



## Performance Analysis of Higher Education Public Service Agencies: A Case Study of the Indonesian Civil Pilot Academy Banyuwangi

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### Abstract

A Public Service Agency, known by the Indonesian nomenclature as *Badan Layanan Umum (BLU)*, is a government institution with the autonomy to manage its finances effectively and efficiently and provide public services. BLU is crucial for delivering essential services in Indonesia, including specialized education in the transportation sector. Despite their significance, BLU institutions like the Indonesian Civil Pilot Academy Banyuwangi face operational inefficiencies, financial constraints, and human resource challenges that hinder organizational performance. This study investigates these challenges, focusing on how financial management, human resource issues, and operational inefficiencies affect educational outcomes. The research employed a qualitative case study approach using semi-structured interviews, document analysis, and field observations. Data were collected from key stakeholders, including students, lecturers, and staff, to assess organizational performance in the educational process, human resource management, and general operations. Findings reveal that while facilities and educator engagement have improved, issues such as lecturer absenteeism, student input quality, and the need for continuous staff training persist. This study contributes to the body of knowledge by demonstrating the critical role of Total Quality Management (TQM) and Cross-Functional Integration (CFI) in improving public service agency performance. The research offers practical recommendations for enhancing lecturer performance, refining student admissions, and developing powerful individuals through sustainable training. This expectation can give Public Service Agency management an outlook for increasing performance organization and support mission, as well as the Agency of Human Resources Development (BPSDM) on Transportation vision.

**Keywords** *Public Service Agencies, BLU, Organizational Performance, Transportation Sector, Total Quality Management, Cross-Functional Integration, Human Resource Management*

### INTRODUCTION

The Public Service Agency, known in Indonesian nomenclature as *Badan Layanan Umum (BLU)*, is a government entity established to provide public services through the provision of goods or services sold without prioritizing looking for profit and doing activities based on principles of efficiency and productivity (Indonesia Ministry of Finance, 2022). These institutions have the autonomy to manage their finances while fulfilling their mission of delivering essential services to the public, including education through higher education institutions. However, the performance of Public Service Agency institutions, particularly in the transportation sector, faces numerous challenges that affect their ability to deliver quality public services.

The Indonesian transportation sector is critical to the nation's economic development because it is the backbone of infrastructure and human resource development. Within this context, Public Service Agencies play a pivotal role by providing specialized education to foster skilled professionals, such as pilots, to support national transportation objectives. Despite their significance, Public Service Agency institutions have struggled to maintain optimal organizational performance due to various factors, including financial constraints, human resource challenges and operational inefficiencies.

Previous studies have highlighted these challenges and offer valuable insights into the

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performance of Public Service Agency institutions. The quality of academic administration services in Public Service Agency institutions has been found to have significant service delivery issues, particularly bureaucratic delays and inefficiencies (Anisah et al., 2020). In addition, the study by Novindari and Andesto (2022) highlights how limitations in financial resources significantly impact organizational performance. The level of service at the Public Service Agency transport terminals has been analyzed, and gaps in service quality and resource allocation have been identified (Irawan et al., 2021). Although these studies provide a foundation for understanding the challenges that public service agency institutions face, they lack a comprehensive exploration of how these issues impact educational outcomes in the transportation sector.

This study seeks to fill the gap in the understanding of how financial and operational challenges impact the performance of Public Service Agency institutions, particularly in the transportation sector, specifically the Indonesian Civil Pilot Academy Banyuwangi. This research addresses two key gaps: the limited exploration of financial management in Public Service Agency institutions and the lack of in-depth analysis of how these financial limitations affect educational outcomes, such as student quality and instructor performance (Henmaidi et al., 2020).

One of the challenges faced by the Higher Education Public Service Agency is the quality of education and training provided. This can cover the evaluation of relevant curriculum with the needs of sector transportation, the qualifications and competencies of teachers, and facilities and technology support used in the learning process (Saha et al., 2019). This study emphasizes the importance of aligning financial management with educational objectives to ensure that Public Service Agency institutions can continue to provide high-quality services while remaining financially sustainable (Andiyarti et al., 2016). Moreover, the study highlights the need for continuous professional development for educators and staff to enhance human resource management and improve educational outcomes.

