UNLOCKING THE POTENTIAL OF PROCESS MANAGEMENT (A Case Study on Leveraging Business Strategy in Private Higher Education Institutions of Region IV)

^{1*}Desy Oktaviani, ²Thomas Kartomo, ³Tubagus Guruh Ramadhan, ⁴Widia Astuti, ⁵Ade Muslimat

¹Universitas Widyatama, Bandung, Indonesia

²Asean University International, Malaysia

³Universitas Darma Persada, Jakarta Indonesia

⁴Universitas Pamulang, Tangerang Selatan, Banten, Indonesia

⁵Universitas Serang Raya, Banten, Indonesia

desy.oktaviani@widyatama.ac.id, mrthomaskartomo@gmail.com, guruhramadhan80@gmail.com, dosen01265@unpam.ac.id, ademuslimatmufrodi@gmail.com

DOI: https://doi.org/10.56457/jimk.v12i2.684

Received: December 01, 2024 | Accepted: December 17, 2024 | Published: December 30, 2024

Abstract

Along with the development of information technology, companies and organizations must develop an information system strategy that is based on the business strategy that has been prepared by the company. The purpose of designing a business strategy and information system strategy is to strengthen the power of competitiveness in the technological era by implementing a strategic information system by considering and aligning business strategies that are in accordance with the conditions of the company's strengths. Educational institutions as companies providing educational services must also consider business strategies and information systems strategies to strengthen competition. This research will explain business strategy through process management at private tertiary institutions in region IV having an organizational vision and mission that is designed based on organizational analysis and competition in other PTS in region IV. The vision and mission are analyzed using the strategic option generator (SOG) model to determine the right business strategy. To achieve the vision and mission, an information system strategy must also be designed using the balanced scorecard (BSC) model. Then the resulting business strategy is aligned with the information system strategy to produce an implementation plan that has a competitive advantage with the information system strategy and PTS Fostered business strategy in region IV and translated into a future application portfolio.

Keywords: Business Strategy, Process Management

INTRODUCTION

Speed is an issue that deserves attention in a company or organization to obtain and evaluate information immediately, and then use that information to respond to any incidents and problems quickly and precisely. Because of that speed becomes an important factor in growing the competitive value of a



company or organization. The problem that often occurs is that companies fail or are late in responding to business challenges that arise unexpectedly. To overcome this problem, company leaders really need a solution that can help them see a comprehensive and real-time picture of their business.

Companies can rely on the right technology to help them improve efficiency, sharpen responsiveness, and ultimately generate competitive value for the company. In recent years, many companies have used information technology (IT) solutions to optimize their business processes, but sometimes the solutions they develop are still half-measures.

Business **Process** Management Technology or **Business Process** Management (BPM) is the answer that businesses have been waiting for and needed to help their businesses face challenges and competition like today. BPM is an IT solution with a powerful new approach used to help increase efficiency and grow the competitive value of a business. BPM is designed to integrate employees and information systems through highly automated and flexible processes. BPM is also the right solution to increase the responsiveness of the company

Efficiency and productivity of a business activity is very important in the business battle. The application of Business Process Management is one of the methods to identify and evaluate a company's business processes to find out the actual conditions and develop improvement programs that can be carried out in the form of increasing the efficiency and productivity of the company in terms of cost and time as well as improving the quality of the

products and services produced. (Hasyim Azhari, et.al 2021)

Good management alone is not enough to withstand competitive pressures outside the company. The existence of an information system is also not necessarily able to provide company competitiveness. The available information system should be based on the results of research on business strategy and information system strategy. To be able to maintain its competitiveness, companies must have a business strategy and be supported by an information system strategy. In a company, applicability

Information technology and information systems have a very important role for achieving success. Currently, the information system strategy is very helpful for companies in carrying out business processes or operational activities and assists in achieving predetermined goals.

Private higher education institutions are one type of business institution with service products. Private tertiary institutions certainly have top priority in the form of educational services based on the vision and mission of the institution. However, business strategies in educational institutions need to be designed so that in the future these institutions will have resistance to competitors who are engaged in the same field and have an attitude perspective.

