

Strategic Leadership And Cultural Transformation In A Resource-Constrained Islamic University Context

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Abstract

This study explores the implementation of strategic leadership in a multicultural, resource-constrained environment at Universitas Muhammadiyah Maumere, located in predominantly non-Muslim East Nusa Tenggara, Indonesia. Employing a qualitative phenomenological approach, data were collected through in-depth interviews with key institutional stakeholders including university leaders, local government officials, and Muhammadiyah representatives. Thematic analysis using NVivo software revealed six core themes: value-based strategic leadership, organizational culture transformation, resource innovation, inclusive religious practices, collaboration networks, and community responsiveness. The findings demonstrate that university leadership adopts an adaptive and inclusive strategy grounded in Islamic values without imposing religious dominance. Instead, it fosters pluralism and educational access while promoting internal transformation toward participative governance. This research contributes to the growing literature on higher education management in complex environments, especially for Islamic institutions operating in non-majority Muslim regions. It highlights how strategic leadership rooted in contextual sensitivity and ideological flexibility can transform challenges into opportunities. The results are relevant for policy makers, higher education administrators, and religious-based institutions seeking to align vision, community engagement, and institutional sustainability.

Keywords: Cultural transformation, Higher education, Islamic leadership, Multiculturalism, Strategic management

A. RESEARCH BACKGROUND

Muhammadiyah Higher Education Institutions (PTM) are an important part of Indonesia's higher education ecosystem, combining Islamic values with modern scientific approaches. As part of the Muhammadiyah missionary movement, these institutions not only perform academic functions but also play a strategic role in community development and strengthening national character. Amid efforts to achieve educational equity across the archipelago, PTMs located in eastern Indonesia face unique challenges, both geographically, socially, and ideologically. One significant example of this phenomenon is Muhammadiyah University of Maumere (UM Maumere) in Sikka Regency, East Nusa Tenggara.

UM Maumere operates as a PTM in an environment where the majority of the population is non-Muslim, making it a real-world testing ground for the effectiveness of strategic leadership that can bridge Islamic values with the reality of religious and cultural pluralism. In this region, the complex social dynamics of the community, infrastructure limitations, and unequal access to education demand a leadership approach that is not only adaptive but also visionary and inclusive. According to interviews with key figures such as the Regent of Sikka, the Rector of UM Maumere, the Secretary General of PP Muhammadiyah, and the Deputy Minister of Higher Education, the management of educational institutions in this region can only succeed if it is carried out through a strategic approach that can respond to local conditions without losing sight of the institution's ideological direction.

Theoretically, strategic leadership is defined as a leader's ability to manage an institution with a long-term vision, optimize resource utilization, and proactively adapt to environmental changes. Such leadership is not only required to produce academic outcomes but must also be able to foster an inclusive and collaborative organizational culture—especially in a region like Maumere, which is rich in diverse identities. Here, the Islamic values that form the foundation of the Muhammadiyah institution must be implemented in a contextual and moderate manner, creating a comfortable academic space for students of different religions and cultures.

Organizational cultural change is an important dimension in this context. At UM Maumere, cultural transformation does not occur through top-down instruction but through the active participation of all campus elements, from faculty to students. Values such as tolerance, collaboration, and inclusivity are not merely institutional slogans but are genuinely embodied in daily interactions within the campus. These efforts demonstrate that the organizational culture at UM Maumere has transitioned from a normative and structural system toward a more humanistic and collaborative approach.

The challenges faced by UM Maumere in realizing strategic leadership are also very real. These include limitations in qualified human resources, inadequate infrastructure, and the fact that the majority of students come from families with low socioeconomic conditions. However, rather than viewing these conditions as obstacles, campus leadership has instead utilized them as opportunities for innovation. One concrete example is the implementation of a tuition payment scheme based on agricultural products, strengthening student entrepreneurship programs, and digitizing the learning process to reach students in remote areas.

In the literature review, previous studies emphasize the importance of strategic leadership in the context of higher education. According to Ireland and Hitt (2005), strategic leaders function as agents of change capable of creating sustainable competitive advantages within educational organizations. Meanwhile, Bass and Avolio (1994) note that transformational leadership that inspires changes in values and culture is a crucial prerequisite for ensuring institutional sustainability. However, most of this research remains focused on institutional contexts in urban areas or socially and culturally homogeneous environments. Therefore, a study of strategic leadership practices at UM Maumere is important to answer the question of how Islamic values can be substantially applied in a multicultural and geographically marginalized environment.

