

The Mediating Impact of Service Quality Towards Improving Sustainable Organizational Performance Private University in Indonesia

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ABSTRACT

This study aims to identify the challenges associated with the dynamics of sustainable transitions within the context of organizational performance at LLDIKTI 3 Jakarta Private University. This research utilizes organizational change, risk management, good university governance, and ICT competencies as independent variables, with organizational performance as the dependent variable and service quality as the mediating variable. This study employs quantitative methods, implements questionnaires via Google Forms, and then collects the output data for further protection. The study's population consists of private universities, totaling 283 institutions; within the university cluster, there are an additional 68 institutions. The study included a sample of 376 respondents. The study applied instrument analysis to SmartPLS 3.0, using a stratified random sampling method. Good university governance is crucial for higher education institutions to manage effectively, openly, accountably, and effectively implement their learning and research objectives. Here are some suggestions for effective good university governance, such as that continuous improvement is necessary for good governance, and this requires regular assessment of policies, practices, and procedures to ensure they remain relevant, efficient, and aligned with the agency's mission and goals.

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INTRODUCTION

Public higher education has the responsibility to educate prospective national leaders and play an active role to create graduates who are able to adapt to the demands of global change (Chaerunisyah, 2021). Public universities require a strategy to establish a competitive advantage (Halisa, 2020). Lecturers and staffing are human resources who play an important role in improving student education and achievement and are also one of the key components of the education system in higher education (Handayani & Budiani, 2021; Nurkhaerani et al., 2013). These roles and responsibilities necessitate constant improvement in their abilities and performance (Hakim & Fernandes, 2017). Competent staff is crucial in creating and producing qualified human resources to prepare for various work levels. This rationale underscores the importance of enhancing and elevating the caliber of public universities.

Factors like the employee value proposition and employee engagement are crucial for enhancing the quality of public universities (Kusuma & Prasetya, 2017). The employee value proposition serves as an effective branding tool by outlining the work-related needs of employees, thereby fostering a balance between employee satisfaction and performance within the company's work culture. Thus, to deliver a superior employee value proposition, companies must communicate to employees and the labor market that they are the employer society wants, given the conditions. These factors include a favorable environment, strong career interest, and wide development opportunities. The other factor that can improve public university quality is employee engagement. Employee engagement refers to the emotional or behavioral involvement that an employee has with their work, characterized by a strong commitment to the organization's vision and mission and a great interest in their assigned tasks without feeling burdened (Ruhayat et al., 2022). Public universities recognize the significance of employee value propositions in their development. Thus, the purpose of this research is to determine the relationship between

employee value propositions and work engagement at public universities.

Generally, we can interpret the word engagement as involvement, commitment, passion, enthusiasm, absorption, and energy (Schaufeli & Bakker, 2010). Furthermore, Bakker et al. (2011) describe employee engagement as a psychological construct consisting of high levels of energy and involvement in work. This can influence employees' ability to contribute to fulfilling the vision and mission of public universities, fostering a sense of pride in their affiliation with the company and motivating them to consistently exceed their responsibilities. Pawar and Charak (2014) assert that organizations can significantly enhance employee satisfaction and engagement by effectively communicating their total competitive reward program through employee value propositions. The employee value proposition (EVP) is a set of qualities that companies offer to their employees as compensation for their contributions, with the aim of retaining them within the company (Alloush, 2020). Public universities still rarely implement the application of EVP. Additionally, the Ministry of Education and Culture's recent promotion of teaching practitioner activities may contribute to the lack of impact of employee value propositions on lecturer performance.

According to Goswami (2015), an employee value proposition is a way to create a balance between employee performance and employee job satisfaction in the work culture of the organization. The employee value proposition looks like a reciprocal process between the organization and employees, which includes several aspects, such as organizational values, organizational culture, colleagues, and reward systems (Arasanmi & Krishna, 2019). This process not only enhances employee engagement and retention (Kinasih & Kurniawan, 2019), but also serves as a useful tool for long-term success in meeting present and future labor market demands (Theys & Barkhuizen, 2022). Employee involvement is a crucial component of the employee value proposition. The company's ability

to meet promises and provide high-quality services can lead to employee satisfaction, which in turn fosters commitment (Alloush, 2020). When the employee value proposition is fulfilled, it leads to stable and group work engagement, dedicated employees, an innovative mindset, and performance improvement, all of which can be influenced by a committed workforce (Arasanmi & Krishna, 2019). This study bridges the gaps in prior research on how private universities can enhance their performance by improving change management, risk management, good university governance, and ICT competencies through service quality.

