

# The Effect Of Innovation And Learning Perspective, Internal Business Customers, External Customers, And Financial On Sustainability Model (Causal Empirical At Studies From Indonesia Case)

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**Abstract:**— The objective of the study was to develop a model of sustainable competitive advantage as a form of excellence in creating a college-based resource strategy; explanatory through the operational direction of research variables based on the variables of growth and learning perspective, financial perspective, customer perspective, and internal/ internal business perspective as independent variable and variables related to issues of research issue that is sustainability perspective as dependent variable dependent. The research method uses explanatory survey method (explanatory survey method) containing the description, and relational research focused on the explanation of the relationship between variables. Otherwise Financial Sustainability are not Affect to Sustainability Perspectives because it has already fixed handled by the foundations. So the conclusin of this research can be seen from the development of that model that there are three main pilar in continous work improvement in private univrsities through Learning measurement, Research and Community engagement.To remind this three pilar functions are supported by one work sustainability presented, together with supporting tools which can be implemented in private higher universities.

**Keywords:** Sustainability, Growth & Learning, Finance, Customer, and Internal Business

## 1 INTRODUCTION

In order to develop a superior university, competitive and trustworthy community (stakeholder) needed an effective strategy. The concept of an effective, superior, competitive and credible strategy of the community rests on the main strategy; Competitiveness, muscularity and decentralization, and organizational health. The concept of this first strategy of university competitiveness in line with the vision of the mission is reflected by its graduates and its outcomes [1,2]. Both the autonomy and decentralization of universities based on the accuracy of selecting and defining each focus based on the potential, uniqueness and values of local universities; and the three health organizations in which a state functioning optimally in realizing the vision and mission that has been determined [3,4]. Problem competitive advantage: estimation and reality gap: challages, biased of education system rules (between academics and foundation rules), lack of human resources, development of rapid technology and inovation, and less of enterpreuner perspective.This research is expected to run a process to realize the vision of universities, the process of value benefits and the process of a plan of action in a sustainable manner. The sustainability indicators of universities are reflected by Compliance [5,6], which includes: academic areas, i.e. nationally integrated databases, lecture performance, academic regulations, and the running of guarantee mechanisms quality of universities. The problem or gap between reality and hope arises because of the challenges, doubts, and ambiguities of sustainability in a private university [7]. The gap as a result of changes in the connected world is growing rapidly on the other side of the scarcity of resources to respond appropriately to changes and accelerated developments in science and technology.

## 2 LITERATURE

### Sustainability Perspective

According to [8,9], the concept of "Sustainability" has become

ubiquitous within the business, with virtually every company division across a broad range of industries developing "sustainable" models and practices. While the original Brundtland idea of sustainable development has the potential to do much good in guiding business practice, this potential is being undermined by the systematic use, misunderstanding, and flawed application of the concept in many business settings [10]. Brundtland is one of the world commissions that deal with the sustainability of development under the management of the United Nation which was previously known as the World Commission on Environment and Development (WCED) [11,12]. A sustainability report perspective, which is a reporting principle that reports the company's efforts on economic, social and environmental aspects in order to ensure the sustainability of the company in a sustainable way. On the other, social responsibility is a CSR program conducted by the company in order to fulfill a social responsibility to the community [13,14], therefore, CSR report also included in the sustainability report.

### Growth & Learning Perspective

How student's achievability becomes the most common problem, especially related to the continuity of the education system, therefore efforts should be made by all instructors to augment students' attitudes and motivation towards learning as these would propel them to Achieving higher in the learning process [15,16]. However, further research needs to be done to investigate into relationships and plausible causes for academic achievement among university students. The growth and learning perspective is a perspective that provides infrastructure for the three previous perspectives, and for generating growth and long-term improvement [17, 18].

### Financial Perspective

The financial perspective, which is an approach to management strategies to find a balance between financial and non-financial performance [19,20], short-term and long-term using financial performance benchmarks of net income

and Return on Investment [21,22]. Since these benchmarks are commonly used in firms to know earnings. This financial benchmark alone cannot describe the causes that made the change of wealth created by companies or organizations.

### Customer Perspective

The customer perspective is a perspective in determining which market segments and customers are targeted for the organization or business entity. Managers are the ones who set the best gauge for measuring the performance of each unit of operations in order to achieve superior financial performance over the long term, they must present a new product/service that is better value to the customer [17]. They also said each company has a unique set of value creation processes for its customers, such as: Process innovation, operation process; and after sales service [23,24].

