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**Editorial**

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# PAPERS

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# Management of Waste Treatment as an Alternative Energy Source and its Fiscal Support

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**Abstract:** In recent years, the management of waste treatment in Indonesia has become a critical issue among the stakeholders both in the government and the private sector. One way to significantly reduce waste in each region is to use incinerator technology. This technology has developed in Japan, South Korea and Europe. The burning of waste can produce electricity or the so-called waste to energy. However, to build a power plant that utilizes waste requires policy support from the Central and Regional Governments. This study seeks to identify the types of support that Central and Regional Governments can provide to develop waste to energy.

**Key words**: *Waste to energy, renewable energy, fiscal support, tipping fee, feed in tariff.*

## 1. Introduction

To realize the national energy policy target until 2025, the Government has set a target of achieving an electrification ratio of close to 100 percent by 2020 and achieving an optimal energy mix through the use of new energy and renewable energy (EBT). The use of EBT is targeted at least 23 percent in 2025 and 31 percent in 2050. In December 2015 at COP 21 Paris, President Joko Widodo has made a commitment that Indonesia will reduce emissions by 29 percent without international support and by 41 percent with international support. However, the realized renewable energy use in 2015 is still far from the commitments. As seen in the following table, the highest installed capacity of a power plant is a hydro-sourced generator (10.1 percent of its potential), while geothermal and biomass around 5 percent of their potentials.

**Table 1: Potential and Capacity Installed - Renewable Energy**

| No | Type of Plant | Potential (MW) | Installed Capacity (MW) | Ratio (%) |
|---|---|---|---|---|
| 1. | Hydro | 75,000 | 7,573 | 10.1 |
| 2. | Geothermal | 28,910 | 1,344 | 4.65 |
| 3. | Bioenergy | 32,654 | 1,717 | 5.26 |
| 4. | Solar | 4.80 kWh/m$^2$/day | 48 | |
| 5. | Wind | 3-6 m/s | 1,87 | |
| 6. | Marine | 49,000 | - | |

**Source:** Ministry of Energy and Mineral Resource, 2015

In reaching the above targets, Indonesian government has to see many obstacles. The biggest challenge is the determination of tariffs, either purchasing electricity from PT PLN (feed in tariff) or the tariff charge to PT PLN customers. The government can not set high tariffs for renewable energy. The consequences of high feed in tariffs result in expensive tariffs being charged to electricity customers. The use of renewable energy will have positive impact on reducing emissions compared to the use of fossil energy. Yet, it is ironic since the use of renewable energy is expected –ceteris paribus- to reach a maximum of only 20 percent in 2025. One alternative for renewable energy based power plants is waste to energy (WtE). The Indonesian government has issued several feed-in-tariff regulations that are quite competitive for investors to invest. However, the implementation is still facing problems because of the big difference between feed in tariffs and the basic cost of electricity supply generation by PLN. Such conditions above make the efforts to meet the government commitments to accelerate the use of renewable energy in the future difficult to realize. Another problem is the large difference in the price of purchasing electricity from waste and the selling price determined by the government results in subsidies. For example: the purchase price of PLN from WtE is IDR 2,533 per kWh (USD 18.77 cents / exchange rate IDR 13,500), while the PLN BPP in Java Bali is IDR 880 per kWh. Thus the subsidy incurred by the state budget is Rp1, 653 per kWh. Another challenge for policy makers in ministries and institutions comes from the adopted thermal technology and the environmental stakeholders concern that the combustion process of waste can produce dioxin toxins - a very dangerous substance for health. Until

now there is no appropriate technology in waste management for WtE in Indonesia (Ministry of Energy and Mineral Resources, 2015).