LITERATURE REVIEW

An organization can use the resource-based view (RBV) as a management work pattern to identify strategic resources for sustainable competitive advantage (Mujianto et al., 2022). Although resource-Developed in accordance with developmental economics, the resource-based theory explains sustainable superior corporate performance by focusing on the differential capabilities of organizations (Bahri and Ramaditya, 2024). s, Imitability, and Organization (VRIO) framework is an instrument for assessing a company's internal resources and capabilities to determine whether the company is capable of forming a source of sustainable competitive advantage (Bahri and Ramaditya, 2024). Higher Education IHigher Education Institutions (HEI's) have the ability to implement organizational change in response to the dynamics of sustainable transition, thereby positively impacting their overall performance. BV-based view that new capabilities develop as the environment changes, the rents resulting from differential capabilities resulting from developing new capabilities are still ricardian. Restructuring in Organizational Change, risk management in accordance with Enterprise Risk Management (ERM) standards, implementation of Good University Governance (GUG) in accordance with its principles, digital development in the ICT Competencies aspect, optimization of service quality not only for academic services but also to facilitate support activities of lecturers and staff, and overall can

optimize organizational performance in the era of disruption.

In RBV, experts focus on internal factors that can be controlled and managed by the company's strategy, which affects performance. Often, this theory is used in market research for products or services. (Barney, 2001). Resource-Based View (RBV), according to Barney's Ideas (2001), assumes that a unique set of company resources will help the organization remain competitive by possessing and controlling valuable, rare, inimitable, and non-substitutable resources known as VRIN factors (Barney, 2001). VRIN (valuable, rare, inimitable, non-substitutable) (berharga, langka, tidak dapat ditiru, tidak tergantikan). According to RBV, managers should only hold unique, invaluable, uncommon, inimitable, and irreplaceable resources if they want to achieve significant growth. The core of the RBV theory is resources. This conceptual approach places a strong emphasis on the company's unique resources and assets, which must be diverse, unique, and durable to maintain long-term competitiveness.

Experts have noted the importance of technological capabilities as a primary organizational capability, consistent with the RBV perspective. Technological capabilities can lead to superior company performance (Chen et al. 2014). Organizational performance can be measured by the influence of technological capabilities on resource utilization. The Resource Based View (RBV) philosophy has been adopted as a philosophy that influences organizational performance by emphasizing competitive advantage (Mansour et al. 2022). From the RBV perspective, organizations can achieve competitive advantage by having innovation and expertise in managing resources to be more capable of surviving in competition.

RESEARCH METHOD

The research strategy used in this research is an associative research strategy. Associative or another name for causal is verifying whether a variable causes a variable to change or not. In

causal analysis, researchers are attracted to describing one or more factors causing the problem (Sekaran and Bougie, 2016). According to Syamsari et al., (2022), the target population is a group of components from which a researcher wants to draw conclusions based on sample statistics and a population with a limited size that can generally be calculated. The target population in this research is lecturers at private higher education institutions within the scope of LLDikti III Jakarta. According to Sugiyono (2020), the sample is part of the number and characteristics of the population. The technique in this research applies the stratified random sampling method, which is defined according to Sekaran and Bougie (2016) as a grading or separation process followed by random assignment of subjects from each level. In determining the sample, researchers used the Slovin formula as a reference for calculating the quantity of respondents. This research uses the Slovin formula with a confidence level of 95% and a margin of error of 5%. Slovin's formula is written as: $n = \frac{N}{1 + Ne^2}$, Where: n= the number of samples N=the total population.

