

THE URGENCY OF STRATEGIC MANAGEMENT IN HIGHER EDUCATION : A SYSTEMATIC LITERATURE REVIEW APPROACH

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Abstract

Universities are institutions of higher learning that play a strategic role in nation building. Developed countries generally have high-quality higher education systems capable of producing superior human resources, innovative research, and significant contributions to economic, social, political, and cultural development. Conversely, the poor quality of higher education often results in a nation's low competitiveness on the global stage. This article aims to explain the Strategic Management of Higher Education from an Islamic perspective. The method used in this article is qualitative research with a Systematic Literature Review approach. Articles were collected from Google Scholar using the PRISMA (Preferred) search process. Reporting Item for Systemic Reviews and Meta-analyses. Then done analysis is is e c a r d e s k r i p t i f. The results found that strategic management is based on the strategy formulation stage, the formulation of the decided strategy must be calculated in order to provide the greatest benefit for the company, with activities ranging from developing a business mission, understanding external opportunities and threats, determining internal strengths and weaknesses and establishing long-term objective plans. Strategy implementation, is formulating to change the established strategy into a management action. Activities at this stage include annual objective policies, allocating resources and mobilizing organizational actors. Strategy evaluation, is the final stage of strategic management with its main activities being to review the internal and external factors that form the basis of the current strategy, measuring performance and taking corrective action.

Keywords: Educational Management, Strategic Management, Higher Education

INTRODUCTION

Universities must strive for excellence and competitiveness to remain viable and consistently sought after by the public. Universities should possess the attractiveness to develop and compete in today's changing times. Having superior and competitive universities is expected to improve the quality of the Indonesian nation. Summarized by Aime Heen (Heene et al., 2010), strategic management has various definitions, among them, quoting Houthoofd strategic management is a process in which organizations organize themselves to achieve organizational goals through proportional strategic analysis, formulation of strategies that are made into advantages, accurate strategy implementation, and evaluating the continuum of its performance. Meanwhile, Scendel quoted by Aime mentions strategic management as a process that in principle ensures the implementation of the development and implementation of strategies that provide direction to the operational activities of the organization (Heene et al., 2010). Fred R. David, an academic and practitioner of strategic management, and professor emeritus at the College of Business Administration, University of South Carolina, wrote his views on this matter in his book, Strategic Management: Concepts and Cases (David & David, 2017). His view explains that strategic management is a process in which a manager selects a set of strategies for an organization that will enable it to achieve its goals. This process is carried out continuously by evaluating and controlling the internal business, conducting competitor analysis, and establishing strategies to be able to compete well.

Strategic management according to Rothamel as quoted by Fadli (Fadhli, 2017) "Strategic management is an integrative management field that combines analysis, formulation, and implementation in the quest for competitive advantage." Strategic management is an integrative management field that combines analysis, formulation, and implementation in an effort to seek competitive advantage for an organization. The ability to master and understand strategic management enables leaders to see the organization as a whole. Strategic management also enables leaders to create superior organizational performance.

In educational institutions, in this case universities, strategic management is a field of study that is being developed in educational institutions. Son Wandrial in the journal *The Winners* (Wandrial, 2004) cites Hamel and Prahalad's thoughts in their book *Competing for the Future*, stating that if a company has time to think about its current situation, it should be prepared to be crushed by the competitive locomotive that continues to move towards the future. According to them, only companies with dreams will emerge victorious. In this regard, both claim that having dreams is a source of energy that drives all the muscles and nerves of an organization; what is meant by dreams is vision, which is what they call strategic intent.

Based on this statement, when related to higher education, a competitive university is one that has a strategic intent embodied in a vision, or a dream it seeks to realize. According to the two, as quoted by Son, a strategic intent requires an obsession with victory and must be achieved gradually. Dreams are not merely imagined but must be built. Therefore, an architect is needed who can create something that is still within the organization's imagination.

Regarding the statement, strategic intent in higher education is a concrete action to make dreams come true, which in this case is carried out by a higher education architect. They are the policy makers on campus. If this theory is firmly adopted, then higher education will not be afraid of competition and various global challenges, this is in line with the philosophy of strategic intent, namely the best way to predict the future is to create the future, which means the best way to predict the future is to create the future. Son Wandrial considers the basic thinking of Hamel and Prahalad to be actually simple, namely competition is to create and dominate emerging opportunities and fight for new competitive space (Wandrial, 2004).

He believes that creating the future is more challenging than catching up, as it requires creating your own roadmap. When developed in higher education, a strategic perspective requires more than just annual plans; it requires an architect who provides a blueprint for building the competencies necessary to dominate the future education market.

METHODS STUDY

This study uses the method of a literature through approach systematic literature review (Rachmawati & Purwandari, 2022). This study presents comprehensive and balanced facts by summarizing the results of previous research (Andriani, 2021). The keywords used in exploration, that is "philosophy" and "Islamic education management". The findings of the research results are published in the journal *PRISMA*. The writing method for this article review research begins with a gap analysis followed by the PRISMA (Preferred Reporting Items for Systematic Reviews and Meta-analyses) method. The PRISMA method consists of five stages: 1) defining eligibility criteria, 2) determining information sources, 3) data selection, 4) data collection, and 5) data retrieval (Utami et al., 2021).

