

## CHAPTER 3

### BLUE OCEAN SHIFT STRATEGY FORMULATION

#### 3.1 Literature Review of Blue Ocean Shift Strategy

Blue Ocean Strategy is a marketing theory and the title of a book published in 2004 that was written by W. Chan Kim and Renée Mauborgne, professors at INSEAD. They assert that these strategic moves create a leap in value for the company, its buyers, and its employees while unlocking new demand and making the competition irrelevant. The book presents analytical frameworks and tools to foster an organization's ability to systematically create and capture "blue oceans" unexplored new market areas. (Kim, W.C.; Mauborgne, R, 2004).

#### 3.2 Blue Ocean Strategy Shift Step 1

##### 3.2.1. New direction for the organization

Current direction of the University was following the common practice of education institution in general which is pursuing a greater number of students to apply by increasing the quality of the University. The measure of quality has two aspects, first by having a good accreditation score or rank which can be measured quantitatively and the second is the branding of the university which is a qualitative measure which currently does not have a list of ranks based on the brand.

The proposed new direction of the University while still holds on to the current practice is by focusing more on three factor which is based on customer value in the way the students and the parents see the university.

The focus factors are:

- Source of tuition

In general, the common source of tuition fee is from personal fund and scholarships. The proposed new focus is adding a contract scholarship

with institutions in the surrounding area which can benefit from the lack of high educated human resource to support the business.

- **Future job certainty**

Most universities even with a good brand does not guarantee or have minimum engagement to support the graduates in finding a job. The effort is usually conducted after the students have been graduated by giving access to networks and seminars or job fair for alumnus. While it is helpful, the support to find jobs can be conducted as early as the students have been accepted to university, and to the extreme even before the students are accepted and are still studying in high school. By having an earlier exposure to future jobs, it will be more certain and will be more suited to the employer since the company or institution can tailor together in providing the necessary skill and knowledge to be prepared in the work field.

- **Community Partnerships**

Partnerships with communities including corporations and small medium enterprise is an interesting factor for students and parents. By knowing that the institution has many partnerships including for tuition and future jobs, it will increase the value of the university.

### 3.2.2. The Pioneer-Migrator-Settler Map

The Pioneer-Migrator-Settler Map is a tool to identify offerings that are me too offering, value improvement and value innovation offerings. By knowing the map of current offerings, if it is mostly on the settler side, then we can formulate the future offerings to be more in the value improvement and value innovation offerings. The offerings are viewed from the customer side to see which portfolio is more appealing and different from other players in the industry.

- **Settler Offering**

In this offering, it is usually a common offering in the industry, hence it will become a red ocean competition among the players. Identifying offerings in this category will help see which offerings should be

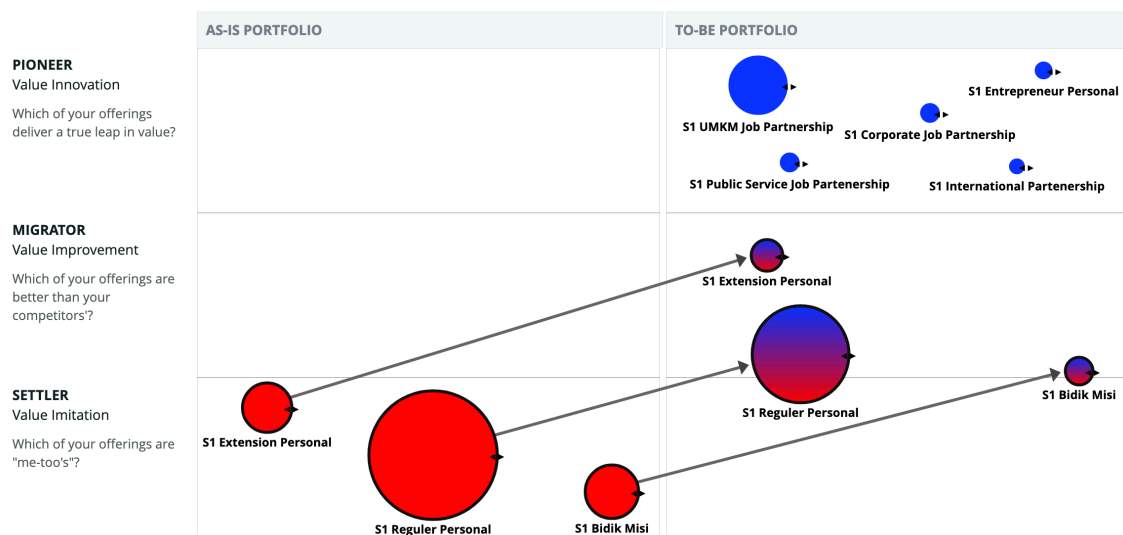
migrated to have a more interesting and different aspects from the normal practice.

- **Migrator Offering**

Migrator offerings are settler offerings that has been readjust with variations which is more interesting and have a different offering than the current offering. The aim to migrate is to avoid the red ocean competition and move to a bluer ocean environment. While it is still a similar offering, the enhancement of the offering will make it more attractive to the customer and hopefully can be headed to a blue ocean area.

- **Pioneer Offering**

In this offering, it is something new or not common in the industry. These offerings have a value which customers see as a unique offering which other players does not provide. Innovations in value are needed to succeed in meeting the demands and interest of the customer.