Table 1. Number of Samples and Population of Institutions in the LLDikti III Jakarta Region

College	Accreditation	Number of Lecturers	Number of Sample Strata
University	Superior/A	2,613	60
	Very Good/B	12,600	289
	Good/C	1,147	27
Total		16,360	
Number of Respondents		376	376

To collect data from respondents, researchers applied a questionnaire to collect answers from respondents. According to Sekaran and Bougie (2016), a questionnaire is a set of written questions that have been prepared previously where research subjects document their answers, in general the alternative choices are quite well defined. Likert scale instrument with a scale of 5 (strongly agree), 4 (agree), 3 (undecided), 2 (disagree), and 1 (strongly disagree). The dependent variable is the variable that is the main focus of the researcher, the main variable

that can be validated as an adequate causal variable. Moderating variables are variables that have a strong contingent impact on the relationship between the dependent variable and the independent variable. The independent variable influences the dependent variable both positively and negatively Sekaran and Bougie (2016).

RESULT AND DISCUSSION

Based on respondents' employment data on Table 3, 52.1% of them work as lecturers. Based Outer Model. Convergent Validity is a construct that expresses the variance in its items and uses the AVE matrix to assess the convergent validity of a construct (Hair et al., 2019). In general, the cross-loading value for each variable must be > 0.70 (Ghozali, 2021:68). Factor loadings of 0.50 or more are considered to have validation that is strong enough to explain latent constructs (Hair et al, 2019) and other references state that factor loadings are categorized as the weakest that can be accepted at 0.40 (Sharma, 1996; Ferdinand, 2000). Herewith below is the respondent profile in table 3.

Table 4. Measurement Model

Variable	Indicator	Outer Loading	Information
Organizational Change	OC1	0.601	Valid
	Oc2	0.591	Valid

Assessing the discriminant validity test, namely the extent to which the construct is empirically different from other constructs from the structural model (Hair et al ., 2019). Partial least squares structural equation modeling (PLS-SEM) has become an established social sciences multivariate analysis technique. Since quality management researchers also increasingly using PLS-SEM, this growing interest calls for guidance. One way to test discriminant validity with reflexive indicators is to see that the cross-loading value for each variable must be > 0.70. Another method that can be used to test discriminant validity is to compare the square root of the AVE of each construct with the correlation value between the constructs in the model. Good discriminant validity is indicated

Table 2. Measurement Variables

Measurements	Variable Indicators	Source
Organizational Change	Structure, technology, physical arrangement, human resources	Robbins (2016)
Risk Management	Risk attitude, risk appetite, risk awareness, implementation of ERM, employee involvement, tone from the top, risk culture, risk identification, risk assessment, risk integration with strategic planning, assessment of ERM effectiveness	Perera et al ., (2021)
Good University Governance	Transparency, accountability, responsibility, independence, fairness	Ritonga et al ., (2 021)
ICT Competencies	The use and creation of digital learning materials, the planning and use of digital learning environments, synchronous digitally enhanced teaching, general ICT competencies, digital interaction, and digital assessment	Vilppola Jiri et al ., (2022)
Organizational Performance	Input, process, output, outcome	PTS Clustering Performance, 2020
Service Quality	Tangibles, reliability, responsiveness, assurance, empathy	Zeithaml et al ., (2010)

Table 3. Respondent profile

Institution	Accreditation	Number of Lecture	Calculation	Number of Respondent
University	A	2.613	$(2.613/16.360) * 376$	60
University	B	12.600	$(12.600/16/360)*376$	289
University	C	1.147	$(1.147/16.360)* 376$	27
Total		16.360		376
Number of Respondents		376		376

Source: Human Resource Data Higher Education Service in Indonesia Capital City, 2023

