



**FACULTY OF ECONOMICS  
ANDALAS UNIVERSITY**

**THESIS**

**TOP MANAGEMENT TEAM (TMT) CHARACTERISTICS  
OF FACULTY  
IN IMPLEMENTING THE TRANSFORMATION  
STRATEGY  
AT ANDALAS UNIVERSITY**

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<b><i>Top Management Team (TMT) Characteristics of Faculty In Implementing The Transformation Strategy At Andalas University</i></b> Thesis by: <i>Rayhan Pratama</i> Thesis Advisor: <i>Prof. Dr. Herri, SE, MBA.</i>		
<b>ABSTRACT</b> <i>This research is aimed to identify (1) Top Management Team (TMT) Characteristics of each faculty in implementing the transformation strategy at Andalas University (2) the implementation of Transformation Strategy at Andalas University and (3) the difference between Top Management Team (TMT) Characteristics of faculty with the implemented transformation strategy at Andalas University. Top Management Team consist of Dean, Vice Dean I, Vice Dean II and Vice Dean III while Top Management Team Characteristics are identified by gender, age, educational background and faculty. Data are taken from Questionnaire which is given to Top Management Team of Faculty. The study result showed (1) most of Top Management Team (TMT) Characteristics of each faculty is master degree (S2), and Doctor Degree(S3), Male and young leader (2) the implementation of transformation strategy at Andalas University have implemented well and (3) there is no difference between Top management Team Characteristics with the implemented transformation strategy at andalas university.</i>		
<i>Kata kunci: Top management team, transformation strategy, characteristic of top management team.</i>		

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## CHAPTER I

### INTRODUCTION

#### 1.1 Background of the Research

Today should be better than yesterday and tomorrow should be better than today. That is the right expression for self-motivation both for individuals and organizations who wish to move forward. Changes for the better are not separated from a number of challenges, especially in an era of tight competition and uncertainty. Based on the concept of time-based competition so who quickly, they win both more quickly in offering new products from competitors (fast-to-market) and the speed of response to customer demand for existing products (fast to product). Therefore, organizations that want to continue to grow, must respond quickly to challenges.

According to Ulrich (1998), there are five challenges for the organization. Organizations require a new capability to face it. They are as follows:

1. Globalization
2. Profitability through growth
3. Technology
4. Intellectual capital
5. Changed

Organizations challenge competition is how to create an organization that can respond to changes more quickly than its competitors either a change in a predictable or unpredictable. Besides that, organizations can also compensate for these rapid changes by

adopting new strategies more quickly and comfortably. In other words, the company will be in endless transformation.

Thought and standard practice in managing the company performance on stable situation must be changed. The question is how the actual changes that needed by the company in responding to these existing conditions. In the literature there are two kinds of changes fundamentally distinguished, namely the first-order change and second-order changes (Meyer et al., 1993 in Newman 2000).

The first-order changes have character added and concentrated. These changes will help the company maintain internal reliability. These changes occur in a stable environment and in a long time and will make the organization more fit and consistent in terms of institutional. So the first-order change does not make a fundamental change. Second-order changes are transformational, radical and fundamental change. This can change core of the organization.

Second-order change is the strategic reorientation and a change in shape that makes it more difficult and risky than the first-order change. In this research, the changes that we will discussed is the second change, where environmental conditions have given a signal to the organization to make a transformation. By doing transformation, companies are not only have the competitive advantage, but also a sustainable competitive advantage (Vibri, 2003).

One of the many factors that determine organization success to face transformation is leadership. Leadership as a part of knowledge that is very interesting and much discussed by people. It is not only attractive to the administration and management but also psychologists and history. This happened because the leadership

## CHAPTER VI

### CONCLUSION, LIMITATION, AND RECOMMENDATION

#### 6.1 Conclusion of the Research

Based on the analysis and discussion of research about Top Management Team (TMT) characteristic in implementing the Transformation Strategy at Andalas University, it can be concluded that:

1. Based on research, most of Top Management Team characteristics at Andalas University is a master degree (S2) and doctor degree (S3), male and young leader.
2. The research studies how implementation of the transformation strategy at Andalas University. The transformation strategy consist of (1)customer epicenter of business, (2)create authentic learning organization, (3) focus on solutions, (4) prepare the organization for drastic change, (5) harness the intellect of every employee, (6) create performance-driven culture, (7) learn from competition but remain faithful to the vision . Based on research proved that the transformation strategy has been implemented well by the Top Management Team at Andalas University, which indicated by mean value is 3,42 to 4,08.
3. The dominant of Transformation strategy applied to Andalas University is create authentic learning organization, where mean value for this transformation is higher than any other strategy (4,08).
4. Based on analysis and discussion needed a solution to improve the lowest transformation strategy than others. That transformation strategy is harness the intellect of every employee (3,42).

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