DISCUSSION

The strategic management process is an objective, logical, and systematic approach to decision-making within an organization. As Amirudin Siahaan (2017) states, the strategic management process must be understood as an objective, logical, and systematic approach to making major organizational decisions. Amiruddin Siahaan states that management includes in-depth analysis, goal setting, and the effective and efficient organization of resources.

Decisions made must also be guided by a combination of intuition and analysis, as well as effective adaptation to changes in the external and internal environment. Therefore, the activities of formulating, implementing, and evaluating must be dynamic, carried out continuously, and sustainably. David (2011), the scope of strategic management encompasses three main areas of study strategy formulation, strategy implementation, and strategy evaluation. Strategy formulation encompasses the activities of establishing a vision and mission, internal and external studies, formulating long-term goals, and determining appropriate strategies. Strategy implementation includes annual target setting and

resource allocation. Strategy evaluation, on the other hand, is how an organization measures and evaluates performance (Eddy, 2016).

a. Strategy formulation stage, the strategy formulation that is decided must be calculated so that it can provide the greatest benefit for the company, with activities starting from developing a business mission, understanding external opportunities and threats, determining internal strengths and weaknesses and establishing long-term objective plans. Strategic planning in higher education as per the Guidelines for Preparing Higher Education Strategic Plans from the Directorate General of Higher Education (Ministry of Education and Culture, 2020) mentions systematic steps, namely

1. Strategic Environmental Analysis
2. Determination of the Institution's Vision, Mission, and Goals
Developing a vision statement (long-term goals), mission (the institution's primary roles and functions), and objectives (targets to be achieved) . This involves internal and external stakeholders (lecturers, students, alumni, graduate users, industry partners, etc.).
3. Formulating Institutional Strategy, Developing long-term strategic objectives (5-20 years) and Determining targets and key performance indicators (KPI)
4. Preparation of the Strategic Plan (Renstra). The Renstra document is usually prepared over a 5-year period. The Renstra includes:
 - a. Vision, mission and strategic objectives
 - b. Key performance indicators
 - c. Implementation strategy and work plan
 - d. Allocation of resources and budget
5. Description of Implementation to the Operational Plan (Renop)
6. Performance-based budgeting, Aligning planning with resource allocation (budget, human resources, facilities) and Ensuring efficiency and effectiveness in the use of funds to support the achievement of strategic goals.
7. Establishment of Monitoring and Evaluation System

Next, you can see the image of the 4 strategic planning cycles in educational institutions.

b. Strategy implementation is the process of formulating and transforming established strategies into management actions. Activities at this stage include annual objective policies, resource allocation, and mobilizing organizational actors. Strategy implementation in higher education requires effective and integrated resource management, encompassing aspects of human resources (HR), finance, technology, and infrastructure (Ministry of Education and Culture, 2020) . This management is not merely administrative but must be strategically directed to support the achievement of institutional goals. Fred R. David (David, 2011) emphasized that effective strategy implementation requires proportional resource allocation based on strategic priorities and performance targets. Similarly, Wheelen and Hunger (2012) stated that a new strategy can be implemented effectively if the organizational structure, leadership, and resources are conditioned to support the established strategic direction, with budgeting as the primary link between plans and actions.

In the context of national policy, the Ministry of Finance and the Ministry of Education, Culture, Research, and Technology (Kemendikbud, 2020) also emphasized the importance of a performance -based budgeting approach , a budgeting system that links funding allocations to measurable outputs and outcomes . This approach makes strategy implementation more focused, efficient, and aligned with the institution's key performance indicators.

c. Strategic evaluation is the final stage of strategic management, with its primary activities being reviewing the internal and external factors that form the basis of the current strategy, measuring performance, and taking corrective action. In the context of higher education, evaluation is a crucial stage and inseparable from efforts to maintain and improve institutional quality. Strategic evaluation serves as an instrument for assessing the extent to which the institution's vision, mission, and objectives have been achieved through the implementation of its

strategies. Yusuf Hadijaya (Hadijaya, 2013) asserts that "strategic evaluation is the final step in the strategic management cycle, which consists of strategy formulation, implementation, and evaluation," where the entire process must be measurable and results-oriented. He further states that good strategic management encompasses strategy design, plan implementation, and outcome assessment, all of which are integrated as a single unit in managing educational quality. Therefore, every unit within a higher education institution has the same responsibility for maintaining quality, both in terms of the learning process, student services, and engagement with external parties. Evaluation is not merely about assessing achievement, but also serves as a basis for reflection and continuous improvement in building an educational institution that is adaptive, competitive, and relevant to the needs of the times.

CONCLUSION

The scope of strategic management encompasses three main areas of study: strategy formulation, implementation, and strategy evaluation. Strategy formulation encompasses the activities of establishing a vision and mission, internal and external studies, formulating long-term goals, and determining appropriate strategies. Strategy implementation includes annual target setting and resource allocation, while strategy evaluation is how an organization measures and evaluates performance. Priority programs for higher education institutions today are related to improving quality, increasing relevance, increasing access, increasing competitiveness, and improving governance. Higher education excellence is closely related to quality. Meanwhile, increasing competitiveness is also a priority program, meaning it is something that needs to be considered in relation to campus development.

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