The primary research question guiding this study is as follows: How do financial, operational, and human resource management challenges impact the organizational performance of the Indonesian Civil Pilot Academy Banyuwangi? This research aims to identify areas for improvement and offer actionable recommendations for enhancing BLU performance. Through comprehensive analysis, this study contributes theoretically and practically to the field of public service management. The theoretical contribution lies in exploring how financial and human resource challenges influence organizational performance in educational institutions within the transportation sector. Practically, the study is expected to give helpful insight to BLU management on increasing the organization's performance, input for policy development sources, Power people in the sector relationship, and recommendations for increasing the organization's performance in support of the mission and vision of the Agency of Human Resources Development on Transportation, which is known in Indonesia as *Badan Pengembangan Sumberdaya Manusia Perhubungan* or BPSDM.

## **LITERATURE REVIEW**

Organizational performance is a multi-dimensional concept that has been widely studied in management literature. The performance of an organization is typically measured by how well it achieves its objectives, which can include financial results, operational efficiency, and stakeholder satisfaction. In the context of public service agencies, organizational performance is often evaluated on the basis of service quality, resource management, and the agency's ability to meet public needs (Richard et al., 2009). In public service agencies, these metrics take on added importance due to the expectation of delivering high-quality services to the public while managing resources efficiently.

### **Organizational Performance**

Various theories define organizational performance fundamentally related to measurable outcomes. Performance refers to the results achieved by individuals, teams, or organizations (Pambreni et al., 2019). It can be assessed through profitability, financial returns, employee performance, and growth. Although often associated with financial metrics, organizational performance encompasses broader measures beyond end-of-period financial achievements (Suryani & Foeh, 2018). Thus, organizational performance is a comprehensive evaluation of work outcomes, assessed through financial and non-financial aspects, highlighting the organization's capability to achieve its goals (Richard et al., 2009).

It can be concluded that performance organization is an evaluation comprehensive to results Work something organizations that can be measured through various aspects Good in a way financial and non-financial, as well as can reflect the extent of the organization capable of reaching the goal covering results Work in period-specific without looking at the input, output, benefits, etc. impact.

### **Public Service Agencies**

To evaluate the performance of Public Service Agencies, a performance assessment is conducted based on the BLU maturity guidelines outlined in Regulation Directorate General Treasury Number PER-11/PB/2021 (Mandisa & Martani, 2023). This evaluation measures results and processes using specific dimensions and indicators across five maturity levels: initial, managed, determined, predictable, and optimized. The assessment focuses on performance achievement against targets and evaluates processes in detail, considering inputs and outputs. Effective performance evaluation is essential for sustainable public service and aligns with New Public Management principles, emphasizing service delivery and income generation (Kalimullah et al., 2012). The benefits of performance measurement include improved product quality, objective decision-making, and the promotion of innovation and employee engagement, which are crucial for organizational success (Mardiasmo, 2021; Okatta et al., 2024).

### **Total Quality Management**

This study is grounded in the theory of Total Quality Management (TQM), which is widely utilized in both private and public sectors to enhance organizational performance. TQM emphasizes continuous improvement, customer satisfaction, and the active participation of all organizational members in decision making (Abu-Mahfouz, 2019). This framework is particularly significant for public service agencies, such as BLU institutions, which must efficiently deliver services while ensuring stakeholder satisfaction, including that of students, staff, and the government.

In public service, TQM focuses on operational improvements and enhances the quality of service delivery. For BLU institutions, aligning educational programs with industry needs is essential, ensuring that students are well-prepared for their future careers in sectors like transportation. This alignment between educational outcomes and industry demands is vital for the success of BLU institutions (Saha et al., 2019). Moreover, TQM's focus on continuous improvement and innovation provides a useful framework for addressing the challenges faced by these institutions, including financial constraints and human resource limitations. By adopting TQM principles, BLU institutions can improve their service quality and better meet the needs of their stakeholders.

### **Cross-Functional Integration**

Cross-functional integration (CFI) is a key framework for improving organizational performance, particularly in complex organizations like BLU institutions (Laco et al., 2024). CFI

promotes collaboration, coordination, and communication across different areas, leading to better alignment between administrative, academic, and operational functions, streamlining processes, and enhancing service delivery. The critical role of communication and leadership in driving performance improvement in public sector organizations highlights that effective leadership and open communication boost employee engagement (Musa & Bello, 2023). These insights suggest that BLU institutions must tackle financial and operational challenges and cultivate a culture of continuous improvement and collaboration to improve performance. Integrating TQM, organizational learning, and CFI offers a comprehensive framework for understanding and enhancing the performance of BLU institutions in the transportation sector.

