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# ANALYSIS OF TRANSFORMATIONAL LEADERSHIP IN HIGHER EDUCATION INSTITUTIONS.

(The Case of Higher Education Institutions in West Sumatera)

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# ANALYSIS OF TRANSFORMATIONAL LEADERSHIP IN HIGHER EDUCATION INSTITUTIONS

(The Case of Higher Education Institutions in West Sumatera)

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#### ABSTRACT

The purpose of this research is to identify the transformational leadership in Higher Education Institutions (HEIs) of West Sumatera through measuring and analyzing the implementation of top seven transformation strategies of the world's most transformational leaders defined by Krames (2003). The strategies consist of (1) costumer as epicenter of business, (2) create authentic learning organization, (3) focus on solution, (4) prepare the organization for drastic change, (5) harness the intellect of every employee, (6) performance-driven culture, (7) learn from competition, but remain faithful to the vision. This research uses quantitative approach by surveying 30 Top Management Teams of HEIs in West Sumatera. Research finding indicated that TMTs of HEIs in West Sumatera perceive that they have implemented transformation strategies well.

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### CHAPTER I

#### INTRODUCTION

### 1.1 Background

As the world becomes increasingly mobile and workforces become more cross culturally diverse, the challenges for leaders become more demanding. Bass and Riggio (2006) in Childers (2009) mentioned that leaders need to develop a leadership style that will allow them to meet these increasingly difficult challenges. Research has shown that transformational leadership is an effective leadership to overcome turbulence and uncertainty environment change. Bass and Avolio (1994) in Nur (2006) mentioned that a transformational leader is the visionary leader, the agent of change that leads the organization to achieve the goals and win the competition in the middle of globalization era. Therefore, transformational leadership becomes interested topic to be analyzed.

Judge and Bono (2000) in Trautman (2006) mentioned that in the last ten years, more research has conducted on transformational leadership than other leadership theories combined. The importance of transformational leadership has also been studied and demonstrated in non-business setting. For instance, principal's use of transformational leadership is indirectly related to student performance by Koh (1995), athletic performance among student athletes is indirectly associated with coaches' transformational leadership by Charbonneau (2001) and in military sector by Charbonneau (2004).

Mitra and Manimala (2008) mentioned that Higher Education Institutions the place to develop technical skill, managerial ability and knowledge is unique organizations. HEIs supply qualified human resource to support the increase of competitive advantage of a country (Porter, 2009).

Higher Education Institutions all over the world are facing rapid change and challenges, it is necessary for Higher Education Institutions to transform their structures, missions, processes, and program in order to be both more flexible and more responsive to changing societal needs (Hanna, 2003). In Indonesia, HEIs recently has a rapid expansion and strategic decision related to issue of accreditation, quality assurances, and research capacity (Wicaksono and Friawan, 2008). Here, the role of TMTs, which determine strategies, and performance of an organization is getting significant (Hambrick & Mason, 1984). Therefore, research about transformational leadership in academia setting especially in Higher Education Institutions (HEIs) is important to be analyzed. Moreover, the research about transformational leadership for academic setting in Indonesia is still rare, this research is expected to add the current literature and provides data and information for the next similar topic of research.

Education improvement is the basic factor to determine the development and progression of region (Elfindri, 2004), while human resource quality management is the key in its acceleration of social and economic development (Todaro, 2000). Education become important issue in West Sumatera's economic development. West Sumatera is heavily depends on its human resources since it has relatively insufficient in optimizing economic sector. Higher Education Institutions as the highest level of education, contribute significantly to achieve

#### CHAPTER VI

## CONCLUSION, LIMITATION AND RECOMMENDATION

#### 6.1 Conclusion of Research

Based on the analysis and discussion of research about analysis of transformation strategy implementation by Top Management Team in Higher Education Institutions of West Sumatra, it can be concluded as followed:

- 1. The purpose of this study was to identify the transformation strategies implementation by TMT in HEIs of West Sumatra through implementation of top seven transformation strategies of the world's most transformational leaders. The transformation strategies in this study consists of (1)Costumer as epicenter of business (2) Create authentic learning organization (3) Focus on solution (4) Prepare the organization for drastic change (5)Harness the intellect of every employee (6) Performance-driven culture (7) Learn from competition, but remain faithful to the vision. Research finding indicated that TMTs of HEIs In West Sumatera perceive that they have implemented transformation strategies well. It is represented by the mean value the range of mean value is 3.99 to 4.5 or in other word from scale good very good implemented.
- The dominant of transformation strategy applied by TMTs of HEIs is focus on solution. Its mean value is 4.5, the highest number compare to others strategy.
- The lowest respond of transformation strategy applied by TMTs is prepared the organization for drastic change. Its mean value is 3.99 the lowest number compare to other strategies.

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