ABSTRACT

MUHAMMAD YUSUF SULFARANO BARUSMAN. The Strategic Model of the Development of Organizational Dynamic Capabilities among Private Higher Education Institutions (Case Study on Private Higher Education Institutions within The Coordination of Private Higher Education Institutions Area II). Under direction of ERIYATNO, SJAFRI MANGKUPRAWIRA, and SETIADI DJOHAR

Indonesian private higher education institutions are facing enormous challenges for their existences due to dynamic environment such as competition, changing government policies and demanding needs of industries. Contradictory among those institutions in responding to the dynamic environment is interesting topic to be analyzed. The objectives of this study are four fold, firstly is to identify factors that influence the sustainability of Indonesian private higher education institutions, secondly is to build future scenarios concerning the dynamic external environment, thirdly is to build the best strategy needed in responding to the most possible future scenario of the dynamic of external environment. This study also aims to develop suitable models regarding the sustainability and the development of dynamic capabilities within that organization. This study is using system approach especially soft system methodology as epistemological base with various methods in collecting and analyzing data including Analytical Hierarchy Process, Participatory Prospective Analysis, Exponential Comparison Method. The result of this study shows that there are five external and four internal dominant factors influencing the sustainability of Indonesian private higher education institutions. There are 72 scenarios that could possibly happen related to the dynamic external environment. The appropriate strategy in responding to the most possible future scenario has been constructed by combining five external and four internal dominant factors of private higher education institution. Finally, the study suggests two institutional models on the subject of the sustainability for private higher education institutions and the development of dynamic capability within the institutions.

Key words: dynamic capabilities, private higher education institution, system approach