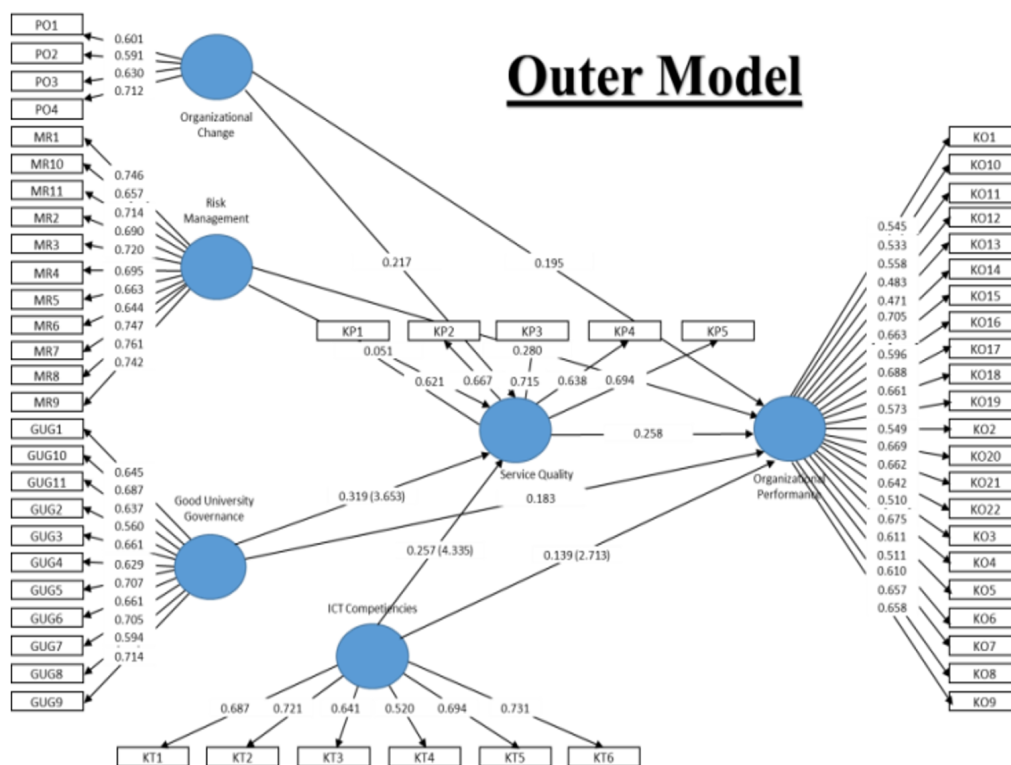


Figure 1. Outer Loading

by the square root of the AVE for each construct being greater than the correlation between latent constructs (Ghozali, 2021).

Table 5. Cross Loading

	O.C	RM	Nervous	ICT	SQ	OP
OC1	0.601	0.299	0.282	0.32	0.331	0.325
OC2	0.591	0.314	0.359	0.414	0.356	0.402
OC3	0.63	0.263	0.32	0.299	0.306	0.374
OC4	0.712	0.352	0.356	0.379	0.399	0.514
RM1	0.409	0.746	0.546	0.488	0.447	0.581
RM2	0.337	0.69	0.5	0.348	0.374	0.486
RM3	0.298	0.72	0.588	0.417	0.372	0.494
RM4	0.347	0.695	0.525	0.417	0.326	0.516
RM5	0.364	0.663	0.41	0.407	0.348	0.538
RM6	0.332	0.644	0.558	0.381	0.34	0.469
RM7	0.376	0.747	0.587	0.422	0.456	0.577
RM8	0.347	0.761	0.636	0.432	0.373	0.546
RM9	0.326	0.742	0.593	0.392	0.409	0.547
RM10	0.334	0.657	0.58	0.413	0.444	0.472
RM11	0.309	0.714	0.616	0.398	0.431	0.549
GUG1	0.3	0.492	0.645	0.368	0.386	0.528
GUG2	0.249	0.483	0.56	0.327	0.364	0.422
GUG3	0.416	0.533	0.661	0.462	0.414	0.576
GUG4	0.417	0.509	0.629	0.476	0.433	0.51
GUG5	0.401	0.56	0.707	0.48	0.475	0.529
GUG6	0.299	0.474	0.661	0.455	0.442	0.446
GUG7	0.355	0.566	0.705	0.499	0.474	0.51
GUG8	0.309	0.531	0.594	0.393	0.406	0.498
GUG9	0.313	0.562	0.714	0.416	0.427	0.485
GUG10	0.36	0.533	0.687	0.459	0.419	0.517
GUG11	0.309	0.439	0.637	0.462	0.394	0.477

