

The Implementation of Good University Governance in the Private Universities in Makassar (Indonesia)

La implantación de una buena gobernanza universitaria en universidades privadas de Macasar (Indonesia)

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ABSTRACT:

This research aims at finding out the influence of the implementation of Good University Governance on the education quality in private universities in Makassar. The data were collected using literature review and field research in which the researchers used the techniques of interviews, observation, documentation and questionnaire to 200 respondents in five universities in Makassar. This study found that the implementation of good university governance significantly and directly affects the education quality.

Keywords Good University Governance, Education Quality, Private University

RESUMEN:

Esta investigación tiene como objetivo descubrir la influencia de la implementación de la buena gobernanza universitaria en la calidad de la educación en las universidades privadas en Los datos fueron recogidos mediante la revisión de la literatura y la investigación de campo en la que los investigadores utilizaron las técnicas de entrevistas, observación, documentación y cuestionario a 200 encuestados en cinco universidades de Maella. Este estudio encontró que la implementación de una buena gobernanza universitaria afecta de manera significativa y directa a la calidad educativa.

Palabras clave Buena gobernanza universitaria, calidad educativa, Universidad privada

1. Introduction

The needs of higher education services which is increasing every year make the capacity of higher education services organized by the government is no longer able to accommodate all prospective students so that they come the private universities to meet those needs. It makes

the competition among private universities in Makassar is increasingly stringent. The issue of good corporate governance is growing rapidly around the world over the past ten years. Good corporate governance is necessary to maintain the viability of the company through a management system based on five principles, namely: transparency, accountability, responsibility, independence, and fairness. The implementation of the Good Corporate Governance concept in Universities which is more appropriately called with good university governance is expected to increase the added value for all concerned parties (stakeholders).

Good Corporate Governance Practices in Private Universities has not been widely applied in the management of higher education in Indonesia. There are many cases in which conflicts between shareholder (principal) and Leaders (agent) in the private university have resulted in huge costs (agency cost) that can reduce the ability of the private universities in improving the quality of higher education. The quality is the main focus of all undertaken educational process as a consequence of a vision that has been set. The academic quality improvement involves four things. The first is improving the quality of inputs. The second is improving the quality of the learning process and curriculum. The third is improving the quality of output. The fourth is improving human resource quality and supporting facilities.

Based on the above governance structure, the involved stakeholders in the provision of education in private universities can be grouped into the internal and external structure of governance. Rector of the University or Institute, Chairman of the College, Dean is considered internal structure, while the Foundation and stakeholder are considered as an external structure.

Based on the data available in 2015, private university coordinator in Region IX closed 112 study programs in 2015 from 48 private universities in the area of private university coordinator in Region IX. Moreover, in its development in 2015, the private university coordinator in the region IX, hundreds study programs are spreading in 81 private universities which are considered illegal. Based on the data on the website of Higher Education database, in October 2015 there were 19 private universities in South Sulawesi which were inactivated. The factors are different from one college to another. The status of non-active can be activated if the university has already met regulatory or requirements of the implementation of colleges that are applied by the Directorate General of Ministry of Research, Technology and Higher Education, and legislation of education in general.

In this study the authors selected five major private universities in Makassar, namely Universitas Muslim Indonesia (UMI), Universitas Bosowa (UNIBOS), Universitas Atmajaya, and Universitas Kristen Indonesia Paulus (UKIP) and Universitas Sawerigading to examine the implementation of the Good University Governance in Private Higher Education to improve the quality of education.

Table 1
Five Private Universities which became the object of research in Makassar

Name of the private university	Number of students	Number of lecturers	Ratio between lecturers and students	Status
UMI	18.542	739	1:25.1	Active
UNIBO	12.008	203	1:59.1	Active
UKIP	3.865	122	1:31.7	Active
Atmajaya	1.651	77	1:21.4	Active

Sawerigading	1.772	69	1:25.7	Active
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Source: PDDIKTI, 2016

1.1. Research Problems

Based on the introduction, the researchers formulate the following research questions.

