Examining Public-Private Partnership within the Field of Education as a Means of Improving Education Quality in Malang: A Case Study of SMA Negeri 10 Malang Sampoerna Foundation

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Abstract
Currently, the issue regarding education has become the most imperative issue which most governments need to take it into account. The attempt of improving the quality of education as a measure to resolve the nationwide problem of education has been extended to national, provincial, and district level. One of the efforts which are stipulated by the government is to establish a partnership with the private sector. The partnership of the local government of Malang and Putra Sampoerna Foundation aim at authorizing an alternative policy to improve the quality of education. This study, therefore, was conducted to examine profoundly the partnership between local government and private sector to improve the quality of education. In this study, the researchers focus on exploring SMA Negeri 10 Malang-Sampoerna Foundation as a result of the partnership. Based on the findings and analysis, it can be concluded that 1) The partnership between Malang government and Putra Sampoerna Foundation improves the quality of education; 2) The partnership has an apparent organization and boundaries using Memorandum of Understanding or MoU; 3) The implemented program is conducted by aligning the position of local government and private sector and imposing a featured program such as Learning to live (LtoL), Young Entrepreneurship Program (YEP), and Dorm Life as a part of holistic education; 4) inhibiting factors and factors supporting the implementation of the partnership comes from the government, schools, private (Sampoerna Foundation), the public, as well as socio-political space; 5) The implementation of the partnership was a positive and negative impact on related stakeholders such as the government, PSF, schools, students, and public; 6) The partnership model developed by the local government of Malang with Putera Sampoerna Foundation is a Design, Build, Operate and Transfer (DBOT) framework model.

Keywords: Public-Private Partnership, improvement, quality, education.

Introduction
Evidently, the problem regarding education has become the most paramount issue within all stakeholder including the government in any places, regions, and even any states. This issue has become paramount due to the role of education as a measurement of human quality in which this reflect the quality of the nation. UNICEF (1998) mention that without education, human beings are not able to work productively, keeping health, sustain and protect themselves and their families, or live a cultured life. The importance of education for all has become global commitments as stated in the agreement of the member states of UNESCO in Dakar Senegal, as formulated in the policy of Education for All.

Within the government of Indonesia, education is also considered as one of the imperative element as expressed in the Constitution of State of Republic of Indonesia of 1945, fourth paragraph upon the national life issue. The aims of education are to prepare the individual, particularly Indonesians, to become the qualified individual, able to compete in the local communities as well as in the global discourse. National education strategic future plan is afoot to advance the quality in order to establish the quality of Indonesian through five missions they are availability, affordability, quality and relevance, equity, and certainty in attaining educational services (Muluk, 2009).

Improving the quality of education focusing on the individual capacity among the Indonesians can be done through thinking ability, character building, sport, and professional work capacity to become the competitive individual who ready to face global challenges. In addition, it is also intended to prepare the quality of the graduates who able to fulfil the current demand of global necessity in terms of human resources within Indonesians. To improve the quality of education, the measures which can be done are improving education management in terms of planning, purpose, transparency, democracy, and sustainability (Muluk, 2009).

Unfortunately, the field condition upon the five missions of Indonesian education is still far beyond the expectation. This condition happens due to the complex problem within the element of education in Indonesia. The survey result conducted by BPS or Central Statistics Body regarding education and culture in 2014 showed that the number of illiterate population reached 7,547,344 people within 45-59 years old, 4,312,808 people within 25-44 years old and 600 531 people within 15-24 years old. Also, 10 268 million students are not
To resolve the problems of education, the attempt must cover the whole areas and stakeholder; from the national level to district level. One of the efforts provided by the central government is autonomy grant. Through the system of regional autonomy, the quality of education could be improved based on each regional necessity.

According to the perspective of regional autonomy, local government could enable the equitable development of education in all regions in Indonesia. The autonomy system, in addition, enables the local government to be more pro-active, creative, and innovative in performing the governmental functions in terms of providing education services to the local communities.

Additionally, granting autonomy to the local government may help the in understanding the real condition of the educational problems which exist and identifying the measures to resolve the problems. As a matter of fact, the local government might be the one stakeholder which possesses the complete data upon the real condition of education in terms of school data and the students. As a result, it would be easier to handle the problem and seek for the solution. (Al Hakim, 2012)

As well as the regions across Indonesia, Malang is one of the cities in East Java which also are working to improve the quality of education. In fact, the local government of Malang and other local governments in Indonesia in implementing development programs particularly in the field of education have a common main obstacle during the attempt to improve the quality of education. The obstacles are First, lack of funds and supplies for education facilities. Barriers to funding issues / budget in education is a barrier where the local government has not been able to meet the demands of the Constitution to allocate education funds amounting to at least 20% (twenty percent) of the state budget. The second barrier is related to the human resources within education such as management, teachers, and staffs training.

