

## **ANALYSIS OF THE FACTORS THAT MOTIVATE INDIVIDUALS TO FOLLOW THE MAGISTER MANAGEMENT PROGRAM IN SURABAYA**

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### **ABSTRACT**

*People in Indonesia right now is on the trend to participate in the Magister Management program where there are many factors that motivate them to take Magister Management program. In this research, the factors that encouraged people to enroll in the Magister Management program will be researched. The research is going to use Descriptive Qualitative Metodology and is going to interview 6 people who reside in Surabaya city as the subject of the research. They had finished their Magister Management program. The methodology is going to use interview as tools. The results of the research, among others, is to search for additional knowledge to support the jobs, in addition to it, the main factor to choose Magister Management program is that the class schedule can be adjusted to the job activity schedule, the quality of the material that is not updated and irrelevant to the requirement of the job, and not all lecturers in the Magister Management program have updated knowledge, nor the broad mindset.*

**Key Word :** Management, Magister Management, and top of Mind.

### **INTRODUCTION**

Changes and technology development are very fast chasing our lives at the moment. Also, the competition in work field are becoming harse as the effect of the competition in bisnis itself. Every company wish to be the first and the most advanced in its field of business, so that changes are expected to quicly adapt to the environment that are fast moving and company is forced to produce new excellent bisnis ideas. The condition force all elements in the companies to always squeeze brain in order to be able to win the competition. And even more, in order to win the battle in business, company has to win in its strategy in facing the business competition. It is also forced to have a high self confidence and a tough mentality.

Related to the tight competition to win the business, professional people are needed, people with broad mind set not only in their job performance, but also their level of intellectuality in business. According to Djatmiko (2009) the development in business world has to be balanced with the availability of professionals staffs who are also intelligent in their field. Professional people are not only expected to be smart in identifying various managerial problems and quite intelligent to provide genius solution to the problems. To fulfill the need of professionals, the qualified education is required. However, the need of professional with the specific qualification are very limited because of the limited number of human resources that are available. Because of the gap between request and offers, the university is trying to fulfill the gap by opening the Magister Management program (MM) or the level of Master of Business Administration (MBA)

Right now there are many institutions which provide MM programs where a lot of professionals, businessmen and fresh graduates registered themselves there. The demand of the workplace are in need of professional staffs more and more, staffs who excel in their knowledge. Those factors made the competition among school of business and management which provide Magister Management (MM) becomes more and more tight (Cubillo et al 2006). According to the daily report in daily newspaper Kompas, in year 1997 there are approximately 50 university which conduct magister program, 30 of which are private university that provide MM program and in addition to those university, among 19 thousand students of the magister program, 10 thousand of them has chosen MM program.

Technically one of the purposes of participating in MM program is for them to have capability in knowing how to use tools and technical and applicable management, a part from it after participating in MM program, they have the tool and model that are already proven and tested and can be use practically. Then business men in business world expect to graduate from the MM program and have had a lot of knowledge that can be applied to the management functions such as marketing, productions, human resources, finance and others, so that the graduates of MM program are expected to have their level of management equal to management consultant who has the role in developing their business or solving their business problems.

Apart from technical reasons, there are other reason that make a lot of people to take MM program, one of the reasons is to improve image and personal branding especially when they want to be promoted to the next level, or want to achieve one of the prestigious post. Result of the survey from Survey One in year 2012 about the purpose of taking MM programs showed that 57% responden had chosen MM program with the objective to be promoted to the next level of their career or higher post in their work place.

From the previous problem statement, the researcher wishes to research the factors that made someone to study or to follow the Magister Management programs and what their perceptions of MM program are.

## **LITERATURE REVIEW**

### **Management**

There are a lot of definitions or theoretical background about Management. James A.F. Stoner (1992) defines management as the process of planning, organizing, leading, and controlling efforts from members of organizations and make use of all resources to achieve the objectives that are already set. While Ricky W. Griffin defines management as a series of activities (that includes planning and decision making, organizing, leadership, and controlling) which is

directed towards company resources (humans, finance, physics, and information) to achieve organization's goals in effective and efficient ways.