Source: Kim, W.C.; Mauborgne, R, 2017

**Figure 3.1 Pioneer-Settler-Migrator Map of the Organization**

### **3.3 Blue Ocean Strategy Shift Step 2**

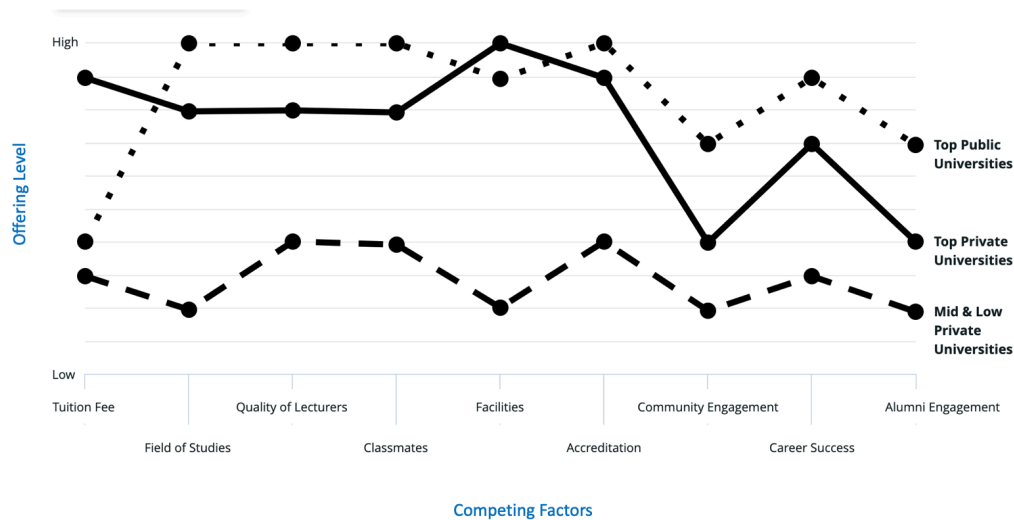
#### **3.3.1 Current state of the Organization**

The current state of the organization can be illustrated by the strategy canvas. The strategy canvas will give an idea on where the organization is at the moment. Universitas Peradaban being a new university is still considered in the low end of universities in Indonesia. Comparison can be made with top public universities, mid-level public universities, top private universities, mid-level private universities and low-end universities. Looking at the accreditation score and considering the university to be fairly new and in a limited environment condition, Universitas Peradaban can be categorized at this moment in the low-end university in Indonesia. By identifying the current state, we can formulate strategy for the organization to excel into becoming a top private university in Indonesia.

#### **3.3.2 The Strategy Canvas**

The Strategy Canvas is viewed from the institution's perspective by observing the competing factors in the industry. By knowing which offering level we are in and comparing to the offering levels, we can identify where we are in the competition.

Universitas Peradaban can be categorized in the mid low private universities and the competition will be head to head with other universities in this category. The other two categories are Top Public Universities and Top Private Universities with public universities being more prestigious with lower cost hence becomes the most value for money choice.



Source: Kim, W.C.; Mauborgne, R, 2017

Figure 3.2 Strategy Canvas, Current State of the Organization

### 3.4 Blue Ocean Strategy Shift Step 3

#### 3.4.1 Exploration of Customers and Demands

From the social and economic data, we can see that Universitas Peradaban is in an area of low income society. There are many potential customers yet the purchasing power is very low hence will make less demands for high school graduates to continue their education. Universitas Peradaban has a challenge to not only identify customers but also create demands for the low income and also unexplored potential customers.

#### 3.4.2. The Buyer Utility Map

The Buyer Utility Map Identifies the six stage of buyer experience and the utility levers that can be associated with. By identifying the buyer utility map from the industry point of view, it will show pain points the industry are more focused to.

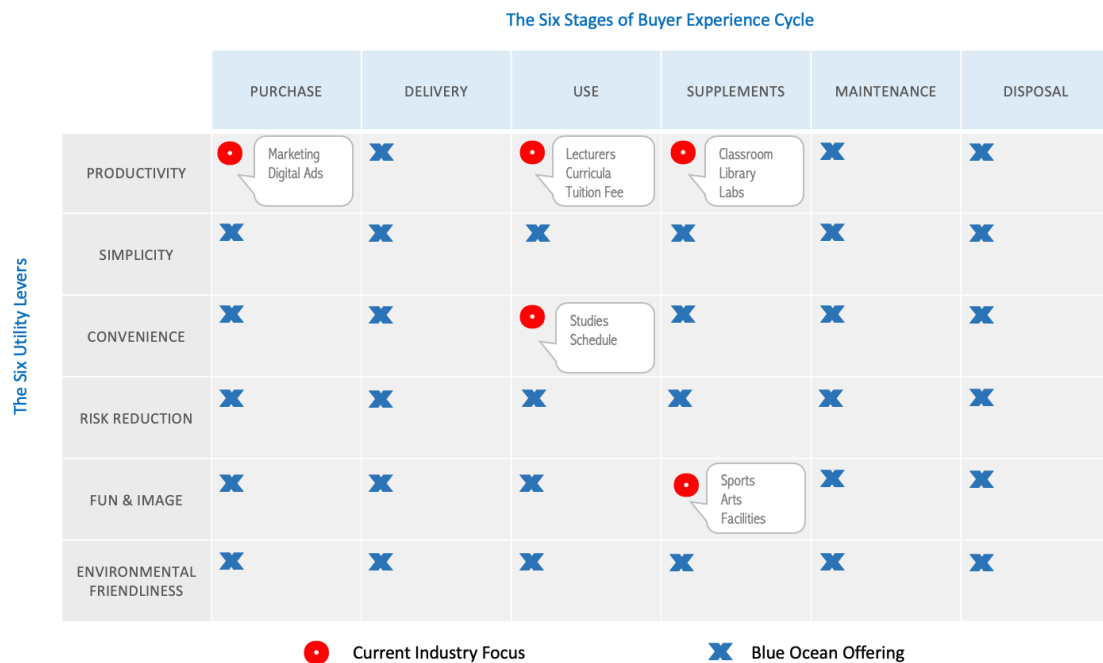
The six stages of buyer experience cycle are:

