

Financial Management as Efforts to Improve the Quality of Education in Indonesia

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Abstract: One of the most critical factors in deciding the educational process's nature, viability, and sustainability is cost. While cost is an important factor in improving educational institutions' efficiency, there are still flaws in the process. The aim of this research is to come up with new ideas for financial management in educational institutions where these practices are connected to educational quality. The findings revealed that: there is a definition of a human resource strategy model in which humans are the top priority in educational management; financial management has implications for educational quality; and, in order to be applied, financial management includes values as the key guideline in compliance with government regulations.

Keywords: Management, financial, quality, education

1. Introduction

Academia shows multiple issues that seem to go on forever. For example, the implementation of information technology necessitates various applications and management strengthening programs, which must all be accomplished in line with a variety of standards. Educational expansion has a major influence on the economic advancement of a nation. The involvement of the government, as well as the cooperation of various stakeholders, is required to continually and targetedly improve the quality of human resources (Simamora, 2017).

This is where it is necessary for every organization (educational institution) to understand various long processes in line with the times where demands will increasingly develop, higher standards and are faced with the complexity of problems that require readiness and the ability to organize (management). Educational institutions are no longer "lulled" by the teaching and learning process, but also in the administrative process. Both go hand in hand as part of a common goal by adhering to the regulations set by the government (Kuntoro, 2019).

At the same time, new regulations have continued to develop in tandem with changes in the general times. In terms of demand, demand has gotten more and more complex and difficult to fulfill at higher levels. This means that if management does not include any guidelines, the goals of the education department will not be met, specifically the level of education.

An educational approach to quality management is an attempt to manage all educational resources while all participants, no matter what their role, work together to provide continuous improvements to a job in order to exceed expectations (Winarsih, 2019). It is also believed that a good understanding of finance is crucial for management. Education seeks to keep its own value while also ensuring that the product quality is maintained in alignment with what has been expected (Winarsih, 2019). Educational institutions are expected to be connected to levels of satisfaction in the students, families, and society at large. This is why educational institutions that are of a high caliber are seen as meeting the bare minimum requirements of an organization (Bendriyanti, 2015).

Some community members believe that educational institutions are generally selected by the wealthy and capable, while the community or financially disadvantaged parents prefer educational institutions that are both affordable and of a high quality (Togatorop, 2017). There will be less competition to locate high-cost schools and of course, as a result, the amount of time parents spend working to meet financial needs will be diminished (Nur et al., 2016). The next thing to consider when selecting an expensive school is the perceptions of both students and parents when determining social status. In his thesis, "School Quality, School Cost, and the Public/Private School Choices of Low-Income Household in Pakistan," the alderman emphasized that costs and parent involvement in management correlated with school achievement. School quality also affects student achievement. When it comes to education, private schools outperform public schools (Alderman et al., 2001).

In the meantime, the impact of education costs on quality and learning outcomes can be measured by different assumptions, including: (Komariah, 2018) First, education is calculated as a determining factor for student success, both economically and socially. This educational value is then considered to be an investment asset. In this view (in line with the human capital approach model) it shows that the costs incurred are correlated with the benefits received. Second, education funding and quality have a direct relationship, where costs have a positive impact through educational leadership and management factors. In addition, quality is also influenced by the quality, competence and capacity of the training staff. Thirdly, the main indicators of education are also the quality of teaching staff, both at the level of education and skills, as well as the media used. It can be seen from this that quality does not depend entirely on the success of educational institutions with regard to certain standards that have been achieved, but also on public judgment.

Quality education cannot be achieved without collaboration on both the school and government levels. Education has been reduced to a number of fields that are necessary to master as stipulated in the Constitution of 1945. Educational standards include competency standards of graduates, content standards, process standards, facilities and infrastructure standards, educational financing standards, and assessment standards. Regarding the standard of financing, it can be said that the financing itself is critical in ensuring the existence and continuity of the education and human resources effort. Financing is well organized. Financial management is essential to the quality and management of education (Aldi, 2015). Management science will increasingly be applied in order to maintain the continuity and sustainability of the teaching and learning process offered. It is this continuity and sustainability that results in a good education.