The other issue related to managing waste to become one of the electricity sources is the high investment costs for WtE development. The high investment costs results in expensive electricity prices from WtE to PT PLN. Land supply is the biggest challenge in WtE development investment. Often the delay in the construction of WtE is due to unavailability of land. The next issue is the tipping fee which is an additional burden for the Regional Government in the Regional Budget. Based on the explanation above, the objectives of this study are : (i) to explore the potential of WtE to be able to contribute as a new renewable energy source in the cities of Surabaya, West Java Province and Surakarta, (ii) to analyze the amount of tipping fees and electricity prices produced by the generator, as well as the parties involved in its determination, and (iii) to analyze the form of possible support by the Central Government to the regions that have the mandate to build a waste-based power plant. Management of Waste Treatment in Indonesia: Waste is one of the typical problems of urban and tourist areas, as a result of their roles as centers of community activity. Along with population growth and the economy, the amount of waste in the cities and in tourist areas increases every day. If such conditions are not compensated with serious waste management, the bad effects of waste - such as odor and environmental pollution - are inevitable and will potentially worsen. Unfortunately, the handling of urban waste in Indonesia has not gone well. The construction of the Waste Power Plant (mentioned later as WtE), which is currently seen as the right solution for handling accumulated municipal solid waste is still constrained by various problems.

Moreover, Presidential Regulation number 18 of 2016 concerning the Acceleration of the Construction of Waste-Based Power Plants in DKI Jakarta Province, Tangerang City, Bandung City, Semarang City, Surakarta City, Surabaya City, and Makassar City as a form of Government support for urban waste management has been cancelled by The Supreme Court through Decree number 27 P / HUM / 2016. Management of waste treatment is closely related to sustainable development in each region, and it is implemented by not sacrificing the right of future generations. Thus, sustainable development should be able to manage solid waste and environmental sustainability in the area (Hermawan, 2017). Based on the evidence in other countries, the construction of WtE is one of the main alternatives to reduce waste by at least 70%. The built WtE uses a lot of incineration or thermal technology (by burning waste), which results in an electric energy generator. The support for investors is given by Japan, America, Europe, through tax incentives, subsidies and tipping fees. The tipping fee according to Presidential Decree No. 35 of 2018 concerning the Acceleration of the Construction of Waste Processing Installation into Green Energy-Based Electricity Energy is the cost incurred by the government (regional budget). To waste managers, based on the amount managed per ton, and serves as compensation for waste management services in certain locations beyond the cost of final collection, transportation and processing. Considering the large amount of support provided by the state budget on the development of waste-based renewable energy, further studies need to be conducted on the preparation of a comprehensive incentive scheme to support the issuance of a regulation to replace Perpres 18 of 2016 regarding the acceleration of the construction of waste-based power plants in DKI Jakarta Province, and the cities of Tangerang, Bandung, Semarang, Surakarta, Surabaya and Makassar.

The results of the study and discussion of the replacement of Perpres 18 of 2016 are Perpres 35 of 2018 concerning the Acceleration of the Construction of Waste Processing Installations into Electric Energy Based on Environmentally Friendly Technology. This Perpres expands the previous acceleration area of 7 (seven) cities into 12 (twelve) cities namely (i) DKI Jakarta Province, (ii) Tangerang City, (iii) Bandung City, (iv) Semarang City, (v) Surakarta City, (vi) Surabaya City, (vii) Makassar City, (viii) Bekasi City, (ix) South Tangerang City, (x) Denpasar City, (xi) Palembang City, and (xii) Manado City. The waste handling according to Law Number 23 of 2014 concerning Regional Government is a regional or local affair. However, since it is related to national interests, central government intervention in order to accelerate the development of WtE is necessary. First because the handling of waste is related to reducing emission environmental quality and public health at large Second, WtE is also closely related to the reduction of emissions that can affect economic growth. Third, WtE is also related to electricity services and national energy mix targets (Ministry of Environment and Forestry, 2016). In addition, the realization of WtE also faces various challenges which in some cases cannot be overcome by the regional overnment itself. The Central Government can provide support including creating markets and setting prices. In this regard, in 2015 the Ministry of Energy and

Mineral Resources issued Minister of Energy and Mineral Resources Regulation Number 44 of 2015 concerning Electricity Purchases by the State Electricity Company (Persero) of the City Waste-Based Power Plant. The regulation requires PT PLN (Persero) to buy electricity from WtE with a flat rate of 20 years. The regulation is then reinforced by Presidential Regulation No. 18 of 2016 concerning the Acceleration of the Construction of Waste-Based Power Plants.