Mary Parker Follet (in Daft and Marcic 2007) also defines that basically management is "the art of getting things done through people" or in bahasa Indonesia it's translated as 'menyelesaikan pekerjaan melalui orang lain' (Mary Parker Follet in Daft and Marcic 2007). Then Luther Gulick (1965) states that Management as a field of knowledge (science) that are trying systematically to comprehend why and how people work together to achieve the goal and later create system of collaborating that brings benefit to humanity. As for Tanri Abeng (1977), the expert in its field, defines management as a group of mixed things among theory, methodology, and all other scientific tools that are valid and applicable to

### **Magister Management (MM)**

Magister Management program (MM) or in foreign countries it is called as the Master of Business Administration program (MBA) is a graduate program with the level of 'strata dua' (S2) which deals with the development of management science and business and it aims to produce human resources or graduates that possess knowledge, expertise, and capability in management field and have an environmental concern. MM program is also called with different name as school of business (particularly MBA).

In foreign countries, the MBA or MM programs were firstly established in 1908 in the United States of America under the name of Harvard Business School (HBS); therefore, the program is identical to the capitalism of the United States of America. The establishment and growth of business schools (especially MBA or MM) that are top and famous in the United States of America is then followed by the establishment and growth of business schools in Europe and Asia and they are growing fast.

In Indonesia, MM program which is on similar level as MBA program abroad has appeared approximately in the late year 1980. Up to now, MM program in Indonesia is one of the program that attracts many participants. It can be seen by looking at many university and college which opens and offers MM program. The pioneer of MM program in Indonesia in university level is Magister Management Program in Universitas Indonesia (UI) and Universitas Gajah Mada (UGM), as for private university, the pioneer is done by PPM Management and Prasetya Mulya. The establishment of MM program in Indonesia is because of the tendency in mid 1980 when various private education institutions offer education in management program whose participant will receive MBA degree (Master of Business Administration). Meanwhile, education and MBA degree are not recognized by the National Education System. To prevent the possibility that problems arise because of the unrecognizable MBA degree, the Department of Education and Culture of Republic Indonesia has chosen and appointed Universitas Indonesia and Universitas Gajah Mada as two university that have strong Faculty of Economy to start establishing the MM program in Indonesia. The purpose of opening the Magister Management program is to produce qualified professional managers.

The advantage of MBA or MM program is that education of MBA or MM program provide positive influence towards jobs, occupations, income, and workplace promotions (career development) to the graduate candidates (Zhao et al, 2006 and Gupta, et al, 2007) in short or long term condition. Scarg and Polan (in Farodis 2011) says that business education is aimed to prepare college or university students to be ready when entering real business work expertly, to prepare students to compete in his own business and to become smart consumer.

Related to the pattern of lecturing in business in Indonesia, it can be said that the competition is already tight. Because basically there are similarity and effort in the teaching pattern that are used in business schools in Indonesia or in foreign countries. Teaching pattern in Indonesia always combines between theory in classroom, group study, individual case study dan group case study, simulation and integration of several courses, computer practices, marketing, human resource management, and other things (Farodis, 2011).

## **RESEARCH METHODS**

### **Research Planning**

The problem that is researched by the researcher is the problem which has social and dynamic character; therefore, the researcher chooses qualitative research to determine the method to search data, collect data and analyse data from the result of research. According to Sugiyono (2012), the qualitative research is the research which focuses more on the collected information and data in the form of words and pictures, so that it is not focused on numbers or figures. Theoretically, the format of the qualitative research is different from the format of quantitative research. The difference is on the level of difficulty in making qualitative research design, because in general qualitative research has no pattern. The format of the qualitative research consists of three models, which are descriptive format, verification format, and grounded research.

In the research, qualitative research is used with the descriptive design. Descriptive qualitative research design according to Sugiyono (2010) is the research methodology that has the basis on the philosophy of post positivisme which is usually used to research in the natural objective condition where the researcher has the role as the key instrument. Descriptive qualitative research according to (Koentjaraningrat, 1993:89) which is the research that provides description in details about certain individual or group concerning the conditions and symptom that happens.

### **Subject and Object of Research**

Subject of the research is the subject which is aimed to be researched by the researcher. Object of the research is the object which is used in research or which becomes the center of attention in the research. In the research, the subject of the research is the students who reside in Surabaya and has finished the Magister Management program and the number of the subjects are 6 people. The object of the research is the factors that caused people to choose Magister Management program in Surabaya.

### **Kind of Data and Source of Data**

Kind of data and source of data that are used in the research is qualitative data. Qualitative data is the data that is not in the form of number, but in the form of words that are described in sentence form.

The qualitative data includes:

1. Data about general description about the object of the research
2. Other data that is not in the form of number.

### **Technics in Collecting Data**

Technics or method of collecting data in the research are by observation, interview, and documentation study. The activity of collecting data in the research follows the pattern that were founded by Miles and Huberman (1992). In the research, the subject of the research is 6 people.

### **3.4. Technics in Analyzing Data**

The step in analyzing data is the step that is the most important and the most determining in a research. The data that is collected is then analyzed with the objectives of simplifying it into easier format that will be easy to read and interpret. The data is then used and maximized in order to be used to answer the problem which is proposed in the research.

According to Bognan & Biklen (1982) , analyzing the data as cited by Meleong (2007) is the effort done by working with the data, organizing the data, grouping the data into units that can be organized, synthesizes , search and find the pattern. Finding what is important and what has been learned, and then decide what can be shared to other people.

The analysis is done based on the field observation or empirical observation based on the data that have been received from interviews, observations and documentation which later on are organized and concluded.

## **RESULT OF THE RESEARCH AND EXPLANATION**

### **The identity of the subject of the research**

In this part, the researcher is going to describe focus of the research which is analysing the factors that encourage students in Surabaya city to participate in Magister Management Program (MM). The people interviewed as the subjects of the research are 6 (six) people, and they have followed MM program, they are:

**Table 1. People Interviewed as the Subjects of the Research**

<b>Nama</b>	<b>Usia</b>	<b>Jenis kelamin</b>	<b>Profesi</b>
Widyo	46	Male	Entrepreneur
Jimmy I	45	Male	Private
Erni H	52	Female	Lecture
John M	29	Male	Lecture
Listanto	33	Laki-laki	Lecture
Imam W	37	Laki-laki	Lecture

Source : Analysed by Researcher

### **Description of the Answer of the Research Subject.**

Results of the research is obtained through in depth interview which is done by the researcher from the period of the month of May 2016 where all subjects do the in-depth interview and the result of the interview is as described in the following:

1. The first subject of the research (Widyo)

As an entrepreneur, Pak Widyo chose to follow Magister Management program (MM) because he needs the program to support the field of business that he does. He believes that MM program is the branch of the knowledge that has to be owned by someone if he wishes to develop his career that is related to the rule and regulation of the Human Resource. In addition to it, MM program can also support in the frame of information transfer from various disciplines of different industries. In choosing the institution that provide MM program, one of the factor that becomes the consideration is the matching of class schedulue with the time availability owned by the subject of the research to participate in the classes and lectures of MM program.

When doing the MM program, the subject thinks that not all the lecture material given by the lecturers is the updated version of the material; some still uses the old version of the lecture

material and they are not in accordance with the current development to be published. One of the factors that caused this to happen is that not all lecturers who lectures MM program have broad insight and knowledge. Related to MM program development in the future, where lack of information from competent resources , he is giving input for MM program at the moment to provide more guest lectures that will be given by guest lecturers whose lecture material can be adjusted to the development of the current and most updated market.

As for the fees of MM program that he had already had, he thinks that the fee is very economical when compared to the other institution where MM program available; therefore, the benefit that is received is equal to the entire lecturing proses and it is balanced to the expense that has been spent.

Whereas the ideal MM program fee according to his idea is approximately 30 million rupiah to 40 million rupiah. Top of mind from MM program institution in Surabaya according to him is Universitas Airlangga (UNAIR)

2. The second subject of the research (Jimmy I)

As a lecturer, Pak Jimmy chose to follow Magister Management (MM) program because according to pak Jimmy, the academic requirement to be able to teach Strata one (S1) is to have S2 degree, so that by following MM program, it is very useful for the future, especially for his profession as a lecturer. The lecture material in MM program that he is doing is updated and are able to support his profession as a lecturer. In addition to it, performance from the lecturers in MM program are good because they have broad insight and knowledge. Related to the development of MM program in the future, he has opinions that it is essential to cross check the changes in the current condition in real life and also the examples of the case study in lectures are taken from the real cases.

As for the main factor in choosing the MM program is to be a bisnis person and another consideration is the location of the MM program that is quite near to his residence. Fee of the MM program that he took, he thinks that the fee is reachable and the benefit that he received during the process of MM program is equal to the fee that had been spent. The ideal fee of MM program according to him is 25 million rupiah. The top of mind of the institution in Surabaya according to him is Universitas Airlangga (UNAIR).

3. The third subject of the research (Erni H)

As a lecturer, Bu Erni chose to follow Magister Management (MM) program because of the demand from her profession. As a lecturer, it is a must to own a higher education level to become lecturer with higher level. The other reason for her to choose MM program is that she got a scholarship from the company where she works as a lecturer. According to her, MM program is a difficult program, qualified dan useful for her career development in her workplace.

When doing her MM program, she has an opinion that all the lecture material given by lecturers are new and updated ; therefore, the material can support her teaching or lecture material related to management because all this time, she teaches a lot in English language subject. In addition to it, she believes that the lecturers in MM program have broad insight and knowledge and have good performance.

The reason she chose MM program in the institution is that she could study and work at the same time and the location of the institution is near to her residence. As for the fee of the MM program, she thinks that the fee is in accordance with the benefit that she

received. The ideal fee according to her is approximately between 25 million to 30 million.

The suggestion that she gives related to the development of the MM program to the future, she gives her opinion to provide variation on the lecturers who teach are added by experts in his / her fields, to be more specialized so that there will be a significant difference between lecturers in S1 program with lecturers in S2 program. As for the top of mind for the University or the institution of MM program according to her in Surabaya is Universitas Airlangga (UNAIR)

4. The fourth subject of the research (John M)

John M thinks that choosing the MM program is because of the demand from his job as a lecturer which forces him to take MM program. He believes that there are about 50% lecture material is updated and can be used or applicable to the workplace. However, the process in MM program that he did is not enough in the practical world although the material is interesting. Then the lecturers in MM program in terms of the performance and insight is good enough.

John M has perception that MM program should give a lot of case studies and also real observation directly to companies so that what is given in class lectures will be in accordance with the facts that happened in real fields. He also give input that the institution of MM program followed by John M. is that the lecture material can be taught not only inside the classroom or campus but also complemented by real example and its implementation directly in field.

In doing the MM program, he thinks that the fee and the benefit gained from it is matched. The ideal fee spent to follow MM program is that he believes that between 10 to 30 million rupiah and it depends on the benefit that is received. He also thinks that the main factor to choose institution of MM program is the flexibility of the schedule that can be adjusted to the availability time.

When asked about the top of mind in MM program in Surabaya, he thinks that Magister Management Teknik (MMT) is his top of mind in Surabaya where technics is in accordance with his interest all this time.