- Purchase  
All aspects related to purchasing a product is in this stage, for example marketing, advertising, selling, paying the goods.

- **Delivery**  
This stage starts after the purchasing has been made and the customer is in the process of preparation to use the product.
- **Use**  
This is the core of the product stage where the customer start using the product until they finish or use other products.
- **Supplements**  
Supplements are anything that supports the use of the product adding more value and output by adding supplements.
- **Maintenance**  
While using the product, there should be maintenance involved to make a continuous and steady use of the product.
- **Disposal**  
After the lifetime is finished there is a disposal stage where it is the process after finishing the product.

The six utility levers are:

- **Productivity**  
Aspects related to results by considering the effectivity and efficiency.
- **Simplicity**  
It is the process of avoiding complicated process of user experience.
- **Convenience**  
The availability and comfort experience when doing the process
- **Risk Reduction**  
Anything related to financial, physical and emotional including reputation
- **Fun & Image**  
The tangible and intangible look and feel and the emotions impact
- **Environmental Friendliness**  
Environment friendliness aspect of the product or process. Many buyers are more interested in product or services that are friendly to the environment.



Source: Kim, W.C.; Mauborgne, R, 2017

**Figure 3.3 Six Stages of Buyer Experience Identification**

By knowing the current industry focus, which is marked as a red circle, we can see the pain point of the popular industry focus. The other parts would be then be categorized as the blue ocean offering which we can focus on finding new areas on innovation to offer new and unique value. As in the table, the current focuses of the industry are:

- **Purchase – Productivity**  
Many university focuses on the effectiveness on the marketing process by having conventional and digital advertisements and also handing out flyers and brochures. Other process of marketing and the process of applying are not considered.
- **Use – Productivity**  
This is one of the main focus of universities by having good lecturers, curricula and a competitive tuition fee.
- **Use – Convenience**  
Besides the productivity, many universities also focus on the convenience of the use process which is the number of field studies

and the time convenience which students can choose when they are applying for a class.

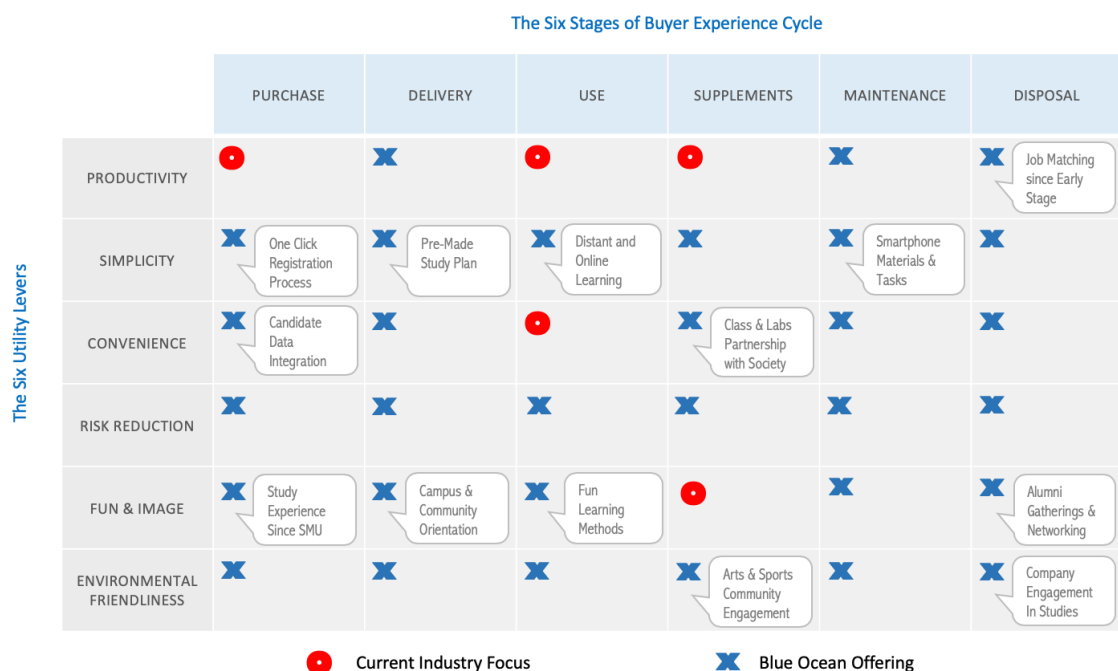
- Supplements – Productivity

Supplements of the learning process are mostly focused on the productivity aspects. A good classroom, library and labs are example of the current focus on the industry

- Supplements – Fun & Image

Besides the productivity, many universities also focus on the fun and image of the supplements such the availability of sports and arts in the campus and also facilities that are designed to be more fun image.