Examining table 4 above shows that the composite reliability value of Organizational Change (X1) is > 0.7 with a value of 0.729, the Risk Management variable (X2) > 0.7 with a value of 0.917, the Good University Governance variable (X3) > 0.7 with a value of 0.892, the ICT Competencies variable (X4) with a value of 0.828, the Service Quality variable (Z) with a value of 0.801, and the Organizational Performance variable (Y) with a value of 0.926. Based on the data that has been

collected, it is stated that all variables are at composite reliability > 0.7 and are declared reliable (Hair et al., 2019).

Examining table 4 above shows that the Cronbach's Alpha value of Organizational Change (X1) is 0.511, which means it is in the medium reliability category, Risk Management (X2) is 0.900, which means it is in the very high reliability category, Good University Governance (X3) is worth 0.867 which means it is in the very high reliability category, ICT Competencies (X4) is 0.751 which means it is in the high reliability category, Service Quality (Z) is 0.689 which means it is included high reliability category, and Organizational Performance (Y) worth 0.917, which means it is included in the very high reliability category.

Inner Model

Examine the inner model schema in the table 5, it can be seen that the largest path coefficient value is found in the influence of influence Good University Governance (X3) on Service Quality (Z) is 0.319, the influence of Risk Management (X2) on Organizational Performance (Y) is 0.28, the influence of Service Quality (Z) on Organizational Performance (Y) is 0.258, the influence of ICT Competencies (X4) against Service Quality (Z) is 0.257, the influence of Organizational Change (X1) on Service Quality (Z) is 0.217, the influence of Organizational Change (X1) on Organizational Performance (Y) is 0.195, the influence of Good University Governance (X3) on Organizational Performance (Y) of 0.183, the influence of ICT Competencies (X4) on Organizational Performance (Y) of 0.139, the influence of Good University Governance (X3) on Organizational Performance (Y) through Service Quality (Z) of 0.082, the influence of ICT Competencies (X4) on Organizational Performance (Y) through Service Quality (Z) of 0.066, the influence of Organizational Change (X1) on Organizational Performance (Y) through Service Quality (Z) of 0.056, the influence of Risk Management (X2) on Service Quality (Z) of 0.051, and the influence of Risk Management (X2) on Organizational Performance (Y) through

Service Quality (Z) of 0.013.

Table 6. Path Coefficient

	Path Coefficient
(OC) -> (SQ)	0.217
(RM) -> (SQ)	0.051
(GUG) -> (SQ)	0.319
(ICT) -> (SQ)	0.257
(OC) -> (OP)	0.195
(RM) -> (OP)	0.28
(GUG) -> (OP)	0.183
(ICT) -> (OP)	0.139
(OC) -> (SQ) -> (OP)	0.056
(RM) -> (SQ) -> (OP)	0.013
(GUG) -> (SQ) -> (OP)	0.082
(ICT) -> (SQ) -> (OP)	0.066
(SQ) -> (OP)	0.258

This research implements R-Square in measuring the number of variables that are influenced by other variables. R-Square ranges from 0 to 1, a high value indicates greater explanatory power and an R-Square of 0.75 is categorized as strong, 0.5 is categorized as moderate, and 0.25 is categorized as weak (Hair et al., 2019; Ghazali, 2021:73).

Table 7. Coefficient Determination Results Data (R-Square)

Variable	R Square	R Square Adjusted
Organization Performance (Y)	0.758	0.754
Service Quality (Z)	0.513	0.508

Examining the results of the R-Square in table 6 shows that the R-Square value for the Organizational Performance (Y) variable is 0.758 or 75.8%, which means that the variables Organizational Change (X1), Risk Management (X2), Good University Governance (X3), and ICT Competencies (X4) of 75.8% which is categorized as strong. Meanwhile, the remaining 24.2% was influenced by other variables not included in the research. The R-Square value for the Service Quality (Z) variable is 0.513 or 51.3%, which means that the Organizational Change (X1), Risk Management (X2), Good University Governance (X3), and ICT Competencies (X4) variables are 51.3% are categorized as moderate. Meanwhile, the remaining 48.7% was influenced by other variables not included in the research.