5. The fifth subject of the research. (Lisianto)

Lisianto whose profession is as lecturer and sometimes also as a consultant in management expresses that his opinion that participating in MM program because few years ahead people with S1 degree will be everywhere, there will be many people who own S1 degree and S1 degree hawereas become a common thing and there is nothing special about it. About the image of MM program in his opinion the program provides benefit to deepen himself on the management field where management is the key to his success as a professional and an entrepreneur as well.

During his MM program, he thinks that the lecture material he received from the lecturers were still based on the foreign text books as reference, therefore, only few of them can support its implementation in his work place. In addition to it, the regular lecturers who teach in MM program are still on the standard level in terms of their knowledge and insight, it's not out of the box, as for the quality of guest lecturer, they have broad insight and knowledge.

About the fee that is paid to the benefit of participating in MM program, he thinks that the fee spent is in accordance to the benefit that he got , where ideally the fee of the

program is approximately 20 million rupiah. The reason for pak Lisianto to choose MM program in institution where he was is that the affordable fee and the facilities that are sufficient and good, and the location can be reached from where he lives.

Related to the input to the institution of the MM program that is on going now, he gives his opinion that there is a good balance from the material side given in the class lectures between the foreign text book and the local text book especially in case studies that happened in Indonesia. In addition there must be a balance in the number of regular / academic lecturers and guest lecturers who are really practitioners related to the intensity of face to face interaction so that there will be a balance too in the text book and practical side. Related to the top of mind on the institution of MM program in Surabaya, he thinks that Universitas Airlangga (UNAIR) is his top of mind.

6. Subyek Penelitian Ke enam (Imam W)

Mr. Imam W has the goal to choose Magister Management Program which is that he needs additional knowledge to complement himself with tools in decision making to be implemented and so that it can also support in workplace. In addition to it , participating in MM program is to broaden the networking, and the need to support his career as lecturer. His perception about MM program is the program that provide practical and applicable lectures, transformative, and can add to the consideration in problem solving and decision making.

In doing MM program, he feels that management tools that is available in courses are able to assist in organizing the thought and can assist in decision making in work field, particularly in educational management concentration where it can give insight and new science that to date have not been received. During his MM program, there have been lecturers who have broad insight, although, there have been some lecturers who are lack of practical and applicable explanation.

Related to the fee of MM program he thinks that the fee spent is in accordance of the benefit that are received. Ideally according to him, the fee to follow MM program is approximately 20 to 30 million rupiah and added by the ease in choosing the scheme of payment, where it can be in monthly instalment or other instalment.

The input or opinion of Mr. Imam W to the institution of MM program is that there are additional practical tools on each courses and the depth of the discussion which can help students to have stronger, wider or broader consideration in decision making. As for the top of mind for MM program in Surabaya, he chooses STIE IBMT.

## **CONCLUSION AND RECOMMENDATION**

### **Conclusion**

Based on the finding of the research, there are several conclusion as follows:

1. The main objectives of subjects following Magister Management Program (MM) is to find additional knowledge to support their work or profession or career and for the lecturer, it is the demand to achieve higher degree is a must.
2. The main factor in choosing MM program is that the schedule can be flexible and it is adjusted to the work or job activities and also the affordable fee where the fee that is ideal to follow MM program stays on 20 or 30 million rupiah.
3. The quality of lecture material in MM program is not updated enough and not really in accordance with the applicable things in work place and also not all lecturers from MM program possess updated knowledge and broad insight.

4. Top of mind from institutions that offer MM program is Universitas Airlangga.

#### 5.2. Recommendation

Based on the available conclusions, there are several recommendation that can be given by the researcher which are among others:

1. It is essential to pay attention to the material and curriculum where they must be updated from using the text books which can be used as reference adjusted to the real phenomena in real working world.
2. It is required to have the balance between hiring academic lecturers, or regular lecturers and guest lecturers, in this case it is a must have condition to have practitioners as lecturers.

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