National Education System Law article 48 establishes the funding principles of justice, efficiency, transparency, and accountability for the management of education funds. Fairness means a graduated or proportional amount of education costs that depends on or mirrors a program's characteristics and necessities. Inefficiency means that income and expenditure is just divided without certain results. An open book is a transparent book. Accountability means funds use can be tracked and controlled. Meanwhile, through the 2005 regulation regarding national education standards, Chapter IX Article 62 affirms that there are costs incurred by the community as a result of the educational services chosen as a solution for sustainability and sustainability of the teaching and learning process. Thus, it can be said that everything in contact with finance requires a management process, so that in the end, quality education for humans can be attained, as demonstrated in the human capital model (Ferdin, 2013)

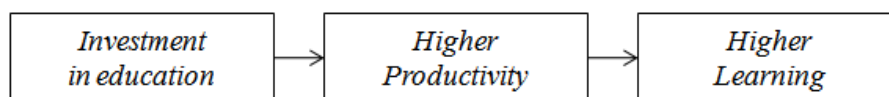


Fig. 2. Model *Human Capital*

Educational economics describes financial management as an approach to human capital, where financial aspects are seen as parts of educational investment that result in individual and group productivity. In the end, this contributes to the growth of the economy and development. In general, discussing financial management, there will be at least 3 (three) discussion points: Planning, Organizing, and Actuating, namely. Ferdin, In financial management, we must identify things that affect financing itself, including changes in prices, teacher salaries, population, and percentage of school-aged children. Secondly, ensuring a financially sound enterprise includes attention to education financing, which includes all four of the aforementioned facets. The third and main focus of the human capital approach is putting people as the best investment. Thus, this concept instills respect and honor for humans as individuals who have unique and valuable potentials that must be discovered and cultivated. To reach this goal, an individual must obtain education of high quality.

Human capital investment at the practical level contributes directly to improvements in individuals and groups, such as the improvement of their economic status, their social relationships, their cultural outlook, and their educational standing. At the theoretical level, the significance of human investment extends far beyond the direct effects on individual lives because it can fundamentally change the lives of others on both an individual and global level.

2. Research methods

This research is carried out using a qualitative descriptive methodology, with an observational study approach. Using observations, documents, and scientific studies on financial management, it is possible to trace data from the onset to its eventual end. Data analysis is done through the data collection process; data reduction is done; data is presented and conclusions are drawn.

3. Results and discussion

Not only is the value and self-esteem of an educational institution assessed by one measurement, but various measurements put forth by the government reflect various aspects of the value and self-esteem of the institution. The other one is considered to be the industry standard in financial management. According to what's well known, it's estimated that one's potential for learning is achieved through the use of a conscious effort (Fadillah et al., 2015). Thus, the ability to develop one's own self-potential is an initial goal that requires a management process.

"The organizational capabilities that are relevant to complex strategies are educational institutions, specifically in the planning and implementation of strategies." In other words, the strategy employed in the management of educational institutions is as follows: Aldi Organizational goals first. Basic financial management calls for a strategy in achieving common goals. This is an objective which serves to identify the progress of goals, and all the other information that is required. Organizational theory claims that as an organization's goal is implemented, it must be shared by everyone who works there. When everyone is focused on achieving the expected goals, an organization can predict how quickly it will grow.

Secondly, it is very competitive. In this case, a strategy is required as an effort that is consistent, predictable, and both flexible and consistent in accordance with mutually agreed upon terms. Competitiveness is a particular form of organizational behavior that can be applied to a single organization. For instance, there is a decision regarding financial utilization that deals with applying the concepts of goodness and togetherness by sticking to the main tasks/job descriptions and the Standard Operational Procedures (SOPs) that have been established. Finally, third, one single design, where each management is comprehensive and comprehensive of the design.

It is essential to implement this as an exercise in discovering short, medium, and long-term objectives. Every detail is established in order to accomplish the task, which can be determined through a number of indicators, and the results are readily observable. Every job in the company follows a predefined route, does not move in isolation with different objectives, but instead works together to reach a unified goal. Finally, in regards to the SWOT analysis, the response. In this context, a school's financial management demands more effort on the part of the educational institution to recognize itself and other institutions, enabling it to differentiate itself from others and recognize its various qualities. SWOT analysis begins with an assessment of all the potential that exists. This becomes the foundation for subsequent policy initiatives. There are no standard rules in SWOT analysis; however, each results in the same subject, for example:

Table 1. Example of SWOT analysis

	Strengths (S)	Weaknesses (W)
Opportunity (O)	SO	WO
Threats (T)	ST	WT

Lastly, there is the matter of competitive advantage, where the basic issue for management is the route to follow. This direction is referenced consistently and continuously in various and every educational institution in order to maintain the efforts of everyone involved. An unyielding commitment to a shared goal is something that can never be eliminated. Sixth, the opportunity to choose. Here the various management methods are fully trusted, while still adhering to rules, regulations, and current norms.