In DKI Jakarta, Tangerang City, Bandung City, Semarang City, Surakarta City, Surabaya City, and Makassar City (Presidential Regulation on WtE Acceleration) unfortunately, the regulation must then face a lawsuit from environmental activists and a group of people. The Presidential Regulation on Acceleration of WtE is deemed not to allow the construction activities and the review on proposed environmental permits to be carried out simultaneously. In addition, the Presidential Regulation on Acceleration of WtE should not emphasize the use of thermal technology which is considered to pose a serious threat to the environment and public health. Other regulations relating to WtE are ESDM Minister Regulation Number 50 of 2017 concerning Utilization of Renewable Energy Sources for Electricity Supply. In addition to requiring PT PLN to buy electricity sourced from renewable energy, the regulation ensures affordable and environmentally friendly electricity prices where electricity purchase prices are: (i) if local electricity generation costs (BBP) are higher than the BPP average national generation, the maximum electricity purchase price is 100% from the local generation BPP; (ii) if the electricity generation BPP is equal to or lower than the national generation BPP, then the purchase price is carried out in accordance with the agreement (business to business). In addition, based on ESDM Ministerial Decree Number 1404K / 20 / MEM / 2017, the average national BPP in 2016 is USD7.39 cents / kWh. Regions that have BPP below the national average BPP include West Java, Banten, DKI, Central Java, East Java and Bali. While BPP above the national BPP average is Lampung, West Sumatra, North Sumatra, Riau and Riau Islands.

Aceh, Belitung, Bangka, South and West Sulawesi, Kalselteng, Kaltimra, West Kalimantan, North Sulawesi, Papua and West Papua, NTB, Maluku and Maluku the existence of a new Perpres (Presidential Regulation), namely Perpres 35 of 2018 concerning the Accelerated Installation Construction of the Waste Processing into Green Energy-Based Electricity Energy has rearranged the feed in electricity tariff or tariff that applies to 12 WtE acceleration areas, those are USD 13.35 cent per kWh for the capacity <20 MW and use formulas for the capacity > 20 MW, which is USD 14.54 cent / kWh - (0.076 x WtE capacity). Based on the new tariffs, investors and local governments are expected to be increasingly interested in managing waste into alternative resources or energy, rather than becoming only waste - something that must be disposed of or removed. Management of waste treatment in other countries has been developing for a long time along with the increase in the human population and economic activity. Japan began management of conventional waste in the 1960s, and then has become more advanced by using appropriate technology to overcome the garbage problem. Most of the waste is processed and used as electricity or waste to energy. The technology that is widely used in Japan is Incinerator Technology. Furthermore, Japan has regulated waste management through Law No. 137 of 1970 concerning waste management law which classifies the types of waste and its use. Since from households and industries, waste is sorted by its types based on the selection, some waste will be burned and some other can be used.

Thus, waste management using the reuse, reduce and recylce (3R) system has been planted into the, community up to WtE (Kobayashi, M. et al., 2007). Initially the use of thermal or chemical or thermal incinerator technology was challenged by non-governmental organizations (NGOs) and the community itself because the flying ash releasing dioxins and furans which may cause cancer for humans who inhale them. In addition, the dust (bottom ash) from the results of burning waste can also cause cancer (Ministry of the Environment Japan, 2017). The improvement in incineration technology carried out in Japan has gained high trust from the people that the technology is safe and environmentally friendly. Dissemination to residents regarding the use of incineration technology went smoothly and did not experience obstacles or rejection from the community around the plant, although the WtE was built in the middle of the apartment (Ministry of Environment Japan, 2014). Other than Japan, Indonesia's neighboