6	1,000	7,000	,768	3,737	,753	1,832
Y3.5	1,000	7,000	,613	2,982	,766	1,864
Y3.4	1,000	7,000	,561	2,729	,947	2,304
Y3.3	1,000	7,000	,857	4,169	1,065	2,591
Y3.2	1,000	7,000	-,291	-1,414	,526	1,280
Y3.1	1,000	7,000	-,118	-,572	,393	,955
Y2.1	1,000	7,000	,213	1,035	,344	,838
Y2.2	1,000	7,000	,172	,836	,152	,370
Y1.5	1,000	7,000	,186	,904	,861	2,093
Y1.4	1,000	7,000	,207	1,009	1,150	2,796
Y1.3	1,000	7,000	,642	3,123	1,359	3,305
Y1.2	1,000	7,000	,342	1,663	,459	1,115
Y1.1	1,000	7,000	,488	2,375	,907	2,206
X2.1	1,000	7,000	,053	,260	-,007	-,017
X2.2	1,000	7,000	,610	2,969	-,382	-,928
X2.3	1,000	7,000	,592	2,881	-,256	-,622
X1.1	1,000	7,000	-,302	-1,472	,698	1,699
X1.2	1,000	7,000	,128	,622	1,030	2,506
Multivariate					211,598	40,564

Data normality testing was carried out using the critical ratio skewness value + 2.58 at a significance level of 0.01, so that data is said to be normally distributed if it has a critical ratio skewness value below the absolute value of 2.58. The results of the data normality output are shown (Table 1).

Based on table 1 , it can be seen that the multivariate normal value is 40.564 so that the results of the statistical assumption test show that the sample data set is normally distributed (cr> 2.58). This research carried out goodness-of-fit tests including overall model suitability, measurement model suitability and structural model suitability. The overall model fit test is carried out to evaluate the general degree of fit or Goodness of Fit (GOF) between the data and the model. The results of the Overall Model Fit test are as follows .

Table 2. Research Model Testing

Measures of Goodness of Fit	Test results	Cut Off Value	Information
Chi-Square (df=179)	181,431	χ^2 hits $< \chi^2$ table (211,217)	Unwell
P-value	0.435	≥ 0.05	Fit
RMSEA	0.010	≤ 0.08	Fit
CFI	0.999	≥ 0.90	Fit
GFI	0.900	≥ 0.90	Fit
AGFI	0.871	≥ 0.90	Unwell

Source: 2017 Data Processing Results

The suitability test of the Structural Equation model above produces df = 179 with a Chi-Square value of 181.431> Chi-Squaretable, namely 211.217, indicating that the model is not fit, a P-value of 0.435 < 0.05 indicates a fit model. An RMSEA value of 0.010 (≤ 0.08) means the model fits the data. Furthermore, the CFI fit index is 0.999, and the GFI is 0.900, which has an index that is greater than the criterion, namely ≥ 0.90, thus indicating that the model fits the data. Even though not all Goodness-of-Fit measures are in accordance with recommendations and are greater than the cut-off value, it can still be concluded that the overall model is fit because according to Malhotra, use at least 1 measure that is absolutely good (for example: GFI , AGFI), 1 measure that is absolutely bad (for example: Chi-Squares, RMSR, SRMR, RMSEA) and 1 measure that is comparative (for example: NFI, NNFI, CFI, TLI, RNI) (Arif, 2019). It can be seen that all Goodness-of-Fit measures are greater than the cut-off value, so it can be concluded that the research model in the Structural Equation Model (SEM) is fit.

Measurement Model Fit is carried out on external environmental and internal environmental variables. The measurement model in the external environment is carried out by measuring the indicators. The results of the external environment model are presented in the following table.

Table 1 Fit Test of the External Environmental Measurement Model

			Loading Factor						
			RW	SRW	S.E	CR	P	CR	VE
X1.1	<---	Environment External	0.734	0.707	0.145	5,065	***		
X1.2	<---	Environment External	1	0.989				0.921	0.911

Source: 2017 Data Processing Results

According to Malhotra, the Loading Factors on the indicators must be greater than 0.5, because a high Loading Factor of an indicator indicates that the indicators converge on the same variable, and indicates that the indicator is valid and can form a variable (Arif, 2019). Based on the table above, it is known that all Standardized Loading Factors values for each indicator are more than 0.5, so it can be said that these indicators have good validity in measuring the external environment. Reliability testing is shown by the construct reliability (CR) value > 0.70 and the variance extracted (VE) value > 0.50. Based on the table above, it can be seen that the CR value for the external environment is 0.921 > 0.70 and the VE value is 0.911 > 0.50, meaning that the measurement model has adequate internal consistency (reliability) in measuring the external environment. Model for the internal environmental construct is carried out by measuring the indicators, with the following results .