The results of testing the first hypothesis indicate its acceptance. This proves that organizational change has a significant and positive influence on service quality. This aligns with prior research indicating that the ability to implement

Table 8. Hypothesis Test

Hypothesis	Effect	Original Sample	T-Statistics	P-Value	Results
H1	(OC) -> (SQ)	0.217	3,397	0.001	Accepted
H2	(RM) -> (SQ)	0.051	0.558	0.577	Rejected
H3	(GUG) -> (SQ)	0.319	3,653	0	Accepted
H4	(ICT) -> (SQ)	0.257	4,335	0	Accepted
H5	(OC) -> (OP)	0.195	3,797	0	Accepted
H6	(RM) -> (OP)	0.28	3,532	0	Accepted
H7	(GUG) -> (OP)	0.183	2,609	0.009	Accepted
H8	(ICT) -> (OP)	0.139	2,713	0.007	Accepted
H9	(OC) -> (SQ) -> (OP)	0.056	2,862	0.004	Accepted
H10	(RM) -> (SQ) -> (OP)	0.013	0.615	0.539	Rejected
H11	(GUG) -> (SQ) -> (OP)	0.082	2,911	0.004	Accepted
H12	(ICT) -> (SQ) -> (OP)	0.066	3,341	0.001	Accepted

organizational change in educational institutions can enhance the perception of service quality, leading to a higher market share (Webster and Hammond, 2018). In the context of higher education, recognizing the needs of students and the public through the planning of initiatives, new services, and the formation of a new customer-centered culture can enhance authentic and innovative service quality (Dollinger and Lodge, 20; Dollinger and Vanderlelie, 2021). Based on the observations of researchers in the field, organizational change in a restructuring order can produce creative innovation guidance in dealing with good service quality to support the effectiveness of lecturers and teaching staff.

Furthermore, the output of the second hypothesis test indicates the rejection of the second hypothesis. This indicates that risk management does not significantly impact service quality negatively. This aligns with prior research, which asserted that there is no correlation between the implementation of risk management and service quality (Boateng and Arthur, 2014). By optimizing informative service quality, it effectively minimizes customer perceptions of risk (Cho et al., 2014). In essence, the implementation of risk management will optimize organizational performance in terms of service quality. Researchers in the field predict that the implementation of risk management can anticipate uncontrollable incidents and enhance service quality (Ramaditya et al., 2023).

Furthermore, the results of the third hypothesis test indicate the acceptance of the third hypothesis. This proves that good university governance has a significant and positive influence on service quality. Previous research aligns with this, emphasizing the importance of various factors influencing higher education governance and administration, with the goal of creating an institutional governance structure that can enhance higher education service quality (Ali and Bansal, 2021). Researchers in the field observe that the implementation of good university governance aims to minimize corruption and other negative management indicators, thereby

providing service quality to both the external and internal environments in higher education institutions (Ramaditya et al., 2022).

Moreover, on the output of the fourth hypothesis testing, it states that the fourth hypothesis is accepted. This proves that ICT competencies have a significant and positive influence on service quality. This is in line with previous research, which states that support from ICT competencies has a positive relationship to processes and service quality, relationships and resources, higher education strategies, professors, and students (Dordevic et al., 2021). According to Razak et al. (2018), ICT competencies enhance the potential for collaboration between teachers and students, enhancing service quality in the teaching and learning context and appropriately integrating process dimensions into the curriculum. To provide high-quality and innovative education, educational institutions implement digitalization in pedagogy (Ramaditya et al., 2023). Researchers in the field have observed that lecturers implementing ICT competencies in creative and innovative learning methods can provide good service quality, with special attention to students who have different abilities and are unique in each student.