### **Organizational Learning**

Organizational learning theory also plays a significant role in understanding how public service agencies can improve their performance. Organizational learning fosters the development of shared values and behaviors, which enhance an organization's adaptability and performance (Dellova & Tian, 2024). For BLU institutions, fostering a culture of learning and improvement among educators and administrators can lead to better educational outcomes and more efficient use of resources. Organizational learning is crucial in transportation, where the quality of training directly affects public safety and industry efficiency.

In conclusion, this study builds on the theories of Total Quality Management (TQM), organizational learning, and cross-functional integration (CFI) to analyze and improve the organizational performance of BLU institutions. These theories provide a robust foundation for understanding the unique challenges faced by public service agencies, particularly in the higher education sector. The findings of this study are expected to offer valuable insights into how BLU institutions can enhance their performance by addressing the key challenges identified in the literature, such as financial constraints, human resource management, and the need for cross-functional collaboration.

### **RESEARCH METHOD**

This research uses a qualitative method with a case study approach. A qualitative approach was chosen because this research aims to understand in depth the performance of the BLU organization in The Agency of Human Resources Development (BPSDM) Transportation. The study design case was chosen because it focuses on organizational units (Creswell & Poth, 2016). Organizational unit in research: Indonesian Civil Pilot Banyuwangi, one of the Technical Implementation Units at Human Resources Development (BPSDM) Transportation. The case study design was chosen to concentrate on this specific organizational unit and gain a comprehensive performance perspective (Ugwu & Eze, 2023). The experience of the sources and authors helped interpret the data more meaningfully and in-depth. Motivation analysis through qualitative methods provides a more in-depth perspective on informants, and the results can contribute to previous research (Wouters et al., 2014).

### **Data Collection Process**

The primary data for this research were collected through semi-structured interviews with six key informants, including two lecturers, one teaching staff member, one administrator, and two senior-level students. Senior-level students were selected due to their extended experience with the institution, which allowed for deeper insights into the educational process and HR management. Their perspectives differed from those of lower-level students due to their advanced knowledge of academic and administrative practices at the academy.

The semi-structured interviews were designed to gather detailed responses while allowing

flexibility for probing specific issues. A total of 10 open-ended questions were asked, with topics focusing on educational process performance, human resource management, and organizational effectiveness. For example, one of the questions asked was, "How does the academy's human resource management system affect the performance of educators and students?" This structure helped align the interviews with the research questions while also providing room for respondents to share their subjective experiences (Sutton & Austin, 2015).

Field observations were conducted alongside interviews to enhance qualitative data. The observations focused on three main areas: the educational process, administrative management, and resource allocation. A structured checklist recorded performance indicators such as class punctuality, student-teacher interactions, and resource availability. Findings from the observations were noted in field notes and compared with interview data for consistency (Rahimi & Khatooni, 2024).

### **Secondary Data**

Secondary data were collected from institutional and national regulations, focusing on documents governing BLU operations in higher education and transportation. The primary regulations reviewed were the [Indonesia Ministry of Finance \(2022\)](#) and the Director General of Treasury Regulation ([Indonesia Ministry of Finance, 2021](#)), which outline BLU institutions performance standards and financial management protocols. These documents are essential for understanding how regulatory frameworks influence organizational performance. All reviewed documents were published between 2020 and 2023, ensuring relevance and currency.

### **Data Analysis**

Data analysis was conducted using thematic coding, which involved categorizing interview and observation data into key themes, such as educational performance, human resource management, and financial challenges. The coding process was carried out systematically using QualCoder, a qualitative analysis tool, to ensure that all themes were accurately captured and aligned with the research objectives. The raw data were first transcribed, and initial codes were generated based on recurring patterns. These codes were then grouped into broader categories, allowing for a detailed comparison of the findings among different respondents (Wouters et al., 2014).

### **Triangulation**

To enhance the validity of the findings, the study employed source, method, and time triangulation. Source triangulation was conducted by comparing data from multiple respondents, including administrative staff and students, to ensure that the findings reflected diverse perspectives (Denzin et al., 2006). Method triangulation was achieved by combining interview data with field observations and document analysis to ensure a comprehensive understanding of organizational performance (Yin, 2018). Time triangulation involves collecting data over different periods to account for fluctuations in organizational performance (Stake, 1995).

### **Sampling Techniques and Mitigating Bias**

The study employed purposive and snowball sampling techniques to select participants based on their experience and involvement with the institution. While these sampling techniques can introduce selection bias due to the non-random nature of the sample, efforts were made to mitigate this risk by ensuring diversity in the participant backgrounds. For instance, the sample included educators, administrative staff, and students to capture various perspectives on organizational performance. Additionally, selecting senior-level students ensured that participants

had sufficient exposure to the institution's operations, thus minimizing potential response biases (Silverman, 1993).

## **FINDINGS AND DISCUSSION**

Based on the results of a review of documents that are applicable regulations, the performance of Public Service Bodies through governance and performance is assessed every year based on their maturity and once every two years for certain Public Service Bodies that manage funds from the state general treasurer's budget, government investment management, or other divisions. Other state general treasurer's budget, which is formed to manage these funds, is determined by the Director General of the Treasury (Indonesia Ministry of Finance, 2021).

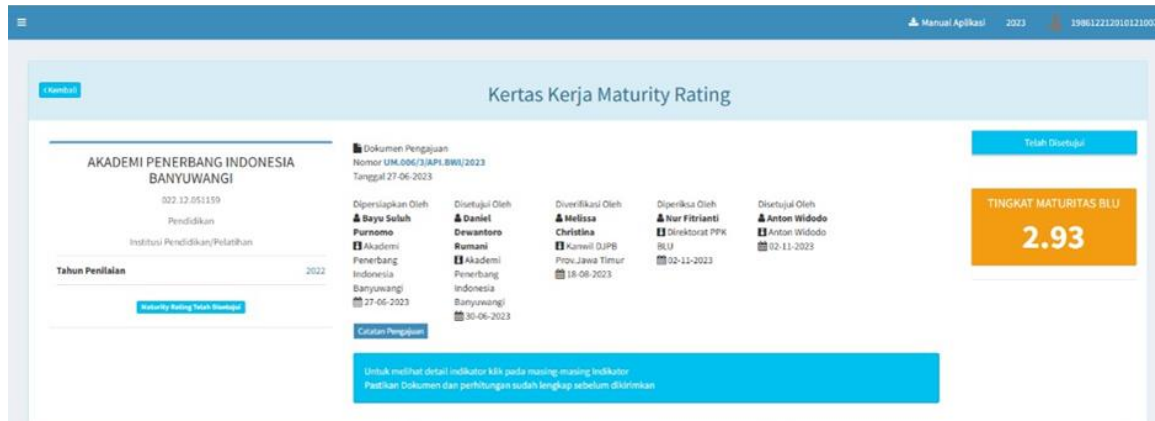
At least six aspects of governance and performance assessment level Public Service Agency maturity is attained:

1. Financial aspect with an assessment weight of 20% consisting of indicators of liquidity, efficiency, effectiveness, and level of independence;
2. Service Aspect with an assessment weight of 25% consisting of community satisfaction index indicators, service time efficiency, service complaint system, and service fulfillment success rate
3. Aspect Internal Capabilities with weight 20% assessment consisting of indicator source Power people, business processes, technology, and customer orientation
4. Governance and Leadership Aspects with a 20% weighting assessment consisting of indicator planning strategic, ethical business, relationship holder interests, management risk, and supervision reporting
5. Aspect Innovation with a weighting of 10% consisting of engagement indicators, user services, innovation processes, management knowledge and change
6. Environmental Aspects with an assessment weight of 5% consisting of environmental management and resource use indicators

The assessment of governance and performance at the maturity level of the Public Service Agency is categorized into the following levels:

- a. Level 1 (initial or ad-hoc): Organizational activity nature. No regular/ad-hoc measurement model was used as the base measurement maturity.
- b. Level 2 (managed): The organization can repeat nature activities regularly. However, this has not yet been documented in a standard way.
- c. Level 3 (defined), organization capable document activities at Level 2 standards outlined in form procedure standard.
- d. Level 4 (predictable): an organization capable of defining, controlling, and predicting processes for guard quality service and the output provided to the public.
- e. Level 5 (optimizing), the organization is oriented toward innovation and continuous improvement.