Other aspects are also considered by some universities, but generally most of the focus are on the five areas above.



Source: Kim, W.C.; Mauborgne, R, 2017

**Figure 3.4 Six Stages of Buyer Experience Opportunity**



Shifting to blue ocean, Universitas Peradaban should consider focusing on other areas of experience cycle without neglecting the current industry focus. Some example of the focus that might not have been touched by other universities are as shown in the table above.

- **Purchase – Simplicity**  
When students are interested to apply to a university there are many documents and forms that should be filled. By having a one-click registration process, the students just can agree to apply and most data are already available in the database. This can be done by integrating data of high school students in the surrounding area which is the majority demand of the users.
- **Purchase – Convenience**  
By having data of high school students, the purchasing process will be much simple and convenient to the students and parents.
- **Purchase – Fun and Image**  
Most universities use a conventional marketing method. Universitas Peradaban can initiate a study experience for high school students in certain times by letting them join some classes and also joining other extra curricula activities. By experiencing and feeling directly the candidates can feel the fun and image the university has.
- **Delivery – Simplicity**  
The common practice of registering a study plan is filling a form and counselling. This can be made simple by having a premade study plan by the counsellor and the students just needs to approve or edit as they please.
- **Delivery – Fun & Image**  
Before the beginning of study there is usually a campus orientation which is conducted by other senior students. Sometimes it becomes a bullying event because of traditions. This can be changed by having the university involved in the orientation process. The orientation can also be extended not just in the campus, but also orientation in the community.

- Use – Simplicity

In the process of learning, the university can also make the process simpler by having a distant and online learning as a supporting process for the already in class process.

- Use – Fun & Image

The class should have a more innovative way of learning other than the conventional one direction teaching or conventional group discussions. Other fun methods should also be considered by the lecturers.

- Supplements - Convenience

One of the major costs for a university is the infrastructure and the facilities. By having limited facilities in a limited location, this will degrade the convenience of supplements. Partnership with the community is necessary to have a complete facility in a wide choice of location. A public or private facility can be used for the benefit of the university and society.

- Supplements – Environmental Friendliness

To be one with the environment, we need to be one with the community. This can be obtained by having a tight engagement with the community in many fields such as sports, arts and other activities.

- Maintenance – Simplicity

In maintaining the study of the students to reach the optimum result, many homework and tasks are given but in a conventional way. A simpler approach can be done such as smartphone friendly materials and tasks.

- Disposal – Productivity

This is one of the crucial points of the industry yet not many are actively involved in the process. Usually students after graduation would have to find their own way in their career. This can be changed by being more active in the early stage since entering the university.

By having partnerships with the surrounding business area and also job partnership and job scholarships.

- Disposal – Fun & Image

While there are many alumni activities and gatherings, it is usually organized by the alumni and not the initiative of the university. It is usually a spontaneous activity and does not really have networking the current students. This can be change by getting the university to initiate the alumni-student gathering with the intention of networking and partnership yet with a fun image.

- Disposal – Environmental Friendliness

After the student has been graduated, sometimes the knowledge and skill does not match with the company they are working in. Hence there are usually another internal training in the adaptation process. By working together with the surrounding business, this process can be embedded in the university program.

### 3.4.3. The Three Tiers of Noncustomer

Identifying the customers are an important stage in deciding the blue ocean shift strategy. In this step, besides identifying the current market, it extends by identifying the three tiers of noncustomers. There are three tiers of noncustomers:

#### **Tier 1 Soon-to-be Customer**

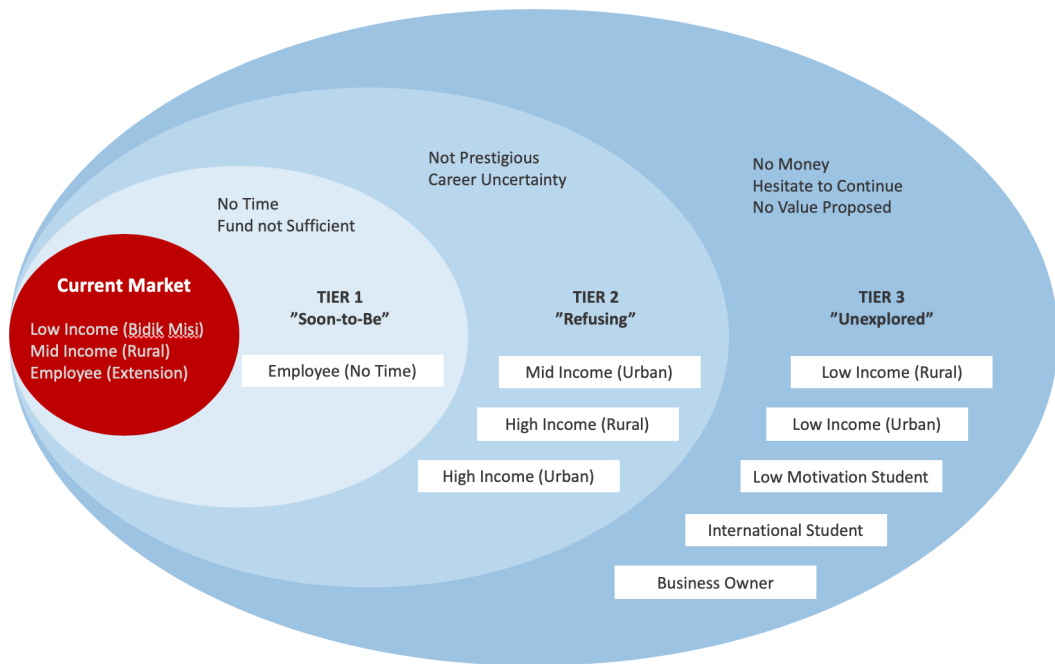
In this category, potential customers are willing to purchase the product but has constraints which makes them not able to purchase.