Based on the faced problem, the local government deemed necessary for innovation in education policies that forge a partnership with other parties (either private or public). The partnership will include fund, resources, and/or managerial support. This partnership is deemed to be essential and urgent to improve the quality of education.

The local government of Malang collaborates with private foundation Putera Sampoerna to establish the partnership for improving education quality in Malang. This partnership aims at helping students within Malang who are less fortunate to be able to pursue education. Putera Sampoerna Foundation (PSF) allocated 50 billion Rupiahs for expanding the access of program and improving the quality of education. Putera Sampoerna Indonesia is an independent non-profit institution which is separated from PT HM Sampoerna and is dedicated to improving the quality of education in Indonesia. This foundation provides opportunities of education access for young Indonesians who possess excellence academic record. The fund of the foundation comes from two percent of the annual net profit of the Sampoerna. The partnership between the local government of Malang and Putera Sampoerna Foundation commonly referred as PPPs. This partnership is a form of a collaborative effort between the sustainable public sector and private sector to achieve a common goal. This is in line with Khanom’s (2010:153) statement explains that the "PPP’s are either inter-organizational or financial arrangement between the public and private actors. Further described by Forrer (2010:476) that the partnership between public and private is "Public-private partnerships are ongoing agreements between government and private sector organization in which the private organization participates in the decision-making and production of a public good or service that has traditionally been provided by the public sector and in which the private sector shares the risk of that production"

According to the two aforementioned statements, it can be said that the partnership between public and private sector is a cooperative relationship in providing either goods or services for benefiting all layers of state’s citizen.

The undertook partnership conducted at SMA Negeri 10 Malang and it enables the state school to be more manageable and furthermore it gives a greater authority to the school and community to set a policy to achieve the partnership objectives. The moment the parties involved are not mutually committed to the undertook partnership, as a result, it hinders the program and this will have a negative impact on the mission or strategy based on the collective agreement.

This partnership establishes a policy to provide an equal access to education services as well as the access to education facilities and infrastructures to improve the quality of education among the individual within Malang. US Official states that the undertook partnership enables to establish an International Standardized School which is affordable for every individual.

The undertook partnership in education field should concern the potential of local knowledge as what Davies (in Rachayuningsih. 2012: 119) states that the strategy of choice for showing partiality and excellence on the uniqueness of the community, locality, and the local government is through approach: (a) Development community government oriented to the unity of the local community, (b) an emphasis on neighborhood approach
a greater emphasis on the unity of the locality.

During the implementation of the partnership between the local government of Malang and Putera Sampoerna Foundation, it encounters several problems such as (1) the protest from the residents around the school. The local communities around the school expect that the recruitment management should also accommodate local community students not only the students from the outside of Malang. (2) The organizational structure of the school is different from the ordinary school. (3) The determination of the student’s status determines and recruits through Students Admission which in line with the policy of The Education Department and the recruitment is in line with the Sampoerna Academy mechanism established by the Foundation which has psychological barriers and is not visible in daily life. (4) The recruitment teachers in SMA 10 and Sampoerna Academy creates a social jealousy within the teachers. The incentives between the teachers in SMAN 10 and Sampoerna Academy is different even though both SMAN 10 and Sampoerna Academy led by the same school’s principal. (5) All school program, both academic and non-academic, are consulted with Sampoerna Foundation. The school must first submit the proposal to SF when the activities need to be funded. As a result, this raises critical questions how the relationship between committed parties and how the are aligned to each other? As an aligning partner or dominator, or even as a patron-client?

Therefore, according to the aforementioned problems above, the researchers are interested to examine the undertake partnership between Public and Private sector in the field of education within Sampoerna Foundation in SMAN 10 Malang. The aim of this study is to describe and analyze: 1) The authority of the local government of Malang in the undertake partnership. 2) The running program in the partnership. 3) The strategy during the implementation program. 4) The barriers and constraints as well as the contributing factor during the partnership program. 5) The impact of the undertakes partnership in the quality of education. 6) The model developed within the partnership in improving the quality of education.

**Research Methods**

This study is a qualitative case study which aims at describing the undertook partnership between the local government of Malang and Putera Sampoerna Foundation in the education field. The data of the study deal with the real situation in the field that is natural, reasonable, and not manipulated (natural setting).

The case raised in this study is a single case with multiple layers of analysis units or sub-units of analysis. The sub-units of analysis in this study is an individual analysis unit, therefore, this case study is a multi-actor with a series of analysis units as presented in Table 1.

**Table 1. Analysis Unit’s Design Case Single Intertwined**

<table>
<thead>
<tr>
<th>Large Unit</th>
<th>Intermediate Unit</th>
<th>Small Unit</th>
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<tr>
<td>Malang city government</td>
<td>Municipal Government</td>
<td>Mayor</td>
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<td></td>
<td>Department of Education</td>
<td>Parliament Commission D Education</td>
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<td>High School N 10 Malang.</td>
<td>Head of Education</td>
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<td></td>
<td></td>
<td>Head of Secondary Education</td>
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<tr>
<td>Foundation</td>
<td>Division of Education,</td>
<td>Principal</td>
</tr>
<tr>
<td>Sampoerna Foundation</td>
<td>Director of Communications</td>
<td>Vice Principal</td>
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<tr>
<td>community</td>
<td>The school committee</td>
<td>Teacher / PIC activities</td>
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<td>Leaders / staff</td>
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<td></td>
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<td>Leaders / staff</td>
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Source: adapted from Yin. (2011: 35)

The data collection in this study is in-depth interviews, observation, and documentation. The data obtained in this study were analyzed by using Domain Analysis Technique and category pairing Pattern (Pattern Matching / explanatory / descriptive). The stages of the data analysis are described as follows
Step 1
Expected Outcomes As A Pattern

Step 2
Rival Explanations As Patterns

Step 3
Simpler Patterns

Figure 1. Stages of Data Analysis
Source: Yin. Robert K (2011)

Research Results and Discussion
The Authority of the Local Government of Malang within the Undertake Partnership with Sampoerna Foundation in Improving the Quality of Education in Malang

The findings of the study showed that the authority of the local government within the undertook partnership is proven inseparable from the consequences of decentralized administration. In the implementation of decentralized government, there are two essential aspects. The first is the establishment of autonomous regions and the second is the distribution of legal authority from central government to local government to regulate and manage particular parts of government affairs.

The partnership with the private sector is a necessity and urgent for the local government of Malang to realize education quality improvement and achieve competitively and equitable access to education. In addition, the undertake partnership is an alternative to improve the quality of education in Malang and provide an access for underprivileged students. The findings showed that local government of Malang possesses several limitations. The limitations include financial, managerial capability, and human resources. Therefore, the partnership is a form of filling the limitation gap possesses by the local government of Malang to create better education. The partnership implementation is illustrated in the following figure.
the authority within education field as an Autonomous region to plan, implement, monitor, assess, and establish the partnership for resolving the education issues within Malang.

Thus the partnership established by the government of Malang and Sampoerna Foundation is a form of innovation in developing education program within Malang. The partnership gives a room for PSF to take a role in developing education without having to take over the responsibility of the government of Malang. In other words, it is not a form of privatization. These findings are relevant to United Nations Economic Commission for Europe (UNECE, 2008) states that the public-private partnership is not a form of privatization since the accountability in the supply and the delivery of public services remain in the government hand.

The Partnership Program Established by the Government of Malang and Sampoerna Foundation to Improve the Quality of Education in Malang

The partnership between the government of Malang and Putera Sampoerna Foundation (PSF) is based on a Memorandum of Understanding (Memorandum of Understanding) No. 050 / Kes /35.73.307/2006 and No. 694 / SF / 7/2006 on Improving the Quality of Education in Malang are signed by Drs. Peni Suparto.M.AP as The City Mayor of Malang on behalf of the city of Malang and Elan Merdy as Sampoerna Foundation Board Chair. The Memorandum of Understanding (MoU) contains the background of the program, purpose, scope, rights and obligations, the location and brand-naming of the partnership program (Sampoerna Academy).

According to the findings, the initiator of the partnership is PSF which concern to improve the quality of education in Indonesia. PSF entered through the Provincial Government of East Java, East Java Provincial Government subsequently coordinated with several City / Municipality in East Java. Within the city, the office of education city prepares and conducts a selection for determining the school which potential to be the targeted partnership program.

The findings also indicate that the purpose of the partnership between the government of Malang and PSF in the field of education is not to privatize and commercialize the education. It because of this partnership involves the control of the Government of Malang as a public institution. This is consistent with the perspective of Fennell (2007) states that the partnership in education has been driven by the need for more, in the financial / budget indispensable for running a school system that is not healthy and the need to improve the provision of quality education through improved management standards in schools.

The benefits derived from the partnership between PSF and the local government of Malang is as a channel of profit for public and also local communities and the socialization of the foundation to local communities. As for the Government of Malang benefits are (1) additional funding for education, (2) educational value for the community, (3) partnership experience, (4) improvement on education facilities, (5) improvement on the HR of primary teachers, (6) technology transfer. This is consistent with the perspective of some experts who allege that agreement or contract in the partnership can be interpreted as a structured and organized work and partnership between the involved actors or it can only show an attitude of reciprocity in development programs between the donor and the recipient (Fennell, 2007. Draxler . 2008).

The Program Implementation Strategy of Partnership between the Government of Malang and Sampoerna Foundation in improving the quality of education at SMAN 10 Malang

The results showed that the strategy within the partnership program between the government of Malang and Sampoerna Foundation in improving the quality of education at SMAN 10 Malang begins with determining the composition and role of each party / actor in the partnership (government & PSF). Figure 3 shows the role of PSF and Government of Malang including SMAN 10 Malang within the partnership.
Figure 3. The role of PSF and Government of Malang including SMAN 10 Malang within the partnership

The composition of actors within the partnership is equal. The foundation possesses a role as an initiator, facilitator, and also donor. While the government of Malang possesses a role as regulator, facilitator, supervisor, and also evaluator. All the infrastructure in the program is a result of partnership collaboration. The balanced of the actors’ role within the partnership is relevant with the perspective of Robertson, SL, and Verger, A. (2012) states that the government or state within the partnership is lesser, but it is actually more powerful. In addition, using the term suggested by Osborne and Gaebler (2003) that the role of the state focuses on steering rather than rowing the educational services.

Furthermore, the government of Malang and Sampoerna Foundation implements Holistic Education where the education program is to combine the national curriculum (SBC) with an international curriculum Cambridge, conjoined with excellent programs, supported by adequate facilities and professional teachers and principals. The excellent programs are program Learning To Live (LToL) through the Personal Wellbeing, program Youth Entrepreneurship Program (YEP) or Program Youth Entrepreneurship, and programs of boarding school. The flagship program is able to provide students channel to develop their skills and capabilities to make future graduate students of SMAN 10 Malang (Sampoerna Academy) can compete and be sensitive, responsive to the surrounding community and is able to confront the problems and find the best solution carefully and intelligently.

The holistic education program is a program to improve the quality of education which is quite successful to create better graduates and educational outcomes in line with the spirit of holistic. In addition, this is also able to reflect the competitive character. In holistic education, intellectual ability, emotional, and religious elements are connected. Also, all elements are transferred and supported by sufficient exercising and sustainable education transfer with all facilities, human resources, and infrastructure that meet eight national standards of education.

**Barriers and supporting factors within the public-private partnership between the local government of Malang and Sampoerna Academy to improve the quality of education**

The implementation of the public-private partnership program is adopting Plan-Do-Cost-See/Check system. According to the findings, several obstacles are encountered within the partnership. The obstacles encountered are 1) technical barriers in the negotiation and consultation in which the process faces a cumbersome and bureaucratic system and procedures, 2) the delay time of disbursement to the Education Office of Malang. This cost barrier is relevant with the United Nations Development Programme statement (UNDP, 2005) states that the bottleneck or the delay time performs as a crucial matter during the educational services operation in developing countries; 3) the double duty which gives more burden to the school. As a result, it creates a more complicated system in the school management along with the lack of resources. 4) The separation of the financial report for education office funding and PSF funding is considerably difficult. 5) The differences between Sampoerna Academy students and Regular SMAN 10 students. 6) The use of public funding which approximately seven billion rupiahs for constructing school buildings and dormitories in Tlogowaru.
The constraints and obstacles experienced in the partnership between local government of Malang and Putera Sampoerna Foundation is relevant with the argument of World Economic Forum (WEF, 2005) states that the main obstacles of partnership are 1) the difficult and tough negotiation to reach one agreement; 2) the support in terms of public and political related stakeholder for the participation of the partnership is difficult; 3) the agreements primarily concern on the administrative and financial aspects; 4) the transparency and accountability in terms of program information including budget used and shared.

Besides the obstacles and inhibiting factors within the partnership, the findings also showed some supporting factors which positively contribute to the partnership. The supporting factors according to the findings are 1) the political support from regional administration; 2) the economic support in the form of considerable expenses provision; 3) the social support from local communities around Sampoerna Academy; 4) the leadership in school is proactive and democratic; 5) the expert from PSF which opens the channel for knowledge transfer, technology transfer, and competence transfer. It is in line with the statements from Davies (2006), Draxler (2008), Connolly and Annette (2012) states that the social and political support is an essential supporting factor for the partnership since the conducive socio-political environment contributes to the better development of the partnership.