Table 4. Fit Test of Internal Environmental Variable Measurement Model

			Loading Factor						
			RW	**SRW**	**S.E**	**CR**	**P**	**CR**	**VE**
X2.1	<---	Internal_Environment	0.765	0.75	0.063	12,056	***		
X2.2	<---	Internal_Environment	1,047	0.957	0.054	19,401	***		
X2.3	<---	Internal_Environment	1	0.944				0.958	0.953

Source: 2017 Data Processing Results

Based on the table above, it is known that all Standardized Loading Factors values for each indicator are more than 0.5, so it can be said that these indicators have good validity in measuring internal environmental variables. Reliability testing is shown by the construct reliability (CR) value > 0.70 and the variance extracted (VE) value > 0.50. Based on the table above, it can be seen that the CR value for internal environmental variables is 0.958 > 0.70 and the VE value is 0.953 > 0.50, meaning that the measurement model has adequate internal consistency (reliability) in measuring internal environmental variables.

Next, testing the measurement model on the good university governance construct is carried out by measuring the indicators. Based on the table above, it is known that all Standardized Loading Factors values for each indicator are more than 0.5, so it can be said that these indicators have good validity in measuring the good university governance variable.

Table 5. Good University Governance Measurement Model Fit Test

			Loading Factor						
			RW	SRW	S.E	CR	P	CR	VE
Y1.1	<---	gug	1	0.675					
Y1.2	<---	gug	1,189	0.829	0.141	8,411	***		
Y1.3	<---	gug	1,056	0.777	0.132	8.02	***		
Y1.4	<---	gug	1,004	0.725	0.135	7,448	***		
Y1.5	<---	gug	1,041	0.787	0.128	8,104	***	0.876	0.964

Source: 2017 Data Processing Results

Reliability testing is shown by the construct reliability (CR) value > 0.70 and the variance extracted (VE) value > 0.50. Based on the table above, it can be seen that the CR value for the good university governance variable is 0.976 > 0.70 and the VE value is 0.964 > 0.50, meaning that the measurement model has adequate internal consistency (reliability) in measuring the good university governance variable.

The measurement model for the competitive strategy construct is carried out by measuring the indicators. The results of the competitive strategy measurement model are presented in the following table 6.

Table 6. Competitive Strategy Measurement Model Fit Test

			Loading Factor						
			RW	SRW	S.E	CR	P	CR	VE
Y2.1	<---	Competitive strategy	1.02	0.862	0.114	8,939	***		
Y2.2	<---	Competitive strategy	1	0.845				0.937	0.927

Source: 2017 Data Processing Results

Based on this table, it is known that all Standardized Loading Factors values for each indicator are more than 0.5, so it can be said that these indicators have good validity in measuring competitive strategy variables. Reliability testing is shown by the construct reliability (CR) value > 0.70 and the variance extracted (VE) value > 0.50. Based on the table above, it can be seen that the CR value for the competitive strategy variable is 0.937 > 0.70 and the VE value is 0.927 > 0.50, meaning that the measurement model has adequate internal consistency (reliability) in measuring competitive strategy. The measurement model for the quality construct of private universities is carried out by measuring the indicators. The results of the competitive strategy measurement model are presented in the following table 7.

Table 7. Fit Test of the PU Quality Variable Measurement Model

			Loading Factor						
			RW	SRW	S.E	CR	P	CR	VE
Y3.1	<---	Quality_PU	1	0.682					
Y3.2	<---	Quality_PU	0.816	0.563	0.128	6,364	***		
Y3.3	<---	Quality_PU	1,098	0.914	0.111	9,921	***		
Y3.4	<---	Quality_PU	1,019	0.792	0.116	8.75	***		
Y3.5	<---	Quality_PU	1,164	0.879	0.121	9.6	***		
Y3.6	<---	Quality_PU	1,235	0.926	0.123	10,061	***		
Y3.7	<---	Quality_PU	0.965	0.774	0.113	8,572	***		
Y3.8	<---	Quality_PU	0.642	0.558	0.101	6,346	***		
Y3.9	<---	Quality_PU	0.704	0.576	0.108	6,507	***	0.879	0.835

Source: 2017 Data Processing Results

The measurement model for the PU quality construct is carried out by measuring the indicators. Based on the table above, it is known that all Standardized Loading Factors values for each indicator are more than 0.5, so it can be said that these indicators have good validity in measuring PU quality variables. Reliability testing is shown by the construct reliability (CR) value > 0.70 and the variance extracted (VE) value > 0.50. Based on the table above, it can be seen that the CR value for the PU quality variable is 0.879 > 0.70 and the VE value is 0.835 > 0.50, meaning that the measurement model has adequate internal consistency (reliability) in measuring the PU quality variable.

Structural model analysis is related to the evaluation of parameters that show causal relationships or the influence of one latent variable on other latent variables. Below is a picture of the standardized loading factor estimation parameters as follows.
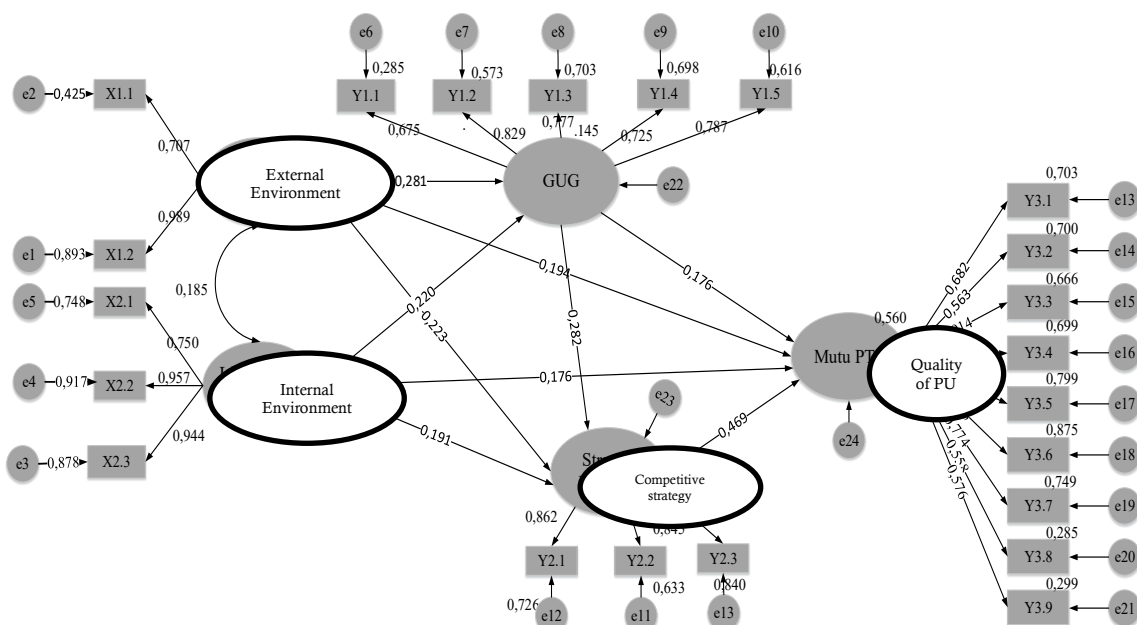
Figure 1. Structural Model in the Overall Structural Equation Model

The Influence of the External Environment and Internal Environment on Good University Governance
Research findings show that the level of GUG is positively influenced by the level of external and internal environments, this can be assessed from the path coefficient (SRW) value > 0 and p value < 0.05.

Table 8. Parameter Estimation Results for the Good University Governance Structural Model

			Loading Factor					
			RW	SRW	S.E	CR	P	R2
gug	<---	External_Environment	0.181	0.281	0.071	2,555	0.011	
gug	<---	Internal_Environment	0.125	0.22	0.052	2,429	0.015	0.142

Source: 2017 Data Processing Results

Meanwhile, the magnitude of the influence of the external environment and internal environment can be seen in the following table.

Table 9. Direct and Indirect Influence of the External Environment and Internal Environment on Good University Governance

Model		Influence	External Environment	Internal Environment
Good	University	Direct Effects	0.181	0.125
Governance		Indirect Effects	-	
		Total Effect	0.181	0.125

Source: 2017 Data Processing Results

Based on the table above, it can be seen that the highest influence on GUG is the external environment with a path coefficient of 0.181, while external environmental variables have a smaller influence, namely 0.125. Overall, the influence of the External Environment and Internal Environment on GUG is 0.142 or 14.2%. The high and low variations that occur in GUG can be explained by the External Environment and Internal Environment. The remaining 85.8% is the influence of other variables not explained in the model. The estimated structural equation for the GUG model is GUG = 0.181 External environment + 0.125 internal environment + 0.14e22 ; R2 = 0.142 . The results of testing the first hypothesis show that there is an influence from the external environment and internal environment on good university governance at private universities in Bandung. The external environment has a greater influence than the internal environment on good university governance. The strength of the external environment in this research is measured through the social environment and work environment. Of these two dimensions, the work environment dimension shows the highest influence in reflecting the strength of the external environment at private universities in Bandung.

PU is a community-owned higher education institution that provides higher education based on academic mandates given by the government and delegation of authority to manage funding sources from foundations. To implement quality education and accountable management, good and correct PU governance is needed. Good university governance aims to create an accountable higher education institution through the principles of transparency, accountability (to stakeholders), responsibility, independence (in decision making), fairness, quality assurance and relevance, effectiveness and efficiency, and non-profit.

PU must be responsible to PU stakeholders consisting of internal (students, lecturers, employees) and external (government, regional government, BSNP, BAN-PT, DPT, MPT, organizing legal entities/foundations, communities, professional associations, etc.) at least in implementing mandates and strategic policy directions; Guaranteed quality and relevance of output; existence of a quality assurance system; Guaranteed effectiveness and efficiency as well as transparency and accountability in financial management; and Realization of good management in higher education. So that PU leaders are obliged to comply with applicable laws and regulations; Following the strategic policy framework established by the organizing legal entity; Implement effectively and efficiently the RKA that has been approved by the organizing legal body at the beginning of the school year; Fulfill performance targets proposed by the leadership and approved by the organizing legal entity; Meet the quality standards set by BAN-PT; and Submitting annual reports.

In organizational development, private universities should optimize educational services with the potential of existing resources in accordance with the demands of the internal and external environment. PU must also strengthen the commitment of personnel who can encourage them to achieve organizational goals through the organization's vision. Kopertis IV in Bandung , its working area covers West Java and Banten Provinces . According to the Chairman of Kopertis IV, the number of private universities in West Java and Banten currently is around 500 private universities. Kopertis, which started in 1975, has seen its role and function develop with the issuance of Decree of the Minister of Education and Culture No.062/O/1982, No.0135/O/1990 & Decree of the Minister of National Education No.184/U/2001, to carry out supervision, control and guidance, which refers to a new paradigm, namely sustainable quality. Quality is not absolute but relative, so it must be sustainable and supported by autonomy. Higher education autonomy should be autonomy that is responsible to stakeholders including society.

Along with the publication of Law no. 20 of 2003 concerning the National Education System, and the Higher Education Long Term Strategy 2003–2010 that there needs to be a paradigm shift in the role of higher institutions which places greater emphasis on three basic strategies, namely national competitiveness, higher education autonomy and healthy organizations. The existence of Kopertis today is necessary considering that the development of PU is very rapid with a total of 2,789 PU and spread throughout Indonesia, so that its supervision and guidance cannot be carried out directly by DIKTI. Kopertis functions to coordinate PU so that they can provide higher education in an accountable and quality manner. The tasks carried out in the supervision, control and guidance of PU in carrying out monitoring and supervision of the implementation of

education at PU ; evaluation of the performance of PU implementation ; clarification and verification of proposals for establishing PU and study programs ; Plan, implement and monitor the provision of assistance to PU; Developing academic and administrative management information systems at Kopertis; dissemination of regulations and policies of the Director General of Higher Education; Process and analyze PU self-evaluation reports; and carrying out evaluations of developments in the implementation of study programs.

Based on the results of interviews with the Head of Kopertis Region IV, information was obtained that the implementation of the Bimdalwas function in his region prioritizes coaching rather than supervision. Coaching prioritizes how to synergize between the Foundation and Management, so as to produce lecturers who have good qualifications. Control prioritizes PU so that the rules are carried out and implemented, as well as ensuring that the accreditation of each PU is guaranteed so that it does not "fall into trouble". Supervision means monitoring whether or not the rules are carried out in accordance with established rules. From the internal environment, PU services to employees are a very important part. HR is a very important factor. Not only lecturers must be served well, but also staff must be served well.