Each financial institution is unique in financial management. But when paired, it yields the same results. Let's use the previous two examples to explain the concept. No two educational institutions are alike, and their approaches may vary. Schools that integrate technology learning will budget more for IT technology because they incorporate the environment into the learning process. all with the same goal of uncovering the breadth and depth of student potential Seventh, the results of thinking, where by studying the various characteristics of existing educational institutions, new thinking patterns are created that benefit the organization. First, collect initial data to gain a better understanding of all of the educational institutions and organizations in the field. On a management level, every organization is considered a competitor, and for that, the introduction of competitors is necessary.

In order to improve the quality of education, educational institutions use a strategy to link them with the management. One of the basic questions about an organization is "where should it go?", and the answer is "strategy." No financial management strategy will remain untouched by how resources are acquired and allocated. (Fattah, 2008) points out the various world views on education, all of which come with implications

such as (1) who will be educated and for what purposes; (2) how they will be educated; (3) who will pay for it; and (4) what kind of regulatory system will be in place. He went on to explain that these problems must be treated as follows: (1) Consequence (i) low human resources, (ii) allocated resources, (2) criteria, (i) efficiency, (ii) cost and benefits, (3) education quality.

Based on the picture above, it can be said that there is a link between the input and the processes in financial management, as such, and it ultimately yields positive results for education quality. The consequences will result in additional input: which is, of course, commitment to resource management, as well as how it is obtained and how it is allotted to specific goals. The resources created as a result of these projects go on to lead to an efficient process in financial management, which culminates in an excellent education. So, basically, efficiency is the degree to which financial managers are able to make policies that are fiscally sound without wasting a lot of money. This is relevant to the process of calculating the cost and benefit. In this instance, the value of what is obtained is proportional to the value of what is issued.

The connection between the input and the next process uses the following techniques: According to (Fattah, 2008), citizens should have the right to know how the money they pay in taxes is spent. Using the traditional method to determine the right financial management strategy to be implemented based on the outcomes achieved, first it was found that financial management strategies could be compared to determine which methodology was best; second, costs and benefits were calculated to find out which method to implement. The costs of the service or product must be comparable to the benefits derived. Since various costs are expected to be taken into account in future revenue generation and investment program development, various cost calculations are expected to be made. This is where concrete steps are required, or where a strategy for proper financial management, in compliance with the principles of justice, efficiency, transparency, and accountability, has been implemented, namely: as mandated by the National Education System law, the principles of justice, efficiency, transparency, and accountability.

Table 2. Principles of finance management

Principles	Strategies
Justice	Non-discriminatory justice in the collection of fees; utilization for all lines/fields/divisions.
Efficiency	Clarity of job descriptions, SOPs, and priority objectives are in line with the legal and legal agreements of the organization.
Transparency	Clarity of job disc, SOP, and involvement of all parties; able to be accounted for and if needed can be guaranteed legal certainty.
Accountability	Clarity of job disc and SOP

Strategy is a core source of competitive advantage that is not only human resources but also other resources (Wijiharjono & Nuryadi, 2017). Furthermore, it is said that competitive advantage comes from performing at a cost source to attain a measurable goal. Therefore, financial management is one of the main strategies for improving educational institutions. Education itself is the possibility for financial institutions, where the existence, sustainability, and sustainability of the educational process all affect the level of economic growth and national development. When managed and monitored, this system can track how far the education process has progressed, thus determining the quality of education that is ultimately produced, the quality that matches national and international expectations. The education itself speaks for itself and confirms the organization's place as a quality and quality educational institution to the community.

4. Conclusion

Educational quality is a joint responsibility that everyone must participate in. Although each educational institution possesses its own distinctive characteristics related to the quality of education, they are all connected to the existence of a financial management process as an essential component of the management process. Now that the government, educational institutions, and society have realized the significance of the existence and existence of a teaching and learning process that is in line with the pace of modern times, they can work together to build this sort of learning environment. Financial management management as stated in the management function (Planning; Organizing; Actuating; Controlling) is expected to be able to enrich the discourse of the

management process that takes place in the world of education, as well as to match the quality of education that is expected together.

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