Furthermore, on the output of the fifth hypothesis testing, it states that the fifth hypothesis is accepted. This proves that organizational change has a significant and positive influence on organizational performance. This aligns with prior research, which asserts that organizations have the ability to develop and execute organizational changes that are pertinent to both proactive and reactive adaptation to environmental and organizational developments (Klarner et al., 2007). These changes can stimulate the dynamics of higher education, leading to responses from internal stakeholders to implement changes (Sukoco et al., 2021), ultimately enhancing organizational performance (Judge et al., 2009). Researchers in the field observed that they implemented organizational

change to address the dynamics of transitional polemics, such as demands for technological developments and policy changes, with the expectation of improving organizational performance. According to previous research (Araujo and Gomez, 2021), risk management has demonstrated and encouraged compliance with laws, norms, and standards, effectively addressing the challenges of organizational change optimization. Researchers in the field have observed that implementing risk management in accordance with ISO and COSO standards, or at least establishing risk registers in key operational units of higher education institutions, can effectively mitigate incidents and reduce their potential impact on the institution's sustainability, thereby optimizing organizational performance (Ramaditya & Sundari, 2023).

The seventh hypothesis testing's output indicates the acceptance of the seventh hypothesis. This proves that good university governance has a significant and positive influence on organizational performance. According to previous research (Hidayah et al., 2019), the implementation of the philosophy of good and accurate governance in higher education visualizes organizational performance. Establishing a good corporate governance system (context: good university governance) is the governance mechanism to follow, as it reduces corporate conflicts and maximizes wealth through organizational performance optimization (Kariuki et al., 2021). Based on the observations of researchers in the field, good university governance is a vital part of transparency among higher-ups, internally and externally, in achieving the goals of higher education institutions' organizational performance. According to previous research (Haruna and Okafor, 2022; Sabin et al., 2018), higher education librarians not only implement ICT competencies in cataloging, but also in practical and operational aspects related to organizational performance. Researchers in the field have observed that ICT competencies in libraries are crucial for students' knowledge seeking, as it facilitates easier search processes. Additionally, integrated cataloging can

distribute easily accessible reference sources, which can positively impact organizational performance. This indicates that service quality plays a crucial role in mediating organizational change and positively impacts organizational performance. This is in line with realizing a paradigm perception that creates understanding from various parties regarding the urgency of service quality in implementing quality standards for structuring, in this case organizational change (Little and Dean, 2006). The transition is autonomously shaped by staff participation (Rho et al., 2020). Organizations formulate strategic transition determinations to enhance their innovation capabilities (Helfat and Martin, 2015). Saulina (2015) relates this to organizational performance. Based on the observations of researchers in the field, organizational restructuring can evaluate the achievement of service quality, thereby optimizing the core value of organizational performance.

The results of the tenth hypothesis test indicate its rejection. This demonstrates that service quality has no significant impact on mediating risk management and does not negatively impact organizational performance. This is in line with Method E's recommendations for risk management. Based on the organization's management information system, service quality refers to a review of ways to monitor critical risks for quality indicators that will impact organizational performance (Kondratyeva et al., 2021). Researchers in the field have observed that risk management cannot coexist with service quality, as efficiency in reducing risk does not yield optimal outcomes. While service quality demands maximum effort, it does not have a lasting effect on organizational performance. This study adds a mediating variable, namely service quality. Hapsari et al. (2017) found a direct and significant influence of service quality on performance. Strategically, private universities with good service quality are considered capable of satisfying customers, which will increase the value of performance.

This aligns with the growing global competition for innovative governance in education policy, management, and administration, particularly in the field of public policy. This field is not immune to the mounting pressure to enhance delivery and service quality, thereby optimizing organizational performance in terms of productivity and quality (Mok, 2008). According to the observations of researchers in the field, ensuring service quality through adequate lecturer facilities and education is crucial for good university governance. This, in turn, influences the vision, mission, and core values of higher education institutions, all of which are directly related to organizational performance. This demonstrates that service quality plays a significant role in mediating ICT competencies and positively impacts organizational performance. According to Bharadwaj (2000) and Gorla et al. (2010), when information systems units or human resources, like lecturers and teaching staff, provide superior service quality in the context of ICT competencies, the organizational performance becomes more productive. Based on observations by researchers in the field, optimal service quality revitalization can improve ICT competencies for lecturers and will have an impact on organizational performance and productivity.