The relationship between the external environment and the internal environment on good university governance is governance or the way in which power and authority are exercised within the organization in the allocation and management of resources. While management focuses on the effectiveness and efficiency of resources while governance focuses on the dynamics of internal and external stakeholders. University governance is a powerful concept that reflects the way a university is organized within a particular political, social, and economic context.

The Influence of the External Environment, Internal Environment, and GUG on Competitive Strategy
Research findings show that the level of competitive strategy is positively influenced by the level of the External Environment, Internal Environment and GUG, this can be assessed from the path coefficient (SRW) value > 0 and p value < 0.05.

Table 10. Parameter Estimation Results of Competitive Strategy Structural Model

			Loading Factor					
			RW	SRW	S.E	CR	P	R2
Competitive strategy	<---	gug	0.366	0.282	0.134	2,726	0.006	
Competitive strategy	<---	External_Environment	0.186	0.223	0.082	2,287	0.022	
Competitive strategy	<---	Internal_Environment	0.142	0.191	0.066	2,149	0.032	0.242

Source: 2017 Data Processing Results

Meanwhile, the magnitude of the influence of the external environment, internal environment and GUG on competitive strategy can be seen in the following table.

Table 11. Direct and Indirect Influence of the External Environment, Internal Environment, and GUG on Competitive Strategy

Model	Influence	External Environment	Internal Environment	gug
Competitive strategy	Direct Effects	0.223	0.191	0.282
	Indirect Effects	0.079	0.062	-
	Total Effect	0.302	0.253	0.282

Source: 2017 Data Processing Results

Based on the table above, it can be seen that the external environment has the highest influence on competitive strategy, namely with a direct influence coefficient of 0.223 and an indirect influence of 0.079 so the total influence is 0.302. Meanwhile, the internal environment has the lowest influence on competitive strategy where the direct influence coefficient is 0.191 and the indirect influence is 0.062 so the total influence is 0.253. Overall, the influence of the external environment, internal environment and GUG on competitive strategy is 0.242 or 24.2%. The high and low variations that occur in competitive strategy can be explained by the external environment, internal environment and GUG. The remaining 75.8% is the influence of other variables not explained in the model. The estimated structural equation for the competitive strategy model is Competitive Strategy = 0.223 External Environment + 0.191 Internal Environment + 0.282 GUG + 0.24 e23 ; R2 = 0.242.

The results of testing the second hypothesis show that there is an influence from the external environment, internal environment and good university governance on competitive strategies at private universities in Bandung. Good university governance has a greater direct influence than the internal environment and external environment on competitive strategy.

Based on the results of interviews with the Chair of Kopertis IV West Java and Banten, the GUG principle that must be applied is that there is no difference between PU and PTN, both must still refer to the National Higher Education Standards in accordance with Law no. 12 of 2012 concerning Higher Education and Minister of Research, Technology and Higher Education Regulation no. 44 of 2015 concerning National Higher Education Standards and when accredited there must be a public accountant from the Public Accounting Office. With full autonomy and a three-year budget, universities can develop strategic capabilities and become more competitive. In exchange for this autonomy, the law was introduced in 2006 for mandatory evaluation and reporting of universities' intellectual capital, to increase university accountability and to have stronger control over the decision-making of academic leaders. A similar trend exists in Italy, but here the tradition of collegial governance is mixed with the power of corporate governance. University autonomy has increased, but not to the level of universities in Austria. Thus, strategic thinking cannot be fully developed at university level since major decisions are made at ministerial level.

Dramatic changes have been wrought in the Japanese university system by the corporatization of national universities in 2004. These changes transformed their governance into a strategic driving force. The collegial type of academic management integrated within a highly centralized government decision system has been replaced by a corporate model based on full university autonomy and a strong board of directors. The new academic management was based on a corporate model with full decision power vested in the university president, who nominated deans and department heads. This corporate governance is integrated into the university's vision and strategic thinking.

The Influence of the External Environment, Internal Environment, GUG, and Competitive Strategy on the Quality of PU

Research findings show that the high and low quality of PU is positively influenced by the high and low levels of the External Environment, Internal Environment, GUG, and Competitive Strategy. This can be assessed from the path coefficient (SRW) value > 0 and p value < 0.05.

