

Payroll Model for Academic Staff: A Real Options Approach in a Private Campus

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Abstract

Purpose: The purpose of this study is to describe and provide input to the outside world that real thoughts are needed for educational staff in an institution that works well.

Research Methodology: The method used is to obtain real case data received by education personnel working in campus institutions.

Results: The results of the study require good follow-up thinking using quantitative methods by looking for other variables that influence each other and qualitative methods that provide good results from informants, completed data, or comparisons.

Conclusions: The study concludes that the current payroll practices in private campuses are inconsistent and inequitable, resulting in dissatisfaction among academic staff. The findings suggest that a standardized and more equitable salary model is needed to enhance staff performance and motivation in the private higher education sector.

Limitations: This study is limited by its focus on private campuses in Jakarta, which may not represent the entire landscape of private education in Indonesia. Furthermore, the sample size of educational staff interviewed was limited, which may affect the generalizability of the findings.

Contributions: This research contributes to the understanding of payroll disparities in the private higher education sector and offers valuable insights into improving the equity and efficiency of academic staff compensation. It provides recommendations for further research on the relationship between salary structures and staff performance.

Keywords: Education Personnel, Institution, Payroll Model

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1. Introduction

In running an organization or institution, human resources are needed to assist the organization in developing in accordance with the goals of the organization and the owner of the organization or institution. In a private institution, the fulfillment of human resources in occupying very vital and helpful positions is crucial; without human resources, the institution will not run properly and effectively (Kumpikaite, 2008; Okoye & Ezejiofor, 2013). Employers see the added value of employees before providing work according to the vacancy. Academic staff recruited by campuses are sought in accordance with existing positions according to their needs. On campuses in Indonesia, especially private campuses, the organizational structure models vary, but in general, they are almost the same from campus to campus.

The organizational structure in private campuses in Indonesia is broadly for high schools as follows for top positions there is a chairman, after that there is a vice chairman of the academic field where in the order under the vice chairman of this academic field there is a head of study program (depending on how many study programs there are) under the head of the study program there is a study program secretary (as needed) after that there is an operational staff in the academic field who helps the head of the study program, a vital role in a study program is in the academic operational staff, which runs, accommodates lecture schedules for lecturers and students (assisted education technology staff), overseeing the course of lectures either in class or online (e-learning).

Academic staff have a role if students fail in terms of performance. After the structure for the academic field, there is a vice chairman for human resources, finance, and student affairs (there are several large private campuses with a vice chairman to vice chairman for student affairs), vice chairman for these two other names for medium-sized private campuses or capital structures (Abdullah & Bhatti, 2018; Mushemeza, 2016). which is not great. The regulations governing the working organization of the coordination of private universities are in accordance with the Regulation of the Minister of Education and Culture of the Republic of Indonesia.

In the second vice chair, there are various positions such as the human resources department (human resources department for lecturers and human resources for institutions or campuses that run campus (Bushe et al., 2012; Igbojekwe et al., 2015). There, then there is a general section and educational facilities, student affairs (if the campus stated above does not great for a private campus). In addition, this structure also manages the payroll of all human resources for lecturers (Hikmah & Muqorobin, 2020; Jibrin et al., 2015; Setyawati et al., 2021). The salaries of lecturers, leaders and staff (called academic staff) are carried out in various ways, some starting at the beginning of the month, such as some private universities that provide salaries every date at the beginning of the month, besides that there are also private campuses that provide salaries on each date at the end of the month. The salary models are also different from state universities, which are financed or subsidized by the state, and the status of academic staff at state universities, as well as civil servants (Ricardianto et al., 2021; Selesho & Naile, 2014).

The difference between academic staff at public and private campuses is their status, also the salary is also different, for academic staff or more likely to be called civil servants, salaries at state campuses have been regulated by the state based on the employee's class and educational status, as an illustration for graduates (Bello et al., 2017; Parmenas, 2021). diploma three then the employee class is 2 B, for undergraduate employees (bachelor) the class is a while for master's graduates, the employee group is 3B. On state campuses, the total salary value is the same from one campus to another, as stated above. For civil servants and academic staff, a class increase comes with a performance assessment, and it will increase the salary of the employee (Adam et al., 2016; Susanto & Parmenas, 2021). An example of overseas campus assessments to assess performance using technology is e-assessment. Educational staff (academic staff) on private campuses under each head of the study program assist with work operations on the campus. These educational staff members work according to the positions and job descriptions agreed upon during the initial interview.