The ability of the community to be selective about the selection of educational institutions to obtain education at a higher level is also a consideration for the need to design this business strategy. Bastian, 2016)

To identify more specific business opportunities, identify strategic



opportunities that involve the use of an information system strategy with a layered approach, the Strategic Option Generator can be used (Solikin, 2007). This method can produce evaluations for organizations that have been successful and competitive. layered approach produces certain focuses at each layer to guide the institution in determining the target business strategy and the type of strategy to be used. The Strategic Option Generator produces conclusions in the form of business strategy directions for the organization.

1. Formulation of the problem

Based on the background of the problems above, the formulation of the problem in this study is:

- How to understand and research the business strategy of the Private Higher Education Organization in Region IV?
- 2) How to design a strategic information system strategy for Private Private Universities in Region IV?
- 3) How to develop a plan for implementing the business strategy and information system strategy for the Assisted Private Higher Education in Region IV?

2. Research purposes

Based on the formulation of the problem above, the research objectives in this study are:

- Analyzing the processes and sub-businesses that exist in Private Higher Education Assistance in Region IV.
- 2) Designing an information system vision and mission and information system strategy for

- the Private Higher Education Assisted in Region IV
- 3) Develop a strategic information system implementation plan for Private Private Universities in Region IV.

THEORETICAL BASIS

1. Business Strategy Understanding Strategy

According to Sedarmayanti, (2014: 16) Strategy is the parameters of an organization in terms of determining the place of business and how the business competes. The strategy shows the general direction that an organization (company) wants to take to achieve its goals. Meanwhile, according to Kenneth R. Andrews, in Anogara (2004: 338-389) Strategy is a process of evaluating a company's strengths and weaknesses compared to the opportunities and threats that exist in the environment it faces and deciding on a product market strategy that adapts the company's capabilities environmental to opportunities.

Strategy is a tool for achieving goals, in its development, the concept of strategy continues to evolve, this can be shown by the differences in the concept of strategy over the last 30 years. The first definition of strategy put forward by Chandler (1962:13) states that strategy is the long-term goal of a company, as well as the utilization and allocation of all important resources to achieve that goal.

Strategy Concept

According to Sedarmayanti, (2014: 4-5) A good understanding of the concept of strategy and other related concepts greatly determines



the success of the strategy drawn up. The concept is:

a. Distinctive competence

Actions taken by the company in order to perform activities better than its competitors. According to Day (1998)Wensley the identification of distinctive competence in organizations includes:

- a) Labor skills.
- b) Resource capability.

These two factors cause the company to excel compared to its competitors.

b. Competitive advantage

Competitive advantage is due to the choice of strategy by the to seize market company opportunities. If the company wants to increase its business in the increasingly fierce competition, the company choose must principle of doing business, namely products with high prices or products with low costs, not both. Based on this principle, Porter stated that there are three generic strategies, namely:

- a) differentiation strategy is a strategy with the goal of making products that provide services that are considered unique across industries and targeted at consumers who are less concerned with price changes.
- b) low cost advantage strategy Cost leadership emphasizes manufacturing standardized products at very low per unit costs for

- consumers who are sensitive to price changes.
- c) focus strategy
 Focus means making
 products and providing
 services that meet the needs
 of a small group of
 consumers.

Thus, strategy is a declaration of intent that defines ways to achieve goals, and pays attention to the allocation of company resources that are important for the long term and matching resources and capabilities with the external environment.

Definition of Business

The word "Business" in Indonesian is absorbed from the word "Business" from English which means busyness. **Busyness** profit specifically related to orientation. According to Buchari Alma, (2007: 5), the notion of business is aimed at a profit-oriented activity that produces goods or services to meet community needs. Business can also be interpreted as an institution that produces goods and services needed by society.

Etymologically, business means a situation where a person or group of people is busy doing work that profits. generates The word "business" itself has three uses, depending on the scope - the singular use of the word business can refer to a business entity, namely a juridical (legal), technical, and economic entity that aims to make a profit or profit. 6 Business in a broad sense is a general term that describes all activities and institutions that produce goods/services in everyday life.