For fast, accurate Public Service Agency information services and an integrated information system, Regulation of the Director General of the Treasury Number PER-53/PB/2016 regulates application guidelines for the BLU (Public Service Agency) Integrated Online System (BIOS), with one of its functions being to assess the level of maturity. Based on data obtained via BIOS application, the maturity level of the Indonesian Civil Pilot Academy Banyuwangi Public Service Agency for the 2022 assessment year, which was assessed in 2023, was 2.93. This value means that the performance of the Indonesian Civil Pilot Academy Banyuwangi Public Service Agency is approaching Level 3 (Defined), which means that the organization is said to be close to being able to document Level 2 activities in a standard manner outlined in the form of standard procedures.



**Figure 1.** BIOS Application Dashboard of the Indonesian Civil Pilot Academy Banyuwangi

The score achieved in each evaluation aspect was measured based on the performance at each indicator level, and then the average score for each aspect was calculated. Aspect Services and Finance is a unique aspect used to measure the performance of finance and services of the Public Service Agency based on the characteristics of field services. The aspects of internal capabilities, governance and leadership, innovation, and Environment form Total Quality Management (TQM), which are fundamental elements based on the organization's internal management function. Several existing research studies investigating the connection between TQM and performance organization have shown that TQM has a positive and significant impact on innovation service as well as performance organization and can increase performance organization when implemented with Human Resource Management (Abu-Mahfouz, 2019).

## Interview

In this study, interviews were conducted with six key informants, each of whom contributed their perspective on the organizational performance of the BLU at the Indonesian Civil Pilot Academy Banyuwangi. The participants included two students: a lecturer, instructor, head of the library unit, and simulator employee. The demographic profiles of the participants are as follows:

1. Alief Asfar (Student 1): Final-year student in the Aircraft Operations Program.
2. Maulana Arrafi (Student 2): Final-year student in the Fixed-Wing Aircraft Program.
3. Hadi Prayitno (Lecturer): Lecturer and Vice director one at the Indonesian Civil Pilot Academy, Banyuwangi, Indonesia
4. Yusuf Arta Wisuda (Instructor): Flight Instructor and Chief Flight Instructor at Indonesian Civil Pilot Academy Banyuwangi
5. Rizki Ocsera (Head of the Library Unit): A civil servant with over 10 years of service in the Ministry of Transportation.
6. Putra Wicaksono (Simulator Employee): A civil servant with over 10 years of service in the Ministry of Transportation.

The interviews explored themes such as educational processes, human resource management, and general organizational factors. These insights were further supported by field observations, resulting in a robust qualitative dataset.

### **Theme 1: Organizational performance in the educational process**

*"Please ask for permission in the educational process. I think the performance organization at BLU is Already better because the fulfillment facility supports education as well as for power educators like lecturers or rated instructors. It is good because we can ask outside class hours, though sometimes There are several late lecturers present in fill in time teach it" – Student 1*

*"Process education, especially at the end of the course. This is already okay enough, but sometimes the lecturers rarely come in for eye lessons, and they are external lecturers. For facility education to be fulfilled and adequate, though There are several facilities not yet fulfilled, However No influence the course of the educational process." – Student 2*

*"From the side power educator or lecturers, BLU institutions do not influence significantly, but for globally influential big because performance BLU institutions are determined by many at least Students who determine agency income are the different case with the institution when non-BLU which is the amount student No influential because all budget obtained purely from the government. " – Lecturer*

*"Since the institution becomes BLU, raw material for accepted students is not as good as previously because the agency now considers students as income so that incoming students are given to those who can pay. The consequences impact quality students, and power absorbs graduates" – Instructor*

*"Learning process in fulfillment support facility it's optimal, class nor power educators too given with worthy, based on assessment feedback from students and other customers to the agency" – Head of Library Unit*

*"In terms of the educational process, according to i normal, maybe, maybe from side activity study teach only a little enhancement because student no will directly understand if without explanation." – Simulator Employee.*

Based on interviews related to performance organization in the educational process, it can be concluded that performance organization in the educational process has experienced many improvements. However, there are still some necessary challenges to overcome. Students generally evaluate facility support education as adequate and energetic educators responsive enough although some lecturers are often late or seldom present. This was supported by lecturers who noted that the performance of BLU institutions regularly overall is greatly influenced by the number of students who register, which differs from entirely non-BLU institutions depending on the budget government. Instructors also argued that the focus on accepting students as a source of income has influenced the quality of student input and the power to absorb graduates. The Head of the Library Unit assessed that the learning process and facility support had been optimized based on student feedback. In another case, Simulator employees mentioned that the educational process does not experience significant improvement, but there is a minor repair in the activity of teaching.

In conclusion, while the educational process has shown improvement, notable challenges remain, particularly with regard to lecturer attendance and the quality of incoming students. Organizational culture plays a significant role in improving performance, motivating employees,



and ensuring higher productivity. Increase the organization's performance as a whole because of the importance of committing to increasing lecturers' performance at the institution (Prayitno et al., 2019). The importance of culture organization in influencing performance institution education is very significant because the values, norms, and behaviors contained therein can increase motivation, productivity, and quality of work among all employees, thus producing more optimal results (Mohammed et al., 2015). Management role changes and employee participation are also critical because these strategies strengthen employee commitment to the organization's objectives (Gathoni et al., 2016). An organization's commitment to education directly impacts employee motivation, productivity, and overall performance. By investing in educational development, organizations can increase morale, efficiency, and individual and team achievement, ultimately benefiting the entire agency (Demirkol, 2023). Cross-functional integration (CFI) can also improve performance by enhancing collaboration, coordination, and communication (Laco et al., 2024).

The analysis of organizational performance in the education process shows that although progress has been made in several sectors, challenges such as teaching staff performance and student input quality still need to be improved to improve overall organizational performance. An organization's commitment to education and a supportive organizational culture, as well as strategic change management involving employee participation, plays an essential role in increasing employee motivation, productivity, and performance, thereby strengthening the results and efficiency of educational institutions.

## **Theme 2: Organizational performance in human resource management**

*"In terms of the instructors' performance, it can be said that they are improving because in order to survive, their abilities must improve because by improving the service to be better, the target income will increase." - Instructor*

*"Sometimes human resources are not ready for the change in mindset from previously non-BLU agencies to BLU agencies, with the agency changing to BLU with one of the main targets being income, which causes student raw material standards to be lower in order to get more students as customers, this becomes the challenge for lecturers and teaching staff is to work extra because the wage compensation in the form of remuneration received is also greater." - Lecturer*

*"From a management point of view, related to the management of employees' human resources, it can be seen from the performance targets in the form of Key Performance Indicators (KPI) that must be achieved, and this is a benchmark for giving rewards to employees." - Head of Library Unit*

*"Employees as human resources from agencies should continue to be involved in education and training activities to upgrade skills, competencies, and problem-solving abilities." - Employee Simulator*

This interview excerpt highlights the performance of organizations that have become Public Service Agencies from a human resource management perspective. The focus is on improving the performance of instructors and lecturers through better service, changing mindsets, remuneration, managing human resources based on KPIs, and the importance of continuous training to improve employee skills.

The interview findings align with the existing research on human resource management in public service agencies. Effective management of human resources, when combined with TQM and continuous training, can significantly improve organizational performance (Al Humairah et al., 2023). Understanding how human resource activities are organized in the public sector is essential for assessing their impact on organizational performance, as this helps identify factors that influence efficiency, productivity and effectiveness in achieving organizational goals (Boon & Verhoest, 2018).

It can be concluded that changing the status of an organization to a Public Service Agency, accompanied by effective human resource management, can significantly increase the performance and success of the organization (Kim & Shin, 2019). This transformation provides flexibility in managing budgets and resources and encourages improvements in the quality of services. Moreover, improving the quality of human resources and technology receives support and an active role from agency leaders, as well as building a transparent and accountable organizational culture to overcome the limitations that exist in the organization (Kawakibi & Susanto, 2024). Therefore, organizations can be more responsive to the needs and expectations of society and achieve strategic goals more efficiently and effectively.