This research also utilizes a phenomenological approach to deeply explore the subjective experiences of policymakers and institutional actors in interpreting leadership and cultural change. Through in-depth interviews and qualitative analysis using NVivo software, the researcher found that the strategic meaning of leadership is not solely shaped by formal structures but also by social relations, local dynamics, and ideological values that are continuously constructed through daily practices.

Against this backdrop, this research is relevant and significant, not only for enriching the body of knowledge on strategic leadership and organizational culture in higher education, but also as a source of reflection for other institutions facing similar challenges. Muhammadiyah University of Maumere, despite its limitations and complexities, has proven to be a social laboratory demonstrating how Islamic values, when implemented in a contextual and humanistic manner, can serve as a transformative force in building sustainable, inclusive, and socially relevant educational institutions.

B. Theoretical Literature and Supporting Articles

Strategic leadership is a leadership approach that focuses on setting the long-term direction of an institution while balancing internal and external environmental needs. This concept is particularly important in the context of higher education, especially in multicultural regions or areas with limited resources, where social, political, and economic complexities demand visionary and adaptive leaders.

1) Strategic Leadership in Higher Education

According to Ireland and Hitt (2005), strategic leadership is the ability to anticipate, envision the future, maintain flexibility, think strategically, and work with others to initiate changes that will create a viable future for the organization (Ireland & Hitt, 2005). In the context of higher education, this approach is translated through institutional policies that are responsive to challenges such as funding constraints, labor market demands, and complex social dynamics.

Bumatay (2009) developed a strategic leadership framework consisting of four quadrants: educational leader, entrepreneurial environment, paradoxical leadership, and results-based strategic perspective. This model offers a relevant framework for university leaders in managing internal and external changes simultaneously (Bumatay, 2009).

2) Multiculturalism and Leadership in Challenged Areas

Research by Ekgarin Sangtong (2009) highlights the importance of strategic leadership in multicultural societies, such as in Thailand's southern border provinces. Educational leaders must be able to implement six dimensions of leadership: community engagement, inclusive curriculum design, multicultural organizational

structure, fair human resource management, organizational culture development, and inclusive decision-making (Sangtong, 2009).

A study by Carrillo de Anda (2014) also shows that the success of institutional leadership in a multicultural environment is largely determined by the ability to understand the diversity of norms, values, and legal systems in place. In a case study at CETYS University in Mexico, multicultural integration strategies involved cross-cultural training and cross-institutional collaboration to build a deep shared understanding (Carrillo de Anda, 2014).

3) Resource Constraints and Strategic Planning

A major challenge faced by higher education institutions in resource-constrained regions is the scarcity of funding, infrastructure, and human resources. Ali (2025) conducted a systematic review of 35 articles and found that strategic planning challenges in higher education institutions are largely related to weak leadership models, low strategic awareness, and resource instability. The solutions offered include strengthening awareness of strategic vision, consolidating planning, and increasing stakeholder participation (Ali, 2025).

In the Indonesian context, Simanjuntak and Usmanij (2024) revealed that strategic planning in religious-based higher education institutions requires a values-based approach and local vision and mission. Planning failures are typically caused by weak leadership training and a lack of active involvement in program implementation. Therefore, strategies based on spiritual values and supported by professional strategic management have proven to improve the quality of education in a sustainable manner (Simanjuntak & Usmanij, 2024).

4) Resource-Based Approach and Competitive Advantage

Williams and Soin (2014) emphasize the importance of a resource-based approach in higher education. Within the Resource-Based View (RBV) framework, institutions that can manage and integrate scarce, non-imitable, and high-value resources will have sustainable competitive advantages (Williams & Soin, 2014).

This approach aligns with the needs of institutions in limited regions to tap into local potential, build strategic partnerships, and optimize internal resources such as faculty, alumni networks, and local value bases as the primary drivers of institutional transformation.