#### **Tier 2 Refusing Customer**

In this category, potential customers are aware of the product but are refusing to purchase the product for certain reasons.

#### **Tier 3 Unexplored Customer**

In this category, potential customers are not aware of the product and if it is introduced to them might move to the refusing customer.



Source: Kim, W.C.; Mauborgne, R, 2017

**Figure 3.5 The Three Tiers of Noncustomer**

In the case of Universitas Peradaban, the identification of tiers and the prospects are as follow:

### **Current Market**

The current market for Universitas Peradaban are from the surrounding rural area with a middle income. While the low-income family does not have the budget to attend university, there are scholarships from the government with the Bidik Misi program. There are also students that has a daily job and attends the extension program which is conducted on Saturdays and Sundays.

### **Tier 1 Soon-to-be Customer**

There are candidates that are interested to apply to Universitas Peradaban but since they have a full-time job, they are not able to attend the classes. Even with the extension program, some candidates are still not able to

attend class because of the schedule which does not match their working schedule and also the distance from their office. To accommodate them, the university can customize the time, location and also make use of technology using online and distance learning.

### **Tier 2 Refusing Customer**

Since Universitas Peradaban is relatively new and is just starting its development the reputation is still not recognized hence there are candidates that are refusing to apply. These segments are from the high income and mid income family in the urban area since they will be more interested in universities located in the city. Students from rural area from high income family are also resistant to apply since they will seek universities in big cities. To make the refusing customer to be interested, the university should increase their reputation.

### **Tier 3 Unexplored Customer**

The unexplored customer is the widest segment for Universitas Peradaban. The most is low income family where they are cannot afford the tuition fee even with already low fee. To overcome this, the university should have a partnership with institution or business owners which are willing to give scholarships.

Another unexplored customer are international students. In common practice, international students are interested to study in Indonesia because of the prestigious reputation this is because students have intention to receive knowledge and they will seek the best university. Hence mostly international students will study in top public universities or top private universities. One of the ways to attract international students are by giving them a chance to participate in sharing knowledge rather than just only to receive knowledge. With the university having a strong engagement with the community, foreign students will have the opportunity to share their modern culture to the rural underdeveloped society. This program will also benefit them since they will have credit in participating in the development of a developing country.

### 3.5 Blue Ocean Strategy Shift Step 4

#### 3.5.1. Strategy formulation for the organization

After identifying the current state of the organization, exploring customers and demands the next step is to start formulating the strategy of the organization. One of the first step is to consider the path the organization is taking. By knowing the industry focus and the alternative industries, the organization can start formulating actions and ideas to shift into a blue ocean area.

#### 3.5.2 The Six Paths Framework

The six paths framework is a tool to make us view outside the ordinary paths. By looking at many paths, we can see a wide range of opportunities which will develop our products to be more in a blue ocean environment rather than in the highly competitive red ocean.

PATH 1	INDUSTRY FOCUS	ALTERNATIVE INDUSTRY 1	ALTERNATIVE INDUSTRY 2
Looking Across Alternative industries	University	Short Courses for Professionals	Certifications and Tutoring
PATH 2	STRATEGIC GROUP	HIGHER STRATEGIC GROUP	LOWER STRATEGIC GROUP
Looking Across Strategic Groups	Private University	Top Public University Top Private University	Specialty College
PATH 3	USER	PURCHASER	INFLUENCER
Looking Across The Chain of Buyers	High School Graduates	Parents Employer	High School Teachers College Students
PATH 4	BEFORE	DURING	AFTER
Looking Across Complementary Products and Services	High School Engagement	Undergraduate Degree	Graduate Degree Post Graduate Degree Career Path
PATH 5	FUNCTIONAL APPEAL	EMOTIONAL APPEAL	
Looking Across Functional vs. Emotional Orientation	Accreditations Quality of Graduates	Reputation of the University Community Engagement	
PATH 6	TREND 1	TREND 2	TREND 3
Looking Across Time	Extension Class Short Courses for Professionals	Distance Learning Certifications and Tutoring	Startup Business Mentoring

Source: Kim, W.C.; Mauborgne, R, 2017

**Table 3.1 The Six Paths Framework of the Organization**

There are six paths to view and to explore. By knowing the industry focus we can define the alternative industry. Below are the six paths:

### **Path 1 Alternative Industries**

Universitas Peradaban is in the higher education industry so the focus is providing education in university level where the main goal is to prepare human resource in contributing to society in various fields. Looking across alternative industries, universities can also have a role in short courses for professionals which also supports the main goals in contributing to society. Another alternative industry would be in certification industry where a business or organization can have an up to date status of a person by the certification, they have which is time limited. Besides providing certifications, the university can also be tutoring for other certifications which the university is not the provider of.