Table 12. Parameter Estimation Results of the PU Quality Structural Model

			Loading Factor					
			RW	SRW	S.E	CR	P	R2
Quality_PU	<---	gug	0.194	0.176	0.09	2,149	0.032	
Quality_PU	<---	Competitive strategy	0.398	0.469	0.082	4.84	***	
Quality_PU	<---	External_Environment	0.138	0.194	0.056	2,453	0.014	
Quality_PU	<---	Internal_Environment	0.111	0.176	0.045	2,444	0.015	0.537

Source: 2017 Data Processing Results

Meanwhile, the magnitude of the influence of the External Environment, Internal Environment, GUG, and Competitive Strategy on the Quality of PU can be seen in the following table.

Table 13. Direct and Indirect Influence of the External Environment, Internal Environment, GUG, and Competitive Strategy on the Quality of PU

Model	Influence	External Environment	Internal Environment	gug	Competitive strategy
PU quality	Direct Effects	0.194	0.176	0.176	0.469
	Indirect Effects	0.191	0.157	0.132	-
	Total Effect	0.385	0.333	0.308	0.469

Source: 2017 Data Processing Results

Based on the table above, it can be seen that the competitive strategy variable has the highest influence on the quality of PU, namely with a direct influence of 0.469 so the total influence is 0.469. Meanwhile, the variable that has the lowest influence on the quality of private universities is GUG with a direct influence of 0.176 and an indirect influence of 0.132 so the total influence is 0.308. Overall, the influence of the External Environment, Internal Environment, GUG, and Competitive Strategy on the Quality of PU is 0.537 or 53.7%. The high and low variations that occur in the Quality of PU can be explained by the External Environment, Internal Environment, GUG, and Competitive Strategy. The remaining 46.3% is the influence of other variables not explained in the model. The estimated structural equation for the PU Quality model is PU Quality = 0.194

External Environment + 0.176 Internal Environment + 0.176 GUG + 0.469 Competitive Strategy + 0.54 e24 ; R2 = 0.537

The results of testing the third hypothesis show that there is an influence from the external environment, internal environment, good university governance, and competitive strategy on the quality of private universities in Bandung. The variable ability to make competitive strategies has the highest influence on the quality of private universities compared to the external environment, internal environment, and GUG on the quality of private universities.

Based on the results of the interview with the Chair of Kopertis IV, to ensure the healthy quality of PU, a PU must have criteria including having statutes , and activities and programs carried out at PU based on National Standards and SOP Principles. PU cannot be interfered with by politics, so they have their own autonomy. Many PU are still dependent on the Regional Government, so there is a lot of interference by political interests. Apart from that, learning facility standards must be met by PU. Accountability for efficiency in managing private universities depends on the number of classes. Don't let PU not have students, because PU also depends on the number of students. PU that have excellence are the ones that can survive. PU must have standard quality assurance. Accreditation is more about administrative accountability, so the focus of quality assurance must be the responsibility of academic governance. Apart from that, PU managers must really have the ability to manage human resources and have entrepreneurial insight. Regarding leadership, PU leaders must have an academic leader style but must also be able to secure the bureaucracy. Bureaucratic culture and academic development are usually at odds. However, this is where creative leadership skills are needed to combine the two.

In Permenristekdikti No. 62 of 2016 concerning Higher Education Quality Assurance Systems, stated in Article 5 paragraph (1), SPMI has an activity cycle consisting of determining , implementing , evaluating , controlling and improving Higher Education Standards . Article 5 (2) states that the evaluation as intended in paragraph (1) letter c is carried out through an internal quality audit. Article 5 (3) states that SPMI is implemented in all areas of higher education activities, namely academic and non-academic areas. Evaluation means an activity of collecting data and information regarding an activity process and/or regarding the results and impacts of the activity to then be analyzed, with the intention that if necessary, certain actions will be taken to change, correct and improve it. Evaluation is usually carried out after the process or activity being evaluated is completed, not in the middle of the road or while the process is in progress, this is what differentiates evaluation from monitoring. Evaluations are generally only carried out once for each activity, and the results are needed primarily by the parties tasked with preparing plans and policy makers, not by managers or implementers. The evaluation results report is in the form of a qualitative statement in the form of: satisfactory, good, unsatisfactory, bad, unsatisfactory, very convincing, and the like.