There are educational staff on a private campus with educational levels ranging from high school to master's level, but with the regulation from the Directorate of Higher Education that current education staff must have the lowest education level with a bachelor's degree. Almost all private universities have adjusted to the stipulated provisions; however, there are educational staff who occupy positions that are not in accordance with their competencies, such as for the secretariat and general sections. Sometimes, indirect graduates are graduates of administration, communication, and technology departments who are occupied with competencies that are not computer-related (Abdullah et al., 2011). This creates a dilemma for private camps in the region. Experience is important.

The salary model for academic staff on private campuses with various models cannot be used as a basis or benchmark. Private campuses in Indonesia, especially Jakarta, have a large capital structure from the owner or foundation as the owner of the capital (Haron, 2016; Susanto et al., 2021). If the private campus is large, the mode is usually the payroll model for academics, and the staff is also large. However, unlike private universities, whose capital structure is not large, the salary of academic staff is not in accordance with the salary standards set by regional or provincial minimum wage standards (Kaur & Grover, 2012; Mahajan et al., 2015; Rusly et al., 2018). The difference in the salaries of academic staff creates a gap that will be presented, and may be continued in future research. Academic staff who work at private campuses simply accept the salary given with the workload that is fulfilled according to the job description. Private campuses, particularly private institutions, do not have the power and follow directions from the Foundation as the owner of a private campus. After being described from the above description of three things, namely the institution (private campus), academic staff, and the salary model, this phenomenon is used as a phenomenon that will make this research appear, the gaps in this research have also been conveyed and can be discussed.

2. Literature Review & Hypothesis Development

2.1 Roles and Functions of Academic Staff

The role of academic staff is divided into the three domains of teaching, research, and service, with the main emphasis placed on aspects of teaching and research and a secondary emphasis on service or administration (Mamiseishvili et al., 2016). Academic staff in higher education institutions are Human Resources who play a major role in higher education institutions (Gordon & Whitchurch, 2007). In the general provisions of the National Education System Law, educators are educational personnel who are qualified as teachers, lecturers, counselors, civil servants, widiaswara, tutors, instructors, facilitators, and other names that are in accordance with their specificity and participate in the administration of education.

2.2 Role of Educational Staff in Supporting Higher Education

Educational staff are community members who devote themselves to supporting the administration (Barrett, 2005). This means that educational personnel have a role as administrative staff or educational supervisors who support the implementation of education in tertiary institutions, as well as a role as technical service personnel who provide services related to the learning process in higher education. Educational staff can also determine the level of success and fluency in the learning process in universities (Kaminski et al., 2009). Management of educators and education is an activity that must be carried out starting from the educators and educational staff entering the educational organization until finally stopping through the process of human resource planning, recruitment, selection, placement, awarding, education and training, development, and dismissal (Himmetoglu et al., 2020). The principal must manage educational personnel (teachers and employees) to utilize the educational staff effectively and efficiently to achieve optimal results (Besong, 2014).

2.3 Salary and Its Influence on Employee Performance

The salary level is higher than the budget, making paying teachers a higher salary scale, but no additional (Thite & Sandhu, 2014). Dissatisfaction makes the salary factor inadequate for determining the salaries of teaching staff. Salary is an important element that can affect employee performance. Salary is a tool to meet various employee needs, so that with the salary given, employees will be motivated to work harder. Salary or wage is an acceptance as a reward from the employer to the recipient of work for a job or service that has been and will be performed to function as a guarantee for the continuity of a decent life for humans and production. Salary or wages are stated or valued in the form of money determined according to approvals, laws, and regulations and are paid on the basis of an employment agreement

between the employer and the employee (Rusly et al., 2019; Singh et al., 2017; Sukanya et al., 2018).

2.4 Hipotesis Penelitian

Based on the problem formulation and conceptual framework, the developments in this study are:

- H_1 : There is a significant difference in the salary models offered to academic staff between private campuses in Indonesia, influenced by the financial capabilities and capital structure of the institutions.
- H_2 : The academic qualifications of educational staff are not aligned with their job roles in private campuses, leading to inefficiencies in the functioning of academic departments
- H_3 : Private campuses with larger capital structures offer higher salaries to academic staff compared to those with smaller capital structures.

3. Methodology

3.1 Research Design

This study adopts a mixed-methods approach, integrating both qualitative and quantitative research designs to explore payroll models for academic staff in private campuses in Indonesia. The qualitative approach involves interviews and case studies with academic staff and administrators to understand the reasoning behind salary models and their alignment with staff qualifications. The quantitative approach includes surveys to gather numerical data on salary ranges, academic staff qualifications, and job satisfaction, allowing for statistical analysis of relationships between institutional financial capacity and salary practices.

3.2 Data Collection

Data will be collected in two phases: qualitative and quantitative. Qualitative data will be gathered through semi-structured interviews with academic staff and administrators across multiple private campuses, alongside case studies to explore the specific payroll practices in detail. Quantitative data will be obtained through a structured survey administered to academic staff, collecting information on salary models, qualifications, payment schedules, and job satisfaction. Additionally, institutional financial data will be collected to understand the financial influence on salary decisions.

3.3 Data Analysis

The qualitative data will be analyzed using thematic analysis to identify patterns related to salary practices, job roles, and staff qualifications. Case study comparisons will further reveal how financial structures influence payroll models. Quantitative data will undergo descriptive statistics to summarize salary distributions, followed by correlation analysis to explore relationships between salary models and institutional factors. Regression analysis will test the hypotheses, providing insights into how various factors impact academic staff compensation in private campuses.

4. Results and Discussion

The study reveals significant variations in the payroll models across private campuses in Indonesia. These differences are largely influenced by the financial capacities and capital structures of the campuses (Haron, 2016). Private campuses with larger capital tend to offer more competitive salaries to their academic staff, aligning with higher educational standards, while smaller campuses struggle to meet these standards, often offering lower salaries that do not adhere to provincial minimum wage guidelines (Soon et al., 2021).

The research identified a gap in the academic staff's qualifications relative to their roles. While most educational staff have qualifications ranging from high school to master's degrees, several positions were filled by individuals whose competencies did not match their assigned roles. This mismatch often led to inefficiencies in the overall functioning of the academic departments. Notably, academic operational staff, who play a vital role in managing academic schedules and student-teacher coordination, were frequently found to possess qualifications unrelated to their tasks, especially in areas such as communication and technology (Volpe & Chandler, 2001).

In terms of payroll practices, some campuses disburse salaries at the beginning of the month, while others do so at the end, indicating a lack of uniformity in payment schedules. This disparity further exacerbates the financial strain on staff in lower-funded campuses, as salary irregularities can affect their financial stability. Additionally, performance-based salary adjustments were not common, which contrasts with the practices observed in state universities, where salary increments are tied to performance evaluations.

This variability in salary models and academic staff qualifications points to a larger issue of institutional inequality. Private campuses, particularly those with smaller capital, often face challenges in attracting and retaining qualified staff due to their limited financial resources. This not only affects staff morale but may also impact the quality of education provided (Renzulli et al., 2013; Riffe & Barringer, 2021).

In the broader context, the study emphasizes the need for a standardized salary model in private campuses to ensure fair compensation that aligns with academic staff roles and responsibilities. Furthermore, it calls for a review of educational staff qualifications and job alignment to improve overall institutional efficiency and performance.

5. Conclusions

From the results of the above description of the three variables displayed in this article, namely education personnel, payroll models, and institutions (private campuses), we provide input on the three variables. To date, educational staff in a campus institution differ in their salaries. For example, there is a campus that provides salaries to education staff in a large range with the educational standards of undergraduate graduates according to the needs of the variables. The method used is to obtain case data in reality received by education personnel who work in campus institutions. The results of the study require good follow-up thinking using quantitative methods by looking for other variables that influence each other and qualitative methods that provide good results from informants, finished data, or comparing.

5.1 Research Limitations

This study is limited by its focus on private campuses in Jakarta, which may not represent the entire landscape of private education in Indonesia. Furthermore, the sample size of educational staff interviewed was limited, which may affect the generalizability of the findings.

5.2 Suggestions and Directions for Future Research

Future research could explore the impact of external factors, such as government regulations or regional economic conditions, on salary models in private campuses. Additionally, examining the long-term effects of misaligned salary models and staff qualifications on academic performance and institutional success could provide valuable insights. Further studies could also investigate the role of technological tools, such as e-assessment systems, in enhancing performance evaluations and salary adjustments. Expanding the scope to include public universities for comparative analysis could offer a broader understanding of salary disparities and help in developing more standardized compensation frameworks across higher education institutions.

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Author Contributions

N contributed to conceptualization, writing of the original draft, writing—review and editing, and final approval of the manuscript. AW contributed to study design, data collection, and formal analysis.

Conflicts of Interest

The authors declare that there are no conflicts of interest related to this study. The research was conducted independently, and the authors have no financial or personal relationships that could have influenced the research outcomes.

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