### **Theme 3: Organizational performance based on General factors**

*"Influence positive from BLU, of course. From the employee income side, which naturally will increase. However, do not forget that income increases depend on the number of registered students. If then registered students even a little income will be received, the already lots occurred at a higher education institution at the ministry of transportation, especially in the air sector, agency income has fallen, of course, will cause income received by employees also fell so that influential to performance employee." – Lecturer.*

*"Staff, energy administration, as well as power educator here friendly enough especially in serve us in support activity what we need every day as a student" – Student 1*

*"Employee more motivated because all over employee feel equality welfare received with burden work already included in the KPI target, because previously only involved employees direct with the educational process is the one who gets it income additional" – Head of Library Unit*

*"Every individual employee sued thinks that because of each employee's competence, so should performance become better, specifically in the development of self-employees, and if we want to increase the well-being of BLU institutions, then we need cooperation between one with others"—Simulator Employee.*

According to the results of related performance organization agencies based on general factors, it can be concluded that policy compensation in the development program career is essential in increasing performance organization by motivating employees, increasing work satisfaction, and encouraging culture learning (Wulandari & Ali, 2023). Apart from that, behavior citizenship organization, practice management total quality, and employee involvement have proven to contribute to improving performance organizations (Nasim, 2018). This is reflected in the service optimal students and performance achievements based on each employee's KPI targets. The importance of communication, leadership, adaptability, and strategic change is also essential

for successful organizational development (Musa & Bello, 2023).

Overall, the agency's performance is influenced by various internal factors such as policy compensation, culture, organization, and leadership, as well as external factors like market dynamics and industry trends. Understanding and utilizing these factors can help an organization optimize performance, drive growth, and attain sustainable success in a dynamic and competitive business environment (Buschow & Suhr, 2024).

Effective compensation policies are crucial for enhancing organizational performance by motivating employees and promoting a learning culture. Factors such as organizational citizenship behavior, total quality management, and employee involvement also contribute significantly. Strong communication, leadership, adaptability, and strategic change are essential for successful development. Both internal elements, such as culture and leadership, and external influences, such as market dynamics, play vital roles in optimizing performance and achieving sustainable success.

## **CONCLUSIONS**

Research has revealed that performance organizations in the education and management process source Power humans (HR) experience improvement; however, a challenge remains. In the educational process, facilities support adequate and energetic educators who are sufficiently responsive. However, the lateness and absenteeism of lecturers and the quality of student input still need to be repaired. In HR management, there is an increase in the performance of instructors and lecturers through better service and adequate payment. However, changes in mindset and the need for continuous training to improve competence remain challenges.

The findings of this research have important implications for BLU management in improving organizational performance. Providing adequate facilities, improving the quality of teaching staff, and effective human resource management can improve the performance and quality of education. In addition, organizational commitment to education, a supportive organizational culture, and strategic change management that involves employee participation play an essential role in increasing employee motivation, productivity, and performance.

Theoretically, this research enhances the body of knowledge on organizational performance by illustrating how Total Quality Management (TQM), Cross-Functional Integration (CFI), and strategic change management can positively impact public service agencies. The study also highlights the significance of a supportive organizational culture and employee participation in achieving sustainable performance improvement. Practically, the research offers valuable guidance for BLU managers, emphasizing the need for facility enhancements, better staff management, and a more strategic approach to human resource development. These findings can inform policy decisions and management practices intended to improve the performance of BLU institutions in Indonesia and beyond.

## **LIMITATION & FURTHER RESEARCH**

Although this study provides valuable insights into the organizational performance of the Indonesian Civil Pilot Academy, several limitations exist. The reliance on a small, purposive sample limits the generalizability of the findings. Additionally, the study's focus on a single BLU institution limits its ability to apply the results to other public service agencies. Future research could explore a broader range of BLU institutions across different sectors to examine whether the findings hold across different contexts.

Moreover, this study did not fully explore the long-term impact of continuous training and professional development on human resource performance. Future research should investigate how sustainable training programs influence staff retention, motivation, and student outcomes. Another important area for future research is the relationship between student selection criteria

and organizational performance. Because student input quality was identified as a concern, future studies should examine the impact of admission policies on educational outcomes.

To improve organizational performance, it is recommended that lecturer performance be enhanced through clear benchmarks, student admissions criteria be adjusted to maintain quality and sustainable training programs for staff are developed. These recommendations align with the study results and can serve as practical steps for future improvement.

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