## 3 METHOD

The methodology of research is Triangulation research, where it is a research method by using data validity checking techniques that utilize something other than the data for the purpose of checking or comparing the data. The research using primary data and taken from some private university in South of Sumatra-Indonesia. There are 98 correspondents has taken to analyze, and qualitative and quantitative approach also used to interpret it. The research also will explore the program in the form of models, programs, and applications based on information technology that aligned with the virtual office to support the sustainability of a competitive high-rise.

## 4 RESULT

### Determination Analysis Of Operational Variables Perspective Of Sustainability

The effective application model of higher manajemen has been formulated to be prespective sustainability model, such as finance prespective, costumer prespective, bisnis internal prespective , learning and development prespective. This prespective can be as a target and as a sustanability measurement taken from vission and strategy of Private higher education which can be implemented [25,26]. Hopefully this program can be implified in all activities that can be carried out as a general management process starting from establishing the goals and target and at the end followed by evaluation. The result of this research showed that an effective and strategy program has been done in private higher education to reach accountability using path analysis approachby A model of 'Higher Educatin Sustainability Equation Model" see figure 1.

### Figure1. Higher Education Sustainability Equation Model [27–29]

The Concept of Business Process Education towards Superior and Private Universities Based on E-Governance

The model of the sustainability equation of private colleges referred to is formulated, is

$$\text{LnMSt} = \beta_0 + \beta_1 \text{Ln PPPJt} + \beta_2 \text{LnPKEUt} + \beta_3 \text{LnPLGnt} + \beta_4 \text{LnPit}$$

The equation model is given the following attributes:

LnMSt = sustainability perspective year t;

$\beta_0$  = constants;

$\beta_1 \text{Ln PPPJt}$  = perspective of growth & learning year;

$\beta_2 \text{LnPKEUt}$  = fiscal year financial perspective;

$\beta_3 \text{LnPLGnt}$  = customer perspective year t;

$\beta_4 \text{LnPit}$  = internal /internal business perspective of the year.

The results of the study show that there are 2 (two) equations as the development of the sustainability model of private universities

#### Model (1) :

$$\text{KEU} = a + b_1 \text{IP} + b_2 \text{PIB} + b_3 \text{PE} + e;$$

$$\text{KEU} = -1,591 + 0,636 \text{IP} + 0,277 \text{PIB} + 0,422 \text{PE} + e$$

#### Model (2) :

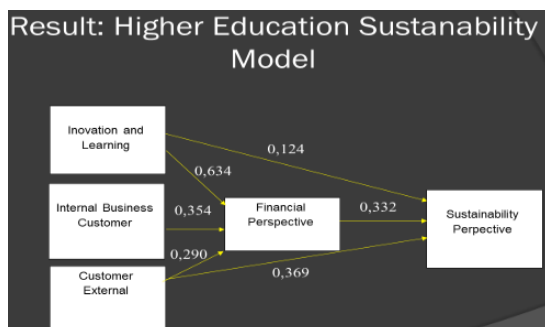
$$\text{PS} = a + b_1 \text{IP} * \text{KEU} + b_2 \text{PIB} * \text{KEU} + b_3 \text{PE} * \text{KEU} + e;$$

$$\text{PS} = 1,886 + 0,126 \text{IP} * 0,311 \text{KEU} + 0,358 \text{IB} * 0,311 \text{KEU} + 0,338 \text{PE} * 0,311 \text{KEU} + e$$

### Prediction model of the independent variable against the dependent variable

In order to answer the problem or hypothesis shown in the technique to answer the research objectives in achieving higher education sustainability, the coefficient and value of data management (quantitative) can be interpreted that Strategic techniques of answers through a concept of logging research that variable perspective growth & learning, financial perspective, customer perspective, and internal /internal business perspective either directly or indirectly measure its impact on the sustainability variable. The result of the Path Analysis approach is a development technique of multiple regressions used to test the contribution shown by path coefficients on each.

Based on the model development, the results of partial hypothesis testing (t-test) are as follows:



**Table 1. Coefficients<sup>a</sup> Calculation Result**

Variabel		Sig	Alpha	Conditioni	$t_{count}$	$t_{tabel}$	Condition	Information
Innovation Learning Business Customer	And	0,000	0,05	Sig < Alpha	8,550	1,960	$t_{count} > t_{tabel}$	H0 rejected
Business Customer	Internal	0,000	0,05	Sig < Alpha	3,917	1,960	$t_{count} > t_{tabel}$	H0 rejected
External Customer		0,015	0,05	Sig < Alpha	2,482	1,960	$t_{count} > t_{tabel}$	H0 rejected
Financial		0,340	0,05	Sig > Alpha	0,958	1,960	$t_{count} < t_{tabel}$	H0 rejected

Source: Data processed, 2017

Innovation learning, internal business customer, and customer external affect to the sustainability of management higher education without any intervention from financial institution. Otherwise Financial Sustainability are not Affect to Sustainability Perspectives because it has already fixed handled by the foundations. When conducting operational activities, almost all private and public universities has maximized the surplus and minimize the cost. Innovation performance of a college, both private and public universities has almost the same behavior, but the difference between low and high innovation performance behavior. The huge gaps exist in the PTS indicates that resources are limited but there private universities abundant resources. While public universities on resources is relatively large, especially financial resources. The discussion on the findings of the research are described below:

#### The Influence of Innovation and Learning on Sustainability Perspective

Based on the table above, calculations on Innovation And Learning obtained  $t_{count}$  value of 8.550 while the value of  $t_{table}$  with df (df = 100-2 = 98) is 1.960. So  $t_{count}$  (8,550) >  $t_{table}$  (1,960) and sig value (0.000) < alpha (0,05) thus H0 rejected and Ha accepted so that it can be concluded Innovation and Learning has partially significant effect to Perspective Sustainability. Significant influence on Sustainability Innovation and Learning Perspective showed the trend of increasing knowledge and skills in the management of private colleges after following a series of Innovation and Learning through education and training. According to [30,31], the sustainability of process can be effectively used in educational institutions the sustainability of process can be effectively used in educational institutions because it will affect quality, especially in terms of planning and implementation, evaluation, research, and management of education which results in the implementation of education is less relevant to the needs of society, child development, and the changing needs of times

#### The Effect of Business Internal Customers to Sustainability Perspective

Based on the above table obtained calculations on Internal Business customers obtained t count of 3.917 while the value of t table with df (df = 100-2 = 98) is 1.960. So t count (3.917) > t table (1,960) and sig (0.000) < alpha (0.05) thus H0 is rejected and Ha accepted so it can be concluded that Internal Business Customer partially significant effect to Sustainability Perspective. The Effect of Business Internal Customers to Sustainability Perspective supported by the results of this study. In an effort to do Business Internal Customers private universities required capabilities are effective at managing the universities, due to the changing role of universities powering the necessary human resources acting as a catalyst and

willing to assume the responsibility of managing the university [28].The Effect of External Customers on Sustainability PerspectiveBased on the table above, calculations on External Customers obtained  $t_{count}$  of 3.506 while the value of  $t_{table}$  with df (df = 100-2 = 98) is 1.960. So  $t_{count}$  (3,506) >  $t_{table}$  (1,960) and sig value (0.001) < alpha (0.05) thus H0 is rejected and Ha accepted so it can be concluded that External Customers has partially significant effect to Sustainability Perspective. In an effort to improve the quality of the Organizational Vision Implementation Process, according to [32], the value benefit process and the plan of action process first improve the level of stakeholder satisfaction, the level of customer and retention and the level of market share. This means that the university also needs to pay attention to the conditions of competitors, suppliers, new players, and stakeholders; and of course the key trends related to the technological conditions used, the culture and customs of the local community, the prevailing regulations and social and economic conditions also need to be taken into account.

#### The Financial Effect on Sustainability Perspective

Based on the table above, calculations on Financial obtained value of  $t_{count}$  of 0.958 while the value of  $t_{table}$  with df (df = 100-2 = 98) is 1.960. So  $t_{count}$  (0,958) <  $t_{table}$  (1,960) and sig (0,340) > alpha (0,05) thus H0 is accepted and Ha is rejected so it can be concluded that Financial partially has no significant effect to Sustainability Perspective. In an effort to improve the quality of the Organizational Vision Implementation Process, the value benefit process and the plan of action process first improve the level of stakeholder satisfaction, the level of customer and retention and the level of market share. This is related to the ability and continuity of the implementation of a quality learning process [33].

## 5 CONCLUSIONS

Predictional model of the Free variable Against the bound variable. In order to interpret the coefficient and value of the data management (quantitative) that has been done in this research to answer the problem or hypothesis shown in the technique to answer the research objectives in the achievement of sustainability (sustainability) of higher education. Innovation learning, internal business customer, and customer external affect to the sustainability of management higher education without any intervention from financial institution. Otherwise Financial Sustainability are not Affect to Sustainability Perspectives because it has already fixed handled by the foundations

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