C. METHODOLOGY

The research method used in this study is a qualitative approach with a phenomenological design, which aims to understand the deeper meaning of the experiences of strategic actors in the leadership of higher education institutions in multicultural regions with limited resources. Data collection was conducted through semi-structured in-depth interviews with key informants such as rectors, senior lecturers, community leaders, and local government officials who are directly involved in university development. Purposive sampling techniques were used to select relevant informants and comprehensively understand the context. Data were analyzed using NVivo software to identify key themes and relationships between categories that emerged naturally from respondents' narratives. Data validity was strengthened through source triangulation and member checking with informants to ensure the accuracy of the researcher's interpretation. This method was chosen because it is capable of exploring social realities and strategic leadership dynamics in complex contexts that cannot be explained quantitatively.

D. RESEARCH FINDINGS

This study reveals how strategic leadership at Muhammadiyah University Maumere (UM Maumere) is implemented in an adaptive and transformative manner in response to the complexities of a multicultural environment and resource constraints. Interviews with key figures such as the Rector of UM Maumere, the Regional Leader of Muhammadiyah NTT, local government officials, and the Secretary General of PP Muhammadiyah were analyzed using NVIVO software, yielding six main themes: value-based strategic leadership, response to cultural pluralism, strategies for managing resource constraints, organizational culture building, collaboration and networking, and ideology-based transformation.

First, the dominant theme that emerged was value-based strategic leadership, where campus leaders prioritize Islamic values, social justice, and equality as the foundation for decision-making. The rector of UM Maumere emphasized that the leadership strategy implemented is not only administrative but also moral and

ideological, using cultural da'wah as a platform to build healthy social relations in a predominantly non-Muslim society.

Second, in facing the challenges of cultural and religious pluralism, UM Maumere applies an inclusive and transformative approach. An interview with the Deputy Chair of PWM NTT revealed that UM Maumere has successfully built harmonious relationships with local religious leaders, including those from the Catholic community, by making the campus a space for dialogue and tolerance. This approach is also supported by the rectorate's policy of avoiding exclusive religious symbolism and instead choosing to express Islamic values in the form of moderate social practices.

Third, the strategy of managing resource constraints has become an innovation in itself. The rector of UM Maumere explained that the institution utilizes alternative strategies such as agricultural scholarship programs, collaboration with external partners, and the digitization of learning to reach students from remote areas. In addition, the leaders also take a direct approach to the community to increase trust in the campus as a place of quality and affordable education.

Fourth, in terms of organizational culture, it was found that the culture at UM Maumere is shifting from a bureaucratic model toward a more participatory and collaborative one. This is marked by the active involvement of faculty and students in internal decision-making processes, as well as the emergence of organizational values such as mutual aid, transparency, and social responsibility. This culture is not formed solely through formal regulations, but through consistent leadership examples and practices in the field.

Fifth, collaboration and network expansion are key themes in the strategy for survival and growth. Campus leadership has established relationships with local governments, interfaith religious organizations, as well as donor institutions and other universities. This collaboration not only helps in financial and capacity development aspects but also expands UM Maumere's influence as an inclusive and community-oriented Islamic campus.

Sixth, it was found that institutional transformation at UM Maumere is based on substantive Islamic ideology, not symbolic. This was revealed by a central Muhammadiyah figure who stated that the presence of UM Maumere is not intended to dominate the local religious space but to offer an alternative Islamic education that is humanistic, grounded, and contextual. This narrative is reinforced by the understanding of Islamic values as a blessing for all creation, applied practically in campus life and external relations.

An analysis of the NVIVO matrix also shows a strong correlation between the ideological vision of the leadership and organizational cultural change. For example, the theme of "value transformation" frequently appears in interview data with campus leaders, while the theme of "tolerance and inclusivity" dominates the narratives of external figures such as local government officials and other religious leaders. This indicates that changes at UM Maumere are not only occurring internally but are also being accepted and positively responded to by the external environment.

Overall, the research findings suggest that strategic leadership at UM Maumere is not trapped in bureaucratic routines but has evolved into a visionary and adaptive leadership style focused on social transformation. The strategies employed include a values-based approach, community engagement, managerial innovation, and cultural transformation—all aimed at strengthening the campus identity while addressing local challenges in a contextual and effective manner. This leadership model is worthy of further study and replication in other institutions facing similar challenges.