Skinner in Madnasir (2012: 92) defines business as an exchange of goods or services that are mutually beneficial or beneficial. Business is an activity that leads to an increase in added value through the process of providing services, trading or processing of goods (production). Meanwhile, according to its basic meaning, business has the meaning of the buying and selling of goods and services. According to JS Nimpoena (1985), the notion of business can be distinguished in a narrow sense and a broad sense. If we are oriented to a narrow sense then business is nothing but fiction. Meanwhile, in a broad sense, business is a business that is closely related to the world of economics and politics. This is because the economic world and the political basically are interdependent relationship. and which also reflects the effectiveness of a society in its business activities. According to Panji Anogara (2004: 3-4) Business can also be interpreted as all activities organized by people involved in commerce and industry that provide goods and services to maintain and improve the standard and quality of people's lives.

So, a business strategy is a document that clearly articulates the direction a business will pursue and the steps required to achieve its goals.

2. Process Management

According to Hestanto (2022) Process management is the most important part of efforts to develop and improve processes. So process management is a way or action in dividing, allocating programs to be

executed so that they are not messy and work properly as they should. In its function to develop and increase the degree of efficiency and effectiveness, process management is also one of the most potential work tools in an effort to increase customer satisfaction values.

Many work organizations are motivated to manage the various activities of their work organization functions by using a process management approach consisting of five main dimensions. (Funglseth and Gronhang, 1997). The dimensions of process management are in the functions of: (1) quality, (2) efficiency, (3) response to time, (4) work activities and (5) process costs.

3. Business Process Management(BPM)

Definition of Dumas, La Rosa, et al., (2013): "BPM is the art and science of overseeing how work is done in an organization to ensure consistent results and to take advantage of improvement opportunities." Rosing et al. consider this definition only mentions work and results so that it emphasizes improvement in one unit of work in a process and not in the process as a whole.

Harmon's (2014) definition of the term BPM refers to a more synthetic comprehensive approach to change that incorporates process process management, redesign, improvement and automation. Rosing et al note that this definition is good and concise, but does not explain whether BPM management of tasks within a single process (eg, automation) or the way in which processes can be iterative, modified, and improved over time.



They consider a few words necessary to clarify that BPM is the last resort and also emphasize the need to maintain processes as part of the continuity. company's business **Processes** organizational span connecting people, boundaries. information flows, systems and other assets, to create and deliver value for customers and constituents". This definition is considered too long. but comprehensively does not encapsulate the notion of service steward or process control in the steady state. Innovation is creative and implementative thinking, the desired change in innovation consists of four dimensions, namely: product process innovation, innovation, position innovation and paradigm innovation. (Tidd & Beasant, in Diawati, 2018).

A simple definition of a process is defined set of activities resources that accepts input and transforms it into output. The scope of processes extends from the largest and most complex to the most basic. All work activities are a process. The of business application process management is one of the methods to identify and evaluate a company's business processes to determine the actual condition of the company and develop improvement programs that can be carried out. The output of implementing this business process management is in the form increasing company efficiency in terms of cost and time as well as improving the quality of the products and services produced.

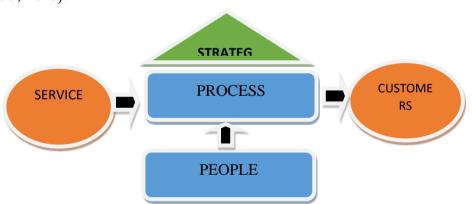


Figure 1. Business process management

the business process management that the author does is an Initiative and Improvement in the Corporation. It takes a long and directed thought, how to organize and oversee the entire series of activities/business activities of the company with the aim of fulfilling customer desires with an agreed target time and at a set price and guaranteeing a reliable service quality.

4. Information Systems Definition of Information Systems

An information system is a component that works with each other to collect, process, store and also disseminate information to support the activities of an organization, such as decision making, coordination, control, problem analysis, and also visualization of the organization. (Laudon and Laudon, 2012).



According to Simkin Mark G in his book entitled "computer system for business". An information system is a set of elements that work together either manually or computer-based in carrying out data processing in the form of collecting, storing, processing data to produce meaningful and useful information for the decision-making process.

According to Burch and Strater in his book "system information: theory and practice". The information system is a set of functions that combine formally and systematically, namely:

- 1. Carry out operational transaction data processing.
- Generate information to support management in carrying out planning, control and decisionmaking activities.
- 3. Produce various reports for the interests of the external organization.

From the definition above, it can be seen that an information system is a unified element (people and equipment) that work together to carry out information processing from collecting, processing, storing to distributing it.

5. Relations between Information Systems Strategy and Business Strategy

Information Systems Strategy (IS) emphasizes determining the information system applications needed by the organization. The essence of the IS strategy is to answer the question "what?". While the IT strategy places more emphasis on selecting technology, infrastructure,

and related special skills or answering the question "how?" (Earl, in bastian 2016)

The process of creating an IS/IT strategy should not only focus on technology analysis. The most effective way that can be taken is to analyze existing business problems, changes in the environment, and realize that IS/IT is only one of the solutions offered. Earl also suggested that IS strategy concentrate on identifying the information system needs of the organization. Meanwhile, the IT strategy concentrates identifying on information technology needs and supporting infrastructure (Earl, in Bastian 2016).

6. Strategic Option Generation

Charles Wiseman introduced a methodology for analyzing business processes in a company. This method is said to have never failed in terms of determining strategic matters for companies to win the competition (Wiseman, 2003). Strategic Option Generator (SOG) is a methodology to assist management in focusing the functions, roles and positions of information systems as the main tool in competition (in the Warren McFarlan matrix, these information systems fall into the SIS (Strategic Information System) category). According to Wiseman, in determining strategic information systems, there are four main parts of the strategic option generator that need to be discussed.

Strategic options generatoris a model for determining a strategic position that is profitable in the application of information systems. In addition, this method can be used to



evaluate the use of information systems as a company's competitive position. Or at least evaluate the competitive position of the company's information system (Callon, 2004).

METHODS

1. Research methods

The research method in this research is qualitative research using descriptive techniques in narrative form, namely the results of observational data, interviews, and documentation so as to provide components in the study, namely data reduction, data presentation, drawing conclusions and verification, which will produce an information system strategic design.

2. Research Framework

The first step taken is to identify and analyze the organization's business strategy at the Private Private Universities in Region IV. The methodology used is the Strategic Option Generator. Identification and analysis of the organization's business strategy is carried out to find out in detail the vision, mission, goals and strategies of Majalengka University. In addition, to find out the Strategic Plan (Renstra) for the next few years.

Next, for the second step, designing an information system strategy for the Assisted Private Higher Education Institutions in Region IV is carried out. The methodology used is the Balanced Scorecard, which analyzes customer, financial, internal and innovation of the Private Private Universities in Region IV.

After obtaining the results from the work design of the two steps above, a model is given that contains the results of the research. So that research based on the needs and current conditions of the business organization of the Fostered Private Higher Education in Region IV and the design of a strategic information system for the Fostered Private Higher Education in Region IV can be realized.

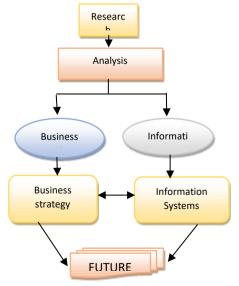


Figure 2. Research Framework



DISCUSSION

1. Information System Design

a. PTS Business Strategy Fostered Region IV

Based on the above analysis regarding the 4 (four) layers of business strategy for PTS Fostered Region IV using SOG, the following is the business strategy model:

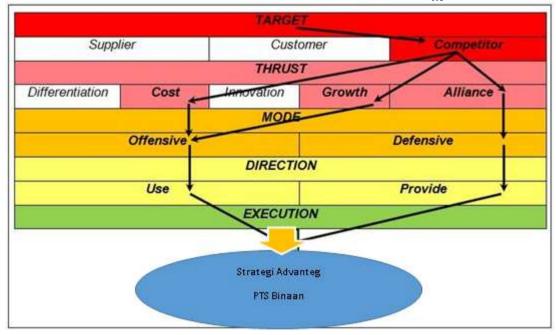


Figure 3. Business Strategy

b. PTS Information System Strategy Fostered Region IV

The determination of a strategic information system for Region IV Fostered PTS is seen from the four perspectives of the BSC model Internal Quality Evaluation of Region IV Fostered PTS. These initiatives are converted to the form of the BSC model as shown in Figure 4