Ultimately, the results of testing the thirteenth hypothesis confirm its acceptance. This proves that *service quality* has a significant and positive influence on *organizational performance*. This is in line with previous research, which states that in identifying service quality from various aspects, there is an urgency in determining general levels and allocating their resources to aspects of service quality that have the most positive impact on optimizing *performance* (Pham et al., 2019; Ullah et al., 2021). According to Pham et al., 2019 and Ullah et al., 2021, the importance of service quality cannot be overstated. In higher education, service quality plays a crucial role in implementing the agenda, optimizing the performance of lecturers, attracting new students, retaining the best, providing library services, and recruiting the best talented staff, all of which

significantly impact organizational performance (Leonard & Susanti, 2019; Luo et al., 2019). Higher education is encouraged to strive to provide the service quality that has been committed to because student confidence depends on how well they are perceived by *Performance Higher Education* (Ghobehei et al., 2019). Researchers in the field observe that higher education institutions provide good pedagogical and academic services to students, which in turn makes lecturers feel comfortable and positively impacts organizational performance.

MANAGERIAL IMPLICATION

Collaboration culture with A collaborative culture fosters open communication, shared decision-making, and collaboration across departments and disciplines, all of which are crucial for effective university governance. Good governance necessitates the proper management of financial and other resources, ensuring their use aligns with the institution's priorities and mission. Higher education must be accountable to all of its constituents, including students, employees, and the general public. This requires being open and honest about performance and results and accepting responsibility for correcting any shortcomings or failures. Higher education needs continuous improvement, which is necessary for good governance, and this requires regular assessment of policies, practices, and procedures to ensure they remain relevant, efficient, and aligned with the agency's mission and goals. Ultimately, strong leadership, efficient resource management, and dedication to openness, responsibility, collaboration, and continuous development are essential components of successful university governance. Lecturers should use technology to provide students with engaging, hands-on learning opportunities. For example, they can supplement lectures with online collaboration tools, learning management systems, and multimedia resources. To use technology effectively, students need to receive the necessary instruction and assistance. Workshops, tutorials, and access to support personnel who can help with technical issues can

all be part of this. Encourage students to explore technology and generate creative solutions to real-world challenges by developing an inventive culture. This can help in the growth of students' critical thinking, creativity, and problem-solving abilities.

CONCLUSION

In conclusion, organizational Change in higher education can be difficult and complex; the following ideas can make the process easier. Instill a sense of urgency: It's important to identify the need for change and let everyone involved know about it. This may entail highlighting the agency's key problems and detailing the benefits of the changes. Risk management is an important process in higher education institutions to identify and mitigate potential risks that may affect their operations and reputation. Here are some suggestions for risk management in higher education, such as determining possible risks: Conduct a thorough assessment of all potential dangers to the institution, both internal and external. This can include dangers related to reputation, legal compliance, physical security, and cyber security. Create a risk management strategy: Create a risk management strategy that outlines the strategies, procedures, and tools

required to reduce and manage risks based on the risk assessment. Further, create a culture that values risk management. Finally, create a risk management culture by valuing effective risk management techniques and motivating all stakeholders to actively participate in detecting and mitigating risks.

Some suggestions for optimizing service quality in higher education are to create and develop a culture that focuses on providing excellent customer service as the first step in optimizing service quality. This can be achieved by offering faculty and staff training and development programs that emphasize communication, problem solving, and customer service skills. We can use technology to enhance the educational process and boost service levels. Universities should provide students with access to online tools for communication and problem solving, such as chatbots and online feedback systems, as well as learning management systems and virtual libraries. To ensure sustainable development, universities must use measurable metrics to measure and assess service quality. Surveys, focus groups, and other forms of feedback can be used to do this to determine problem areas and create solutions.

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