### **Path 2 Strategic Groups**

In the higher education industry, Universitas Peradaban is in the private university strategic group. The first alternative industry would be the top public university and top private university as a higher strategic group. Customers would choose this group because of the prestigious and certainty of career when they choose this group. The second alternative industry which is a lower strategic group are specialty colleges where it focuses on specific discipline of knowledge hence graduates will have a more certain area to start the career and the business environment is also more confident in accepting the graduates.

### **Path 3 The Chain of Buyers**

Looking at the chain of buyers, the industry focuses on the user which is high school graduates. If we look at the purchaser of the buyers, then we would see that the parents and sometimes employer are the ones who finance the education. So, the purchaser will also have an important role in deciding and selecting the appropriate institutions. Besides the purchaser, we also have to look at influencers of the industry. Many students are influenced by their high

school teachers and also other college students either active or graduated and also from any campuses. It is important to consider these purchasers and influencers to introduce Universitas Peradaban to the potential candidates.

#### **Path 4 Complementary Products and Services**

The fourth path is looking at complementary service before and after the service. Before studying at university, the customers are high school students hence there should be a program or service before they started studying at the university. After graduation, the next offer would be to continue their education for a graduate degree and post graduate degree.

#### **Path 5 Functional vs. Emotional Orientation**

Looking at the functional appeal, universities commonly valued at the accreditation and the quality of the alumni. By having the alumni having a good career, it will have a good functional appeal. There is also an emotional appeal for the university which is the reputation and how the community accepts the university. This is very important since a university with a not strong functional appeal will have to build the emotional appeal to attract students to apply for the university.

#### **Path 6 Time**

The last path is monitoring the trends in the industry. Conventional university is usually full time and for fresh graduates. Now the trend is that university are providing extension class for employees since previously they did not have enough money to finance their education now after they have a job, they can continue their education. Besides having extension class, university also sometimes provide short classes for professionals, while it a non-degree but many are interested to apply for the program. The second trend is distance learning which many leading universities in the world are already providing. Certifications and tutoring for certifications are also another trend which sometimes we don't realize the importance of it yet the business environment is already using it as their standard to identify in the hiring process. The third trend is start-ups business mentoring, with today's trend of start-ups, many fresh graduates are more interested to build start-



ups rather than work at an established corporation. While it is very appealing, there are not many universities that have a solid program for new venture mentoring. All these trends are very important for Universitas Peradaban to consider when planning their future strategic plan.

### 3.5.3 The Four Actions Framework

The four actions framework is intended to reshape the business offering by creating new values, raising the current value that is in line with the new vision, reducing unnecessary aspects that does not have significant impact and eliminating aspects that is not useful or has a negative impact on the new vision.



Source: Kim, W.C.; Mauborgne, R, 2017

**Figure 3.6 The Four Actions Framework**

### **First Action: Eliminate**

The first action is to eliminate what is not necessary in process of delivering the service. Stiff bureaucracy is one of the hurdles that can make a negative impact for the students. Rather than concentrating on their studies, sometimes they have to face bureaucratic requirements. Manual process between students and the university is suggested to be eliminated to speed up process and reduce human resource which will the reduce cost.

### **Second Action: Reduce**

The second action is reducing tasks or items that will be a barrier to the development of the university. Dropout rate is one of the crucial factor which should be reduced. There are many reasons for dropout rates and one of the is financial problems, this should also be reduced by solving the financial problems the students can continue their education. Even though the tuition fee is already low compared to other university, in the rural area there are still students that are not able to afford the education. Tuition fee can be reduced by having a sponsored program with the community and also business owners that are willing to contribute.

To build infrastructure is also very expensive and requires a lot of money to implement. To overcome this problem, the university can reduce non-core facilities and switch them with a partnership development scheme with the community or business owners.

### **Third Action: Raise**

The third action is to raise items that is supporting the new vision of the university. Having a high accreditation is a must, and since most are in the B and C level, the university must raise all study programs to A.

Family engagement could also be raised, since in the normal practice the relationship between university with parents and family members are usually very low. By having an active engagement with the family, students can be more motivated, and the family can also contribute to other things that might be beneficial to the university.

Because of the limited funds, to hire a top lecturer is a challenge. Most high rated lecturers are usually in top universities. To overcome this, the university

can increase the reputation by having more guest lecturers which will be tandem with existing lecturers. These guest lecturers do not have to be in the academic field of work, they can be professionals, businessman, public servant and other fields that is related.

#### **Fourth Action: Create**

The fourth is create something that does not exist at the moment but will be very beneficial to the vision of the university. High school engagement program is an example of a program that can be created to make the university be recognized by high school students and teachers so they will understand what the university stands for and will know much deeper on how the university operate hence will get the feel whether it will suit their interest or not.

Job sponsored partnership can also be created to make the students more confident when they graduated. By working tightly together with the business environment, companies and small medium enterprise will have a chance to hire university graduates to work in their company. The company can monitor the progress of their studies and the attitude of the students and how they behave. The company can also suggest special study materials or student projects that will be related tightly to their company.

Universitas Peradaban should create a value of social entrepreneurship. There are studies on social entrepreneurship theory that are aimed at advancing scholarly research in social entrepreneurship. By highlighting the key trade-off between value creation and value appropriation and explaining when situations of simultaneous market and government failure may arise, social entrepreneurship is the pursuit of sustainable solutions to problems of neglected positive externalities. (Filipe M. Santos, 2009).

From the academic discussion on Social Entrepreneurship, Universitas Peradaban as a non-profit organization, principally it is on the path of social entrepreneurship. One of the aspects in distinguishing between entrepreneurship and social entrepreneurship is on the initial intention when

establishing the business. Universitas Peradaban as mentioned by the founders was intentionally to develop the society which makes it a social entrepreneur business.

Many activities related to community development and higher social purpose fall within the modern definition of social entrepreneurship. Despite the established definition nowadays, social entrepreneurship remains a difficult concept to define, since it may be manifested in multiple forms. (Mair and Marti 2006)

Now the challenge for Universitas Peradaban is not just to make a profitable business entity, but how to develop society with the business focus it is offering. This is best mentioned by Bornstein: If we want to build a society of creative actors and thinkers, I think that we will need to shift our approach to education. Right now, we have a society whose elites are chosen based on their ability to perform well on tests. I think we would do better to help young people identify their interests and strengths at an early age and create spaces for them that allow for robust experimentation, with lots of opportunities to build real things, and to fail without shame. Most people have more creative ability than they will ever realize. But they lack opportunities, particularly early in life, to see what they can do. "A great part of courage," Emerson reminds us, "is the courage of having done the thing before." (David Bornstein, 2005)

Universitas Peradaban as an educational institution now has the responsibility in shaping the graduates to be able to contribute to society not just by successfully getting a job, but also creating jobs and participating in the society by creating innovations and solutions to many social problems the community are facing. This consideration is a strong aspect in defining the new offerings which the University can create. These offerings will be the next step in this paper in formulating the new strategy canvas.

### **3.6 Blue Ocean Strategy Shift Step 5**

#### **3.6.1 Strategy Plan of the Organization**

The next step after formulating the strategy is creating the strategy plan for the organization. Looking at the current state of the organization, the strategy plan will also be based on the strategy canvas that has been added with new offerings which will give more value to the university by capturing the unexplored customers and creating new demand.

The Criteria in formulating the Strategy Canvas is based on the SWOT analysis for the current condition which would fall into the red ocean category. The SWOT data is obtained by the interview of various personal from internal and external which relates to the university. Many thoughts of the interview are categorized in the offerings and positioned into the conditioned mentioned.

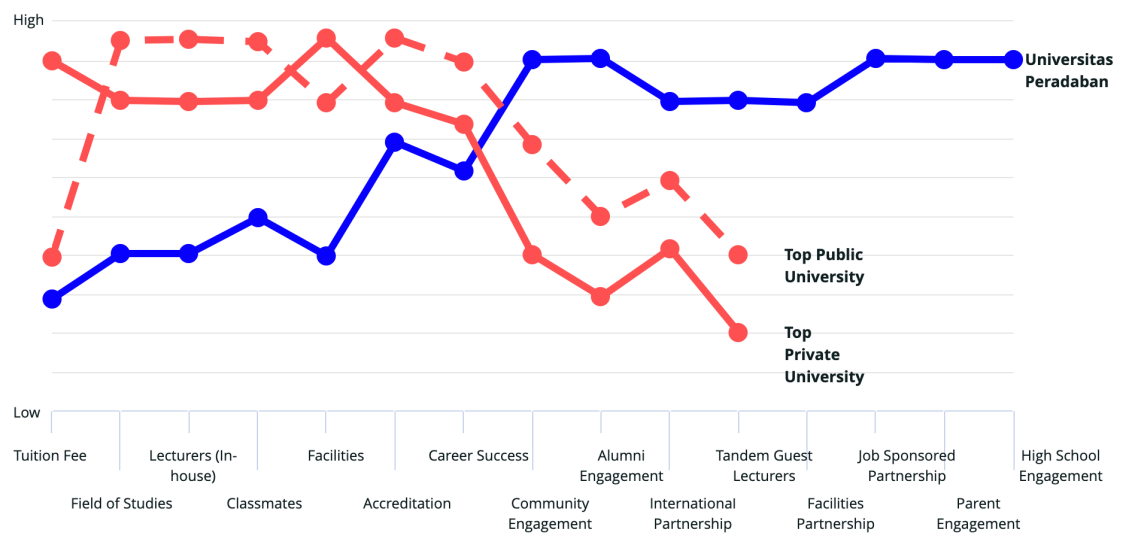
The additional new strategy canvas are based on the steps of the process by exploring the buyer utility map, three tiers of non-customers, six paths framework and four actions framework. The suggested process described in the book *Blue Ocean Shift Strategy* (Kim, W.C.; Mauborgne, R, 2017) is by having a team to analyse the situation and brainstorm ideas to make new offerings.

In this paper, the author conducts further discussion with the foundation and university personnel. While the brainstorm is led by the author, the blue ocean shift strategy suggestions can be practiced further deeply in the foundation and the university itself. Blue ocean shift is a continuous process which formulates and evaluates the process implemented and make further adjustments to create a more suitable and successful offerings which will help the institution to grow and be a pioneer in the market.

### **3.6.2 The Strategy Canvas of the New Strategy**

After formulating all the steps, we now have a new strategy canvas that will have a different approach in the offering level.

Below is the new canvas with added offerings which most universities do not concentrate on.



Source: Kim, W.C.; Mauborgne, R, 2017

**Figure 3.7 The Strategy Canvas, New Strategy of the Organization**

While the current condition of offerings are based on the strengths and weakness of the organization compared to the industry, the new strategy is formulated from the opportunity discussed in SWOT analysis. There are many opportunities from the interview discussion which can be crystalized into Community, Tuition Fee, Technology, Funding, Parents and Family Engagement, Academics, Networks and International Exposure.

The challenge for formulating the new offerings is by having an offering that could accommodate those opportunity. As an example Tandem Guest Lectures offerings are from the community, technology, academics and networks opportunity. By combining the four opportunities, we can formulate a new offering which is based on the four offerings.

Facilities Partnership is also formulated from the combined opportunity of Community, Funding and Networks. By having the support from the community and the funding resource of networks, the University can have a new scheme of partnership which has a result in an added facility for the campus.

Below are the explanation of each new offerings on the challenge and the importance of it. The idea behind the formulation of the new offerings are also briefly explained to get the idea on why it is proposed to be implemented.

It should be noted that this paper is not intended for an instructional document, but more of a suggested process of thinking and the results that arise from the process. This process should be reviewed and repeatedly be adjusted based on the review and the new circumstances that has arose.

### **International Partnership**

While the top universities have strong partnership with other universities, government and organizations, the main partnership is by considering that the top universities are in the top position and sharing knowledge to a less develop country or community.

Since Universitas Peradaban is a less reputable institution, the positioning of the international partnership is by having the university as the institution to be aided or experimented by a higher level of universities, government or organization. To succeed in such partnership, Universitas Peradaban should have an open-minded position in a wide area of field and also should have a strong relationship with the local community which the international partners are eager to solve the problems related to community.

### **Tandem Guest Lectures**

Because of the limited fund and the rural location of the university, it is a challenge to have good experience lecturers at Universitas Peradaban, to overcome the quality of the lectures, tandem guest lectures should be encouraged more. At this moment there are a few lecturers from Jakarta and Yogyakarta that are willing to share their knowledge and expertise without being paid. The costs are only for transportation and accommodation. By having many reputable guest lecturers, this will increase the quality of the graduates and also can be an interesting factor to interest new students to apply to Universitas Peradaban.

### Facilities Partnership

Facilities for universities requires a huge amount of fund to establish. By focusing on the core facilities such as classrooms, libraries, laboratories and office the cost can be saved for other expense. Non-core facilities can be from sponsors and also can have a partnership agreement to use the facilities. At this moment the masjid is sponsored by society and the dormitory are sponsored by the government.

Other non-core facilities can be in a partnership agreement such as sports, arts, extra curricula activities and other facilities that the local community, business and government have in the surrounding area. By having these facilities partnership, the university will have a stronger relation with the community.

### Job Sponsored Partnership

One of the reasons for many students not continue to a higher education is because of financial issues. By having a strong relation with the community, business owners, organizations and government, scholarships can be granted in a more personal level. Such scholarships can be in these types of model:

- Pure scholarship

This is the most common scholarship today, where students can have scholarship by government and institutions. At this moment the most scholarship given is by the government through the *bidik misi* program. The university can extend the model by giving opportunity to the society and business institutions to also participate in giving scholarship. The scholarship is pure without any obligations after they graduated.

- Job contract scholarship

This type of scholarship is well known usually by government and big corporations where students are given scholarships but after they graduate, they are obligated to work for the government, company or institutions for a certain amount of time.

This type of scholarship can also be extended to a community level by having small medium enterprise to participate in giving a contract



scholarship. The company can select which student to have a contract with by having an interview and assessment by working together with the university.

- Job opportunity scholarship

This type of scholarship is rare so the university can be a pioneer if implemented well. The scholarship is a combination of pure and contract scholarship where the company does not have the obligation to employ the graduate, yet the students are offered an opportunity to work in the company by fulfilling the requirements needed.

### **Family Engagement**

While university students are considered adult, in Indonesia unlike in western countries, the relation between students and parents are still strong. Many students are still dependent on their parents not only financially but also emotionally when facing problems.

By having a strong engagement between university and parents, students will more of encouragement in their studies. This condition will have a bigger impact in a low-income family where many students also help their family in their business or help to earn addition income for their family.

### **High School Engagement**

University students are taking the path of continuing their education from high school to higher education. While this is a certain case, in practice the engagement between universities and high are low. Not many universities have a strong engagement with high schools. Even university under a foundation which has a complete level of education institution such as preschool, elementary school, middle school and high school, often they don't engage with high schools.