Figure 4. BSC Model



CONCLUSION

Business strategy analysis and information system strategy design that has been implemented, resulted in the following conclusions:

- 1) To increase business competitiveness with other private tertiary institutions in region IV, PTS Fostered in Region IV focuses on competitors, considers aspects of management, develops internal business processes and adds academic to quality improvement collaboration with related parties, evaluates and internal improving business processes, as well as developing information systems for the internal environment and the general public.
- 2) Business competitiveness with information system strategic design, based on the results of business analysis, strategy produces several recommendations for information system development. Data regarding the external analysis of other tertiary institutions, concludes that the PTS Assisted in Region IV needs to improve the quality and development of information systems.
- 3) IS/IT mapping from business strategy to information system strategy reference is a developing strategic future applications information or systems for Fostered PTS in Region IV Key Operational consisting of SIMAK, and SIPMB. Support consists of SIK and the Fostered PTS Website in Region

IV. Strategic consists of I-LISTPRO, DSS, SMS Gateway, SIKI, SIAP, SIA, SIKn. High Potential consists of StMS and EMS.

1. Suggestion

Following are some suggestions for Foster PTS in Region IV in the development and implementation of strategic information systems:

- 1) Universities are advised to build a new sub-management, namely information system management that will be responsible for developmentand implementation of information systems for Foster PTS in Region IV.
- 2) There needs to be evaluation and control in planning the implementation of the strategic information system that has been designed, especially regarding changes in management personnel. The commitment of higher education leaders greatly determines the success of implementing this strategy.

Human resources in higher education (staff and educators) need to have IT qualifications. This can be achieved by holding joint training, improving standards for selecting new employees, and infrastructure support in each existing sub-business

REFERENCES

Anoraga banner. 2004. Business Management. Publisher Rineka Cipta. Jakarta,

Bastian, Ade. 2016. Analysis of Business Strategy and Strategic Design of Information Systems in Private Universities. Infotech Journal. ISSN: 2460-1861



- Chandler, Jr., Alfred, D. 1962. Strategy and Structure: Chapters in The History of The industrial Enterprise. Cambridge Mass: MIT Press
- Dumas, M., La Rosa, M., Mendling, J., & Reijers, HA (2013). Fundamentals of business process management (Vol. 1, p. 2). Heidelberg: Springer.
- Earl, MJ 1997 Management Strategies for Information Technology. New Jersey. Prentice Hall.
- Harmons. 2014. Business Process
 Change: A Business Process
 Management Guide for
 Managers and Process
 Professionals. Waltham:
 Elsevier.
- Hasyim Azhari, Kemas, Budiman, Thomas, Haroen, Rchmawati and Yasin Verdi. 2021. Analysis and Design of Business Process Management for Customer Service at PT. Archipelago Telecommunications Gas. Journal of Information Systems, Informatics and Computing. Vol.5 No.1.
- Hestanto. 2022. Process management. https://www.hestanto.web.id/

- pengertian-management-dinding/
- Kaplan, RS, and Norton, David P. 1992. The Balance Scorecard Measures That Drive Performance, Harvard Business Review, January-February 1992, pp. 71-79.
- Laudon, Kenneth C.dan Laudon, Jane P. 2012. Management Information Systems -Managing The Digital Firm.12th Edition. Pearson Prentice Hall.
- Madnasir and Khoiruddin. 2012. Business Ethics in Islam, Bandar Lampung: Faculty of Sharia IAIN Raden Intan Bandar Lampung
- Sedarmayanti. 2014. Strategic Management. Publisher Refika Aditama, Bandung.
- Solikin, Falahah, Building a Business Strategy by Utilizing Information Technology/System Support Using the Strategic Option Generator Technique, SNATI,
- Wiseman, C. 1988. Strategic Option Systems, Richard D. Irwin, Homewood, IL