Evaluation always requires analysis, because in evaluation it must be possible to identify what makes an activity fail, deviate from the initial target, the results are bad, inefficient, not on target, or conversely identify the reasons why the results are good, according to standards, is there anything still can be improved or improved for the future, and so on. Evaluation can also be carried out internally or externally. For example, a work unit can evaluate the implementation of its higher education tri dharma internally, or can also ask an external party to carry out the evaluation. These external parties can be parties outside the work unit but still within the university environment, or external parties who actually come from outside the university. If carried out internally it is called Internal Evaluation or Self Evaluation, if carried out by an external party it is called External Evaluation or Accreditation. Evaluation in many ways can be equated with auditing, or conversely, auditing can be referred to as a way of conducting evaluation.

Ideally, each work unit in a higher education institution, in addition to monitoring and/or evaluation carried out by the unit leadership itself (attached), must also carry out independent and objective inspections and assessments by parties outside the work unit or second party audit, which better known as internal audit. Because the achievement of higher education VMTS is carried out through SPMI, the internal audit is none other than an internal audit of the implementation of SPMI, which is briefly called Internal Quality Audit (hereinafter referred to as AMI). Just like evaluations, the results of auditing reports will usually be in the form of qualitative statements such as very convincing, not convincing, satisfactory, and so on.

Before implementing AMI for the first time, every tertiary institution should systematically and documentedly prepare all aspects of AMI as a way to evaluate the implementation of Higher Education Standards at their institution. This systemic step begins, for example, by compiling and establishing an AMI policy which is followed by the preparation of AMI standards, procedures and methods. Then, proceed with compiling instruments or questions, or an AMI checklist equipped with an assessment system. Finally, AMI documentation is equipped with, for example, guidelines for writing AMI reports including examples/models/report templates.

This research shows the positive influence of UG. The better the UG, the better the PT's performance will be. In other words, the principles of fairness, responsibility, ethics, accountability, governance structure, transparency, autonomy, credibility, and vision, mission and goals play a very important role in building GUG. UG plays a major role in the performance of staff/human resources which is characterized by the performance of submitting evaluation scores for learning outcomes from lecturers in a timely manner as well as improving the remuneration system and performance evaluation of lecturers/staff. Furthermore, GUG plays a major role in academic services. Face-to-face lectures, availability and use of internet/ICT media, academic administration services, guidance and counseling, interests and talents, and scholarship services felt by students are positive impacts of GUG. GUG will improve financial performance. GUG also encourages permanent lecturers to achieve higher academic positions. GUG encourages a good learning atmosphere so that the cumulative achievement index (GPA) will increase, the average length of graduation will be faster, and the percentage of graduates absorbed by employment will be higher. Likewise, GUG will encourage increased research performance produced by PT.

The quality of academic services provided by universities is one of the important factors related to the credibility of universities. Thus, it is necessary to determine the quality factors of academic services provided to students in order to improve the quality of higher education. This research was conducted to determine the determining factors related to the quality of academic services which are influenced by the internal and external environment. Faculty participation and the application of university governance principles in various types of decisions have an influence on university performance in various ways, which are related to the quality of higher education. The results of this study are in line with Shattock (2017) research which shows that there are different phases of internal balance in governance structures and relates them to external pressures, most of which come from the state.

Conclusions

This study produces several findings, namely there is an influence of the external environment on good university governance in private universities in Bandung as perceived by management. There is an influence of the internal environment on the principles of good university governance in private universities in Bandung as perceived by management. There is an influence of the principles of good university governance on the quality of private universities in Bandung as perceived by management. By paying attention to the conditions of the external environment, managers can improve the quality of their PTS. There is an influence of GUG on competitive strategy in Bandung as perceived by the management. By paying attention to internal environmental conditions, managers can improve the quality of their private universities, and there is an influence of competitive strategies on the quality of private universities in Bandung as perceived by managers In general, PU leaders in making decisions must pay attention to external and internal environmental conditions.

The External Environment of Higher Education is in the category of sufficient consideration, where the dimensions of the work environment are rated higher than the social environment. Likewise, the internal environment is in the sufficient category, where the lowest dimension is organizational resources. The application of the principles of Good University Governance (GUG) in PU is in the sufficient category, where the fairness dimension is the dimension that gets the highest score, while transparency is the lowest dimension. The competitive strategy applied by PU leaders is already in the high category, where the highest dimension in measuring PU's competitive strategy is competitive strategy and the lowest dimension is alliance strategy. Overall, the quality of PTS is in the high category, the highest dimension is leadership, while the lowest dimension is the impact on society (social results).

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