Impact on the implementation of partnership
The results showed that the implementation of partnership in the field of education have an impact on related stakeholder such as 1) the local government of Malang. The positive impact from this partnership successful enhances the performance of the municipal government in the development of education in the level of provincial, national, and even international. While the negative impact within the partnership is criticism of public organization which suspect any fraud and misuse of the budget in the hand of Education Office of Malang. This is consistent with Dressecher’s statement (2007) argues that it is undeniable during the partnership of educational services partnership creates political impact, both positive and negative. 2) For Putera Sampoerna Foundation, as a private organization they obtain a public confidence, recognition, and support as well as fund improvement. 3) For SMAN 10 Malang, as educational institution, they obtain a professionalism improvement for teachers collaboratively. The improvement also arises in terms of welfare, quality input, learning quality, and also graduates. However, the improvement of welfare or salary also creates jealousy among the teachers.

Therefore, a partnership program that was built between the government of Malang with Putera Sampoerna Foundation through holistic education, successfully improve graduates to think holistically as well. It is as stated by the Ministry of National Education (2005) that education is a systematic process to enhance human dignity in a holistic manner, which allows third most elementary human dimension of the cognitive, affective and psychomotor to develop optimally. Thus, education should be a strategic vehicle for efforts to develop the entire potential of the individual, so that the goal of building the complete Indonesian man can be achieved.

The partnership model between the Government of Malang with the Foundation to improve the quality of education at SMAN 10 Malang
According to the finding, the partnership model between the local government of Malang with Putera Sampoerna Foundation is developed in both the provision of school infrastructure and international school boarding program. Sampoerna Academy uses Design-Build-Operate-Transfer model or commonly abbreviated as DBOT. The following figure present the overview of model.
Figure 4. The Model of Partnership between Local Government of Malang and Putera Sampoerna Foundation

Conclusions
1. The partnership between public and private institution is a form of exercising decentralization program by the local government of Malang. This aims at establishing harmonious, synergetic, and democratic relations. The partnership is proven to improve the quality of education which is indicated by the principals’ professionalism, teachers, and staff quality, curriculum development quality which combines both national and international curriculum, as well as the quality of infrastructure, input, and the output.

2. The partnership is organized through a clear agreement and Memorandum of Understanding as formal ties of partnership.

3. The strategy of a partnership program between local government and the private sector is done by a) Aligning the position of the local government with the private sector to be able to work collaboratively in planning, implementing, funding, managing and evaluating the programs, b) Placing a flagship program such as Learning to Live (LtoL), Youngth Entrepreneurship Programme (YEP), and dorm life as part of a holistic education.

4. The obstacles faced during the implementation of the partnership program are 1) Insufficient resources; 2) technical barriers in terms of negotiation and consultation; 3) financial barriers in terms of funding disbursement; 4) the separation of financial reports between Sampoerna Academy and SMAN 10 Malang regular; 5) public related budget for developing program need to be taken into account. While the supporting factors are 1) political support from regional administration; 2) considerable cost for financial support; 3) social support from the local communities; 4) proactive and democratic school’s leadership; 5) the expert support from PSF.

5. The implementation of the partnership which aims at improving the quality of education brings an impact, both positive and negative, to the related parties and stakeholder such as 1) the local government of Malang; 2) PSF; 3) Targeted school, SMAN 10 Malang; 4) students; 5) and the local communities.

6. Partnership model developed in the field of education to improve the quality of education between the Government of Malang with Putera Sampoerna Foundation both in the procurement of school infrastructure and in the delivery of programs of international school boarding Sampoerna Academy using the model of Design, Build, Operate, and Transfer.

7. The partnership program developed by both the local government of Malang and Putera Sampoerna Foundation concern on the procurement of school infrastructure and international boarding school Sampoerna
Academy using DBOT or Design-Build-Operate-Transfer model.

**Recommendations**

1. Educational training program focusing on the management of the partnership is needed to improve professionalism in dealing with private partnership;
2. Scheduling need to be improved to prevent any disbursement in the future;
3. Multi-program within the targeted school must be conducted carefully;
4. The central government must issue any guide for dealing with a private partnership in the field of education which can be used as a policy guide for any partnership related to education.
5. The central government should continue to monitor the implementation of education, especially the partnerships for improving the quality of education to make the partnership program can be synchronized and harmonious between central and regional.

**Reference**