E. DISCUSSION OF RESEARCH FINDINGS

The research findings indicate that strategic leadership at Muhammadiyah University Maumere (UM Maumere) functions not only as an administrative manager but also as an agent of social transformation, particularly in the context of multiculturalism and resource constraints. This finding aligns with Morrill's (2007) concept, which emphasizes that strategic leadership in higher education is a collaborative, values-based process involving institutional identity narratives and aspirations (Morrill, 2007).

One of the key findings is how Islamic values are used as an ideological framework for inclusive campus policy-making. In the context of a predominantly non-Muslim society in NTT, this approach is highly strategic as it helps build a friendly and solution-oriented image of Islam. This strategy reflects what Sangtong (2009)

explains, that strategic leaders in multicultural societies must be able to facilitate organizational development with structures and values that reflect social pluralism (Sangtong, 2009).

Leadership strategy is also evident in the institution's ability to manage resource constraints through innovative and participatory approaches. The rector of UM Maumere initiated a scholarship program for local products and collaboration with external partners, reflecting principles of efficiency and community empowerment. This aligns with the view of Williams & Soin (2014) that competitive advantage in higher education institutions depends on the ability to mobilize scarce and irreplaceable resources, as well as integrating these resources into organizational capabilities (Williams & Soin, 2014).

Furthermore, the shift in organizational culture from bureaucratic to participatory indicates that UM Maumere's strategic leadership has successfully internalized the values of mutual cooperation, transparency, and social responsibility into daily practices. This change demonstrates the institution's maturity in translating its vision into a work culture. This is in line with the idea that strategy is not just a formal document, but must be reflected in consistent and mutually agreed collective actions (Glottbach, 2009).

External networks and collaborations are crucial elements in sustaining UM Maumere's existence. Successful strategic leadership, as explained by Saleem et al. (2015), is the ability to mobilize social and intellectual capital to create sustainable advantages in higher education (Saleem et al., 2015). In the context of UM Maumere, partnerships with local governments, religious leaders, and NGOs demonstrate the effectiveness of leadership in expanding the campus's influence and social legitimacy.

From a theoretical perspective, UM Maumere's strategic leadership approach reflects the model developed by Hidayah et al. (2015), which emphasizes that effective leaders in the context of higher education must be able to act as strategists, agents of change, and visionary leaders simultaneously (Hidayah et al., 2015). These three roles are evident in how the rector of UM Maumere establishes the institution's strategic direction, responds to the multicultural context, and promotes gradual cultural transformation.

Additionally, it was found that leadership based on sense-making is crucial in managing social dynamics and resistance to change. As explained by Morrill (2007), strategy is a collective narrative that guides organizations in uncertain situations, and leaders act as interpreters of meaning who direct collective action (Morrill, 2007). Thus, it can be concluded that strategic leadership at UM Maumere has not only succeeded in maintaining the sustainability of the institution under limited conditions but also created a healthy space for dialogue between Islamic values and local pluralistic realities. This experience demonstrates that Islamic campuses can become agents of peace and social development when religious values are implemented in an inclusive and strategic manner.

F. CONCLUSION

This study shows that strategic leadership at Muhammadiyah University Maumere is capable of addressing the challenges faced by higher education institutions operating in a multicultural environment with limited resources. The leadership is based on inclusive Islamic values, responsive to the local context, and oriented toward social transformation. The strategies implemented include managerial innovation, cross-sector collaboration, and the development of a participatory organizational culture. This approach aligns with contemporary strategic leadership models that emphasize the leader's role as a visionary, change agent, and creative resource manager. As a result, UM Maumere not only survives but thrives as an inclusive Islamic educational institution accepted by the community. These findings reinforce the literature that in the context of complexity,

G. RECOMMENDATIONS

Based on the research findings, it is recommended that other universities located in areas with social complexity and resource constraints emulate the value-based strategic leadership approach implemented by UM Maumere. It is important for institutional leaders to develop adaptive strategies that integrate local and spiritual values into organizational governance. Additionally, strengthening cross-sectoral collaboration—with communities, governments, and donor institutions should be an integral part of institutional strategy. To enhance effectiveness, universities are advised to utilize digital technology in resource management and internal communication. Finally, the development of an open and participatory organizational culture must

be prioritized through leadership training and dialogue among academic staff, ensuring that value transformation proceeds consistently and sustainably in the long term.

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