The Analysis of UB Guest House Management towards University of Brawijaya Changing Status into Public Service Agency (Badan Layanan Umum)

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Abstract

The aim of this research is to analyze the management of UB Guest House towards University of Brawijaya changing status into Public Service Agency based on Good Corporate Governance perspective either for its implication strategy in enhancing UB Guest House revenue. The research method used in this research is qualitative with direct observation and interviews. The informants of this research are management, staff, and UB Guest House’s guests. The result shows that the changing status of University of Brawijaya has its pros and cons. Because of the changing status, UB Guest House as the part of University of Brawijaya, doing several changes such as ownership status, employee status, procurement, financial report, maximize cooperation, and management’s authorize. With all those implications faced by UB Guest House, it is better if UB Guest House separated from the main office (in this case rectorate) and cooperates with alumni network all around Indonesia or international. This plan will make UB Guest House raise its revenue and compete with other competitors in the same field.

Keywords: Public Service Agency, Guest House, Policy, University of Brawijaya

INTRODUCTION

The development of University of Brawijaya not only supported academically, but also non academically. One of its supporter is Badan Pengelola Usaha or BPU (Business Unit Management) which is the other generate income of University of Brawijaya. BPU is the chief of business units in University Brawijaya. Their duties are supporting and optimizing the implementation of the public service agency’s finances.

In BPU, there are several business units which operate in different field. Those are Badan Usaha Non Akademik (Non Academic Business Unit), Badan Usaha Academik (Academic Business Unit), Badan Usaha Kesehatan (Medical Business Unit), Badan Usaha Kepakaran (Legal Business Unit), and Badan Inkubator Wirausaha (Entrepreneur Incubator)[4].

Badan Usaha Non Akademik, known as BUNA, is one of business unit which operates in good and service field under BPU University of Brawijaya. As the time goes by, BUNA develops in supporting University of Brawijaya transforms into National Higher Education with Badan Hukum Pendidikan (Education Legal Entity) on 2006.

However, the University of Brawijaya desire to transform into National Higher Education with Education Legal Entity status was fail after the cancellation on 2010 by The Constitutional Court and withdrew the Law No. 9 year 2009 about Education Legal Entity.

During the transformation, UB Guest House follow the University of Brawijaya policy into Public Service Agency, where all of the business units in University of Brawijaya must be dissolved and the business units belongs to University of Brawijaya. Thus, there is another new policy implementation.

The implication which raise from financial management, human resource, and procurement system. In hospitality service, it is not easy for UB Guest House to follow the new rule as the policy change. However, with precise strategy, UB Guest House can compete with other competitors.
MATERIAL AND METHOD
This research uses qualitative method. Qualitative methods are used to identify the phenomena faced by the subject such as behaviour, perception, motivation and others, holistically and describing in the form of words [2]. Qualitative method emphasizes the meaning, logic, definition or particular condition. Qualitative method is more likely focus on the process rather than the result. It is because the researcher digs the information with interview the informant to get the needed data. The researcher is also using survey method which focuses on the factors that affect the employee’s work in UB Guest House where this could be done in several guest and staffs.

Data Collection
The data collection in this research is done by direct observation, interview, and document source. On the data collection process, the approach between the subject and the researcher is the main instrument. Using many informant as the source or informant, this research will be focused on the perception or response of the sign and the environment.

In data collection, the researcher uses several research instruments to get the information needed. The documents which are needed to identify the transformation process University of Brawijaya is also used to analyze the basic transformation on UB Guest House.

Data Analysis
Data analysis is a process to identify and arrange systematically collected data from interview, direct observation, and documentation. This data analysis can be done by several steps. Such as categorizing, explaining, arranging in particular theme, choosing the data and making a conclusion. After collecting the data, the researcher analyze the result.

In analyzing the data, the step which must be done first is making the description model analysis Miles and Huberman. The collected data will be categorized based on the interviews which have been done before. Second, the researcher explains the analysis process of UB Guest House management which is affected by the University of Brawijaya changing status from Perseroan Terbatas (Limited Company) to Badan Layanan Umum (Public Service Agency) policies.

<table>
<thead>
<tr>
<th>Differences</th>
<th>Perseroan Terbatas</th>
<th>Badan Layanan Umum</th>
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</thead>
<tbody>
<tr>
<td>Ownership status</td>
<td>-</td>
<td>+</td>
</tr>
<tr>
<td>Human resource</td>
<td>-</td>
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<td>Procurement system</td>
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<td>Financial Report</td>
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<tr>
<td>Cooperation</td>
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<td>Employee’s performance</td>
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<td>Management authorization</td>
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Sources: Collected and Analyzed Data

Based on the Table 1, there are several pros and cons due to University of Brawijaya changing status from National Higher Education to Public
Service Agency, which also affects UB Guest House. Different from Vidalakis, C., Sun, M. Dan Papa, A journals which focus on the whole university, here the researchers focus on the UB Guest House business unit in student satisfaction with the facilities provided [3].

On ownership perspective, UB Guest House tends to join Public Service Agency status, because UB Guest House becomes the University of Brawijaya asset which in long term can be used to support teaching and learning activity in the University of Brawijaya. Besides, there is prohibition that a Public Service Agency or BLU own a Limited Company inside their institution.

UB Guest House employees also welcome this changing status. It is because their employment contract is also change from UB Guest House employee to the University of Brawijaya’s employee. They feel safe because this means that the only person who can fire them is Rector. Different with UB Guest House under Perusahaan Terbatas (Limited Company), the General Manager (GM) can fire them anytime. However, there is another contract named Tenaga Lepas Non Profesional (TLNP) which helps daily operational in UB Guest House including their salary is UB Guest House’s responsibility. While Tenaga Lepas Profesional (TLP) is also owned by UB Guest House, that is the General Manager, the only one who is contracted professionally. This kind of employment contract seeking the ability and professional experience of the person. The other employment contract in UB Guest House is called Tenaga Harian Lepas which get their wage weekly.

From procurement perspective, in procuring daily material, there is no difference. However, there is a difference in procuring asset. Price limitation is applied to control which asset can be bought by UB Guest House itself, another price limitation which can be bought by BUNA. With this limitation, operational activities are facing obstacles sometimes. For instance, in buying rice cooker or refrigerator, these objects must be bought through BUNA, and it takes time while the operational must be keep going. Besides, the store where we buy the objects must have a business stamp to ease the treasury staff in finance reporting. If the store has no a stamp, the money cannot be reported and UB Guest House will not get the substitute money.

While based on financial report, there is no much different in arranging the report. However, when UB Guest House was still under the Perusahaan Terbatas (Limited Company), the expenses which used by UB Guest House came from commissioner and revenue. While UB Guest House changed into part of Public Service Agency, the University of Brawijaya gave finance capital named Uang Persediaan (Supply Money) or UP through BUNA to operate the UB Guest House. After received the money, UB Guest House must report the usage of the UP to get the substitute money or Ganti Uang (GU). When UB Guest House was still under the Perusahaan Terbatas (Limited Company), the balance which remained in the end of the year, will be considered as the next year balance. However, this system was much different while UB Guest House is part of Public Service Agency. In the end of the year, UB Guest House must has no balance at all or zero. Therefore there will be no balance accumulation from this balance except for receivable account. This account will be recorded and will be made a confirmation letter if the customer still has the debt to UB Guest House even the year is over.

Before the changing status to BLU, UB Guest House made the financial report with its own management. Every day the staff collecting the bills from purchasing material and equipment which in the evening will be signed by the general manager. Then, each month the accounting staff will make a financial report, report to the general manager, and deposit the revenue to the University of Brawijaya with particular values which have been deal with before. At the end of the year, UB Guest House making a financial report which will be reported to the University of Brawijaya. After the changing status, the financial reporting also change. Started from the procurement which must be following the head office steps, so do the financial report. The changes including the purchasing bill which can be reported or not, receipt making following the University of Brawijaya’s guideline, requesting stamp for each purchasing with the real bill attachment. In the end, the staff must make a detailed list of purchasing and report it to the treasury staff in BUNA to get the substitute money from the head office as reported before.

The income money which obtained daily must be reported by Night Audit (NA) staff to accounting staff and cannot be used to buy or support the operational activities. Those income must be deposited to a selected bank to save the income from all business units under BUNA’s management. The income must be done daily
after the daily closing report. However, sometimes there are several obstacles which affect the deposit and will be done in two or three days later.

The treasury staff in UB Guest House must be different in each account. First is reception income which their duty is to receive the income daily either income or receivable account and deposit it to the selected bank. The purchasing treasury staff is a person who making a report using supply money and GU then report it to the treasury staff in BUNA in purchasing equipment or assets which has been done by UB Guest House.

Purchasing equipment and material which has been done daily based on the purchasing treasury staff’s approval, finance manager, general manager of UB Guest House, treasury staff of BUNA and the decision maker officer. After get the signed from those people, then UB Guest House will get the substitute money. As the steps of purchasing goods are over, the finance manager will make a financial report monthly and report it to the general manager and submit it to BUNA as the reported purchasing to finance staff in BUNA.

In every accommodation business, there always be a good marketeer to promote the product to the customers. When UB Guest House was still under the Limited Company, UB Guest House was easily ‘sell’ the room by considering the competitors and easily gave discounts in cooperating. For instance, with a high price at that time was around 400-800 thousand rupiahs each night, the marketing staff easily promote the room and gave 50% discount. However, while UB Guest House is the part of BUNA or Public Service Agency, the price cannot be changed easily. Because the rate must be following the Rector’s decree, around 300-500 thousand rupiah with the maximum discount around 10% for UB academia, alumni, and loyal customer and also 20% discount special for online and offline travel agent. UB Guest House must follow this rule and cannot give discount freely as they wish. Competing with the competitor outside, UB Guest House is also having cooperation with online travel agents. The reservation not only done by coming to ub Guest House directly but also through telephone or WhatsApp. Lately, there are so many applications this ease the user to find a hotel through their smartphones such as Traveloka, booking.com, Airy Room, Red Doorz, OYO, and others. Even a single house can be a competitor for UB Guest House by renting the house like a villa or homestay. Besides regular customer, UB Guest House is also having cooperation with Balai Pendidikan dan Pelatihan Keuangan, legislative committee of Tulungagung and others.

While the UB Guest House staff welcome this changing status, the changing is also bringing impact to them which the result is low performance. The low performance can be seen from the critics and recommendations from the guest which suggesting that the cleanliness of the room or others is not really good. Based on UB Guest House management, the reason of this matter is several employee which an outsourcing before with good performance, underestimating the job because they had already contracted by the University of Brawijaya and thought that they would not be fire except by the rector’s order. Overcoming this challenge, UB Guest House held a motivational seminar and impact the employee’s work even not as good as before they were still as the outsourcing staffs.

The authorization management of UB Guest House wass held by the General Manager. However, since the status changed, the highest authorization management is held by the CEO of BUNA. This authorization is used to arrange the permission, bank guarantee and others which usually done by the general manager itself.

In summary, from all the differences between UB Guest House while under Perseroan Terbatas (Limited Company) and Public Service Agency or BLU, there are several pros and cons faced by UB Guest House. The cons being the implication which must be solved. First is the management of UB Guest House as their changes to BLU, slightly different with the previous policy but still relateable with the new policy. However, the most crucial thing is the procurement system which should be done by UB Guest House itself, not through BUNA. Because this system takes time and the operational activities will be affected.

This following Figure is the business unit under BUNA, including UB Guest House with other business management with its own sector:
Based on the rector's decree, UB Guest House is under BUNA management and under Business Management or BPU of the University of Brawijaya. Therefore, when UB Guest House will purchase an urgent equipment, UB Guest House takes time because the complicated bureaucracy. Considering this matter, UB Guest House hopes they will be under BPU directly to ease the procurement system because of its tight operational activities such as the accommodation and restaurant service. Similar with other business unit such as UB Media which operates in publishing sector, UB Sport Center as the fitness center. Employee performance is a work of quality and quantity achieved by an employee in carrying out their duties in accordance with the responsibilities given to him [1]. that way UB Guest House can be more successful in hospitality services. This following Figure is the recommendation from the researcher:

*Figure 1. Business Unit Management Structure [5]*

*Figure 2. Business Management Structure*
Based on that structure, UB Guest House is located under the head office of the University of Brawijaya directly. Therefore, in reporting daily financial report, procurement system, can be done faster. Differ with cooperation, UB Guest House is still having a cooperation with several Online Travel Agents, government institution, and also maximizing alumni network either national or international. Besides promoting through advertising media and online, mouth-by-mouth marketing is also effective in increasing the income. There are many alumni which successful after leaving the university and this moment can be used as the marketing media in increasing the income and also introduce to those who have not known UB Guest House yet.

CONCLUSION

Based on the discussions above, the researcher conclude that:

1) In the University of Brawijaya changing status to Public Service Agency, affected the business units in the university itself such as ownership status, employee status, procurement system, financial reporting, maximize cooperation, employee’s performance and also management authorization.

2) The cons following the Public Service Agency system is the complicated bureaucracy in procurement system and need some changes in the regulation in order to shortened the time effectively.

3) The increasing of UB Guest House occupancy by having cooperation with Online Travel Agent, government institution, and also alumni network either national or international.

4) The pros by following the Public Service Agency regulation is felt by the UB Guest House employee by seeing their increased prosperity.

Recommendation for the next researcher is hoped can fill the gap with more informant and details.

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REFERENCES