1. How is the implementation of good university governance in private universities in Makassar?
2. How is the quality of education in private universities in Makassar
3. Does the good university governance implementation affect the quality of education in private universities in Makassar

1.2. Objectives of the Research

This research has some objectives as follows:

1. To find out the implementation of Good University Governance in Private Universities Makassar
2. To examine the Quality of Education in private universities in Makassar is
3. To analyze the influence of the implementation of Good University Governance on the Quality of Education in private universities in Makassar is

2. Literature Review

2.1. Theoretical Framework

Improving the quality of education can be perpetuated by empowering the strategic assets which have characteristic and has ability to inhibit competitors (Amit and Schoemaker, 1993). National Standards for Higher Education is a standard unit that includes national standards of education, coupled with research standards, and standards of community service. On 16 May 2005, Government Regulation No. 19 in 2005 on National Education Standards (NES) has been determined. In Article 4 of the Government Regulation, it is stated that NES aims at ensuring the quality of national education. Therefore, the fulfillment of NES by a college means that universities ensure the quality of higher education that must be fulfilled all the universities. In 2006, based on the assignment from the Directorate General of Higher Education, the Commission on Quality Assurance System of Higher Education established by the Board of Higher Education has produced a draft Quality Assurance System-based institution. In this system, there are three elements, namely government, universities, and community or stakeholders who had been positioned in agreement with the duties and responsibilities of each, in implementing the assurance of college quality.

In managing the university, there is a tendency for discrepancy related to agency theory (Coase, 1937 in Shattock, 2003), because there is the difference in interest between the Foundation and the Rector, mainly because of the separation between financial and management which will result in the high agency cost. Edward Sallis from Developing a Culture for Quality presented by the Rector Council of the United States reveals that each college must develop a system to improve its quality. However, the universities must remain oriented on the quality of its graduates, so that external customers can accept them.

2.2. Previous Studies

According to Herwidayatmo (2000), practices in Indonesia which are on the contrary to the

concept of good corporate governance can be grouped into three kinds. First, there is a concentration of ownership by a particular party which enables the affiliation relationship between the owner, supervisor, and director. Second, there is an ineffectiveness of the board of directors. Third, there is a weak law enforcement. Regression analysis on research on Good Governance in Higher Education and Job Prospects for Students indicate that there is a significant relationship between the governance of the university and student employment rate in Pakistan (Aurangzeb 2012). In addition, there is a gap between qualified college graduates and the needs of industries, especially in terms of the ability of solving problems based on scientific concepts and skills of the group (teamwork) in the college in which there are still many graduates who are concerned with the theory, and they pass the exam and only emphasize on individual skills (Vincent Gaspersz, 2008).

Quality education is a definite way to prepare individuals to provide quality services to the nation since individuals should obtain skills, knowledge, and ability to live in a pluralistic society. Good governance can be achieved by improving the welfare of society (Amanchukwu, Rose N 2011). Total quality management (TQM) is defined as a system approach to management that aims at increasing the value continuously to customers by designing and constantly improving the system and organization (Selvaratnam, RM, 2005). Therefore, the two basic principles of TQM are customer satisfaction and continuous improvement (Dillon, BS, 1999). TQM in education is commonly known as Total Quality Management in Education (TQME). After TQME is applied, Quality Assurance is required, as the guidelines for assuring the quality of higher education that has been implemented in many countries (Ramli, N. et al., 2008). The elements emphasized in quality assurance for higher education consist of (1) The vision, mission, goals; (2) Design of educational programs and methodology of teaching and learning; (3) students; (4) The support system and the selection of students; (5) academic staff; (6) The resources of education, (7) evaluation program; (8) leadership and officials; (9) continuous quality improvement. In university, there is also disagree with the position of students whether they are included as a product or as a customer (Conway et al., 1994 Selvaratnam, RM, 2005). Naturally, the academic world is free from the marketing issues (independent of market issues), and it can cause negative effects as a result of forgetting the real customer needs (Selvaratnam, RM, 2005). However, one thing to remember is that the success of students is successful educational institutions (Sallis, Edward, 2008). Universities should develop its TQM system independently (Sallis, Edward, 2008). It also happens because many educational institutions consider TQM which is simply unrealistic slogan (Selvaratnam, RM, 2005). In terms of higher education, the qualified service must be able to produce products or qualified graduates. It means that external customer can accept it in real life, such as industry, government, and society, such as the eight criteria for college graduates who takes the world of business and industry presented by Kemenade and Garre (2000). Research on the trends of student management in university and its effects on entrepreneurial intention found a positive effect of governance variables on student entrepreneurial intentions. This study proposed a system of good Governance University to develop a higher level of entrepreneurial intentions (Imran Ali, 2010).

2.3. Agency Theory

Agency theory is a field which is popular lately. This theory states that the company is the intersection point for the contractual relationship that occurs among management, owners, lenders, and the government. This theory is about monitoring of a wide range of fees, and it imposes the relationships among the various groups. Warsono (2009) reveals that one of the theories underlying the research on the quality of corporate governance disclosure is the agency theory. This theory was invented by Michael C. Jensen and William H. Mecling in 1976 in which this theory explains the differences due to the disagreement between management position as agent and shareholders as the owner. According to Mallin (2003), corporate governance can be seen from the agency perspective. Agency relationship was first explored by

Rose (1973) and later described theoretically by Jensen and Meckling (1976).

In agency theory, it is stated that it is hard to believe that the management (agent) will always act in the interests of shareholders (principal). Therefore, monitoring performed by the shareholder is needed (Copeland and Weston, 1992: 20). Classical agency theory also discusses the trade-offs between insurance and incentives that are affected by the risks faced by the management (Gibbons, 1996). According to Jensen (1986), the agency problem arises because people tend to be selfish. In addition, there are conflicts when multiple interests meet in a joint activity. From this definition, it can be interpreted that the agency theory is a contractual relationship between one or more parties (principal) and another party (the agent) to perform services on behalf of their affiliation (principal) which involves the delegation of decision-making to the agent. The main assumption of agency theory is that the principal and the agent have their own interests and objectives in carrying out the contractual relationship, and often the interests and objectives are different. One way to reduce the divergence of interests and asymmetry of information is by carrying out the implementation and disclosure issues related to corporate governance. By implementing this corporate governance, it is expected that the company as the agent can carry out the responsibilities of all stakeholders, including shareholders as principal (Warsono et al., 2009) so that a conflict of interest between the agent and the principal can be minimized.

2.4. Good University Governance

One concept that is the mainstream in the administration of the college currently is the idea of good university governance. This concept is actually a derivative of the concept of governance more generally, for example, good governance. Governance is a whole process of decision-making or policy and a whole series of processes in which the decision was to be implemented or not implemented.

UNDP provides a definition of good governance as a synergistic and constructive relationship between the state, private, and public sectors. It provides the characteristics of good governance, namely: Participation, Rule of Law, Transparency, Responsiveness, Consensus Orientation, Equity, Effectiveness and Efficiency, Accountability, and Strategic Vision (LAN and BPK, 2000). The concept of good corporate governance is actually a derivative of the concept of governance more global good governance. The concept of good corporate governance is a concept that is currently the mainstream in the administration of public companies. University is an economic concept that education is the industry so that the concept of good corporate governance can be applied.

2.4.1. Participation

Participation is the key to good governance. Participation can be direct or through legitimate representative institutions. Participation should be informative and organized. It presupposes freedom of association and expression, and a strong civil society is organized on the other side.

2.4.2. The Rule of Law

Good governance requires a legal framework or the laws and regulations enforced comprehensively. It also requires full protection of human rights, particularly for minorities. The process of an impartial law enforcement calls for an independent judiciary, and the police are also unbiased and uncorrupt.

2.4.3. Transparency

Transparency means that the decision-making and implementation are performed in a manner which is followed by the laws and regulations. It also means that information is freely available and can be accessed directly by those who will be affected by the decision. The information provided must be in the form of media and easy to understand.

2.4.4. Responsiveness

Good governance requires that institutions and processes which are trying to serve all stakeholders within a certain time frame accordingly.

2.4.5. Consensus Oriented

There are more than one actor and many viewpoints in a community. Good governance requires mediation of the different interests in society to achieve a consensus in the community that becomes an interest or the best decision that can be achieved for the whole community.

2.4.6. Equity and Inclusiveness

The existence of a society depends on the process to ensure that all its members feel that they have an interest in it. In addition, they do not feel excluded from the mainstream of society. It is required that all groups, especially the most vulnerable group have opportunities to improve or maintain their existence.

2.4.7. Effectiveness and Efficiency

Good governance means that the output of the entire process and the targeted institutions or in accordance with the needs of society efficiently utilize the resources. The concept of efficiency in the context of good governance also covers the use of natural resources by taking into account sustainability and environmental protection.

2.4.8. Accountability

Accountability is one of the main requirements of good governance. Public and stakeholders must recognize not only governmental institutions but also the private sector and civil society organizations. Generally, an organization or institution is responsible to the parties that are affected by the actions or decisions of the brand.

2.5 Research Hypothesis

The implementation of Good University Governance has a significant effect on the quality of education in private universities in Makassar

3. Methodology

3.1 Research location

The research was conducted in 5 private universities in Makassar

3.2. Types of Data

Primary data were collected directly from companies through observation and interviews with the company related to this discussion

Secondary data were obtained by collecting documents and other sources related to the issue examined.

3.3 Sources of Data

This study was conducted using a normative approach that is approach method. The data were not only supported data collected with the literature but also by data in the field

3.4. Data Collection Techniques and Variables Testing

The interview which was conducted was direct interviews with stakeholders in the private

universities which can be grouped on the structure of governance "internal" and "external." Rector of the University, the Chairman of the College, and Dean are considered as an internal governance structure, Foundation and stakeholder are considered as an external structure.

Observation which was conducted was a direct observation of the object of research to obtain relevant data and information related to the studied variables, namely: organizational characteristics, competence, implementation of good university governance and the quality of education quality. Documentation was the collection of secondary data from various reports, records, and documents. Questionnaire was primary data collection techniques by spreading the list of some questions.

3.5. Data Analysis

In this study, the data analysis methods consisted of descriptive analysis and hypothesis testing, in which the purpose of this analysis methods will be described further. In order to analyze the research variables, as described in operational variables, the analysis tools that have been used was a structural equation model that describes the relationship and causality of these variables. The proposed structural model is the Structural Equation Models (SEM) analysis for verification purposes. Based on the framework, the variables can be identified as exogenous or endogenous. Furthermore, the relationships and the causality among the variables can be formed using SEM models.

4. Results and Discussion

4.1 Descriptive Analysis of Respondents' Answers

Here are presented the results of a descriptive analysis of the respondents who describe the conditions of the analysis unit based on the studied variables. Descriptive analysis of each dimension and the variables was conducted by classifying the weighted average value of respondents on a Likert scale value based on the criteria used in the questionnaire.

4.1.1. Participants' Responses Regarding Good University Governance (GUG)

Good University Governance (GUG) is a system of good governance to improve the quality of higher education. The implementation of GUG is intended to provide a balance between the autonomy granted to institutions and accountability (OECD, 2008). The variable of Good University governance in this study consisted of participation structures, laws and rules compliance, transparency, responsiveness, consensus, equity, effectiveness, and efficiency. The accountability, vision, and strategic can be seen from data collection through questionnaires that have been collected from 5 rectors of private universities in Makassar. The statements in the questionnaire regarding the Good University Governance consists of five parts that are the average score of respondents' assessment of each dimension on a good university governance variables can be described descriptively in Table 2 below.

Table 2
Average score of Respondents Assessment about Good University Governance

No	Dimensions of GUG	Average Score
1	Accountability	73.80
2	Transparency	66.90
3	laws and rules compliance	71.80

4	Responsiveness	73.40
5	Equity	69.90
6	Participation	68.60
7	Consensus	75.30
8	Effectiveness and efficiency	72.00
	Grand Mean	71.46

Table 2 shows that the calculation result of the grand mean score of respondents about good university governance is 71.46% in the interval between 68.01%-84% and it is in the moderate to high category. Based on these data, it can be concluded that good university governance in private universities in Makassar has been implemented better, but it still need to be improved, especially in terms of transparency. Of the eight dimensions of the implementation of good university governance, the lowest score is the dimension of transparency. It means that all private universities need to consider the indicator of transparency. In addition, analyzing inhibiting factors in the implementation of transparency in private universities need to be analyzed. Furthermore, to what extent the regulatory policies, programs, activities, and budget are known and understood by the academic society should be considered so that they can actively participate. Transparency is a basic prerequisite to support the existence of participation and ensure accountability of institutions. Participation process requires the availability of adequate information and services for all stakeholders in accessing information. In addition, the transparency allows all stakeholders to be able to monitor and evaluate the performance of the institution. In terms of budget or finance, transparency has become very urgent, considering that the flow velocity of money in higher education institutions become larger and more complex. However, this transparency should be not only in terms of budget but all the dynamics that occur in the dynamics of the college.

4.1.2. Participants' Responses on the Quality of Education

The quality of education is the degree of excellence in education management effectively and efficiently to deliver academic excellence and extra-curricular to the learners who passed for an education or complete certain subjects. In education, the quality is a success of the learning process which is fun. The dimension of the quality of education is the quality of inputs, processes, outputs and supporting facilities.

Table 3
Average Score of Respondents Assessment Regarding the Quality of Education

No	Dimensions of the Quality of Education	Average Score
1	Quality of input	71.10
2	Quality of process	76.20
3	Quality of Output	74.40
4	Quality of Supporting Facilities	76.10

	Grand Mean	74.45
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Table 3 shows that the calculation result of the grand mean score of respondents about the quality of education is 74.45% in the interval between 68.01% -84%, and it is in the moderate to high category. Based on this data, it can be concluded that the quality of education in the private university in Makassar has been better, but it still need to be improved, especially in terms of the quality of inputs.

Table 4
The percentage of Weighted Average of the Respondents' Answer

Variables	Dimensions/Variables	Percentage	Conclusion
Implementation of Good University Governance	Accountability Dimension	73.80%	Moderate to High
	Transparency Dimension	66.90%	Moderate
	Law compliance dimension	71.80%	Moderate to High
	responsiveness dimensions	73.40%	Moderate to High
	Equity dimension	69.90%	Moderate to High
	Participation dimension	68.60%	Moderate to High
	Consensus dimension	75.30%	Moderate to High
	Effectiveness and Efficiency Dimension	72 %	Moderate to High
The education quality	Output dimension	71.10%	Moderate to High
	Proses Dimension	76.20%	Moderate to High
	Input Dimension	74.40%	Moderate to High
	Supporting facilities Dimension	76.10%	Moderate to High

The model of the data analysis in this study is structural Equation Modeling (SEM) approach which is based on two models, the measurement model and the structural model.

4.2. Validity and Reliability testing

To determine the size of contribution of each indicator, testing to determine the degree of conformity of each indicator based on the construct reliability and variance extracted approach in which the degrees of alpha is 0.05 with t table value of 1.9665 is conducted. The table 4 shows the value of Construct Reliability of the indicator that form variable or the dimension of the implementation of GUG and the quality of education and it is 0.8964 and 0.8463 which showed a reliable construct value, where value is greater than recommended value that is 0.70. Therefore, the entire item of indicators of the dimensions have a decent degree of suitability for

building variables. In addition, the extracted variance value is greater than the recommended value, namely 0.50 which is 0.7757 and 0.5392. Based on the data, it can be argued that the indicators are reliable in forming the variable of GUG implementation and the quality of education in five private colleges in Makassar.

4.3. Measurement Model Testing

The size of the compatibility of chi squared measures how close the implied covariance matrix and sample covariance. The minimum limit of p-value is $\chi^2 > 2$ to state that the model is good and Chi square is $0.013 < 2$. Based on the value of RMSEA (Root Mean Square Error of Approximation), the studied model is 0.033 and it shows the model obtained meet the criteria for suitability model, in which the expected value of RMSEA which is smaller than 0.08 is a good fit. Based on the suitability testing of the values of GFI, AGFI, CFI NFI, IFI, FFI, and PNFI exceed the average value or close to 1. Therefore, it can be said that the model already meets the compatibility testing.

4.4. Structural Model

Results of data processing by using robust maximum likelihood show the form of the equations function describing the relationship between among the construct variables. Mathematically, structural equation model of function of latent variables in question can be stated below. Testing hypotheses about the positive effects of implementation of Good University Governance (X) on the quality of education is partially done by regression analysis using SEM with the following equation.

$$\text{QUALITY} = 0.70 * \text{GUG}, \text{Errorvar.} = 0:51, R^2 = 0:49$$

$$(0086) (0.10)$$

$$8:08 \ 4.97$$

Thus, these equations can explain the relationship among the latent variables which are presented in the research hypothesis.

4.5. Hypothesis Testing

The hypothesis is the implementation of good university governance (y) affects the quality of education (z) in private universities in Makassar.

Table 5
Contributions of the Effect of Good University Governance Implementation (Y) on the Quality of Education (Z)

Latent Variable	Path Coefficient	Direct effect	Indirect effect	Total
Good University Governance Implementation	0.70	70 %	0%	70%%
Total of Simultaneous effect (R ²)			49%	

Based on path analysis diagram, the implementation of Good university governance (Y) on Quality of Education (Z) is 0.70 path coefficient with the critical ratio is 8:08. R-square (0.70x0.70) is 0:49, and it means that the variable of the good university governance implementation partially explains the quality of education by 49%. Furthermore, there is the influence of other variables outside our model or epsilon factors that are $1 - 0.49 = 0:51$ or 51%

at a rate of 0:05 or 5% α at a level of 0:05 or 5%. This value is greater than t table at a significance level of 5% (0:05) where t table with degree of freedom = nk is 196 and t table is 1.96. The relationship between the two variables directly gets P value that is 0.000 in which it is more than 0.05 (significant level). It means that the implementation of Good university governance (Y) has a 49 percent positive influence and significant impact on the quality of education because t count (8:08) > t table (1.96) and P value is <0.05.

4.6. The Effect of Implementation of Good University Governance Principles (X) on the Quality of Education in Private universities (Y)

Statistical test results showed that the application of the principles of good university governance significant positive effect on the quality of private universities. Based on the research findings, the implementation of good university governance significant positive effect on the quality of education in which the path coefficient is 0.70, and the significance level is 8.08. This study supports the research conducted by Amanchukwu, Rose N (2011) in their study designed to show what the quality of education is and how it relates to good governance. This study indicates that there is a significant correlation between the governance and qualities of education. Furthermore, research conducted by Aurangzeb (2012) found that there is a significant positive relationship between the application of governance in higher education and employment opportunities for students who have completed a study that is one dimension of quality namely the quality of the output.

Hanafi (2010) accountability, transparency, and responsiveness significantly affect the academic service quality in higher education state-owned legal entities. Tamim (2013) states that a good and right arrangement of governance is required to implement quality of education and responsible management in universities commonly which is known as Good university governance. Imran (2010) found that there is a significant positive effect of good university governance and entrepreneurial intentions of students. Hermanson (2003) also found that the implementation of good governance significantly affects the organizational performance.

According to Rosca, Nastase, Mihai (2010), improving the quality of education can be conducted by implementing good governance in a university known as good university governance. Sumarno (2011) states that the low quality of higher education in Indonesia is caused by the government's lack of commitment to education, leadership, and management colleges that have not been based on the values of academic quality.

Dimensions that have the biggest loading factor in building a relationship with the variable of the good university governance implementation is the aspect of justice, equality, and participation. The aspects of justice and equality have an indicator that the level of equality of rights and the level of fulfillment of the right fairly. One of the examples of the application of environmental justice and equality aspects in the private universities are recruitment staffs and leaders based on their competence and track record and is not based on like and dislike or nepotism. The system of recruitment and the procedures has a clear standard or criteria. The recruitment process is transparent and provides opportunities for all those who have competence. Another example is the application of merit system in the provision of incentives and dis-incentives) right. Performance assessment system on the duties and responsibilities based on merit is right in which the parties need to know the value in the assessment criteria so that the assessment of performance should be transparent. Equal treatments on the entire academic community can be applied to meet the justice and equality aspects of the university. Relationships among employees should also be maintained, namely by avoiding discriminatory practice regardless of age, ethnicity, race, religion and gender. Remuneration systems need to be determined with a mechanism of reward and punishment for all employees. Besides, regularly the survey as an evaluation for employees need to be conducted.

The dimension which has the smallest loading factor in building relationships with the

implementation of good university governance is accountability aspect. Dimensions of accountability have indicator that is the level of clarity of function and quality of managers of foundations and accountability mechanisms. The results showed a small factor loading is because the object of study is universities in which the foundation and the director have run the corresponding function of each authority so that the respondent's answer does not vary. Accountability is defined as an obligation for officials or public servants to act as the person accountable for all actions and policies set forth. Accountability is a measure that shows whether bureaucratic or public service activities undertaken by public institutions is in conformity with the norms and values shared by the community and whether the public service has been able to accommodate the needs of real people. Public institutions serving the public task should be responsible directly or indirectly to the public (Widodo, J., 2001: 148-152). Public gives a trust to the individuals and officials, along with the need to take responsibility for their actions and the impact of his actions (Othman, AR, Shavelson, RJ, and Primo Ruiz, MA, 2006: 27-33).

The lowest average score of the implementation of good university governance is on transparency indicators. Transparency or openness is a basic prerequisite to support their participation and ensure accountability of institutions. Participation process requires the availability of adequate information and services for all stakeholders in accessing the information. In addition, the transparency allows all stakeholders to be able to monitor and evaluate the performance of the institution. Regarding budget or finance, transparency has become very urgent. However, this transparency should not only in terms of budget but all the dynamics that occur in the dynamics of the university.

5. Conclusions

The average score of respondents about good university governance is 72.93% in the interval between 68.01% -84%, and it is in a good category. Based on these data, it can be concluded that good university governance in the private university in Makassar has been implemented. However, it still needs to be improved, especially in terms of transparency. Transparency must be enhanced at the university either in terms of providing high-quality information of providing any information generated which can be accessed by all stakeholders both students, faculty, alumni, graduate users, and society at large.

The average score of respondents about good university governance is 68.3% in the interval between 68.01% -84%, and it is in the moderate category. Based on this data, it is concluded that the quality of education in the private university in Makassar still needs to be improved, especially in terms of the quality of the process. Learning method which can activate students in developing the new paradigm of curriculum, effective learning time management, utilization of curriculum and new curriculum need to be applied.

The regression analysis showed statistical findings stating that the application of the principles of good university governance has direct effect partially on the quality of education. The application of the good university governance principles can explain the quality of education that is 49% while the remaining as much as other variables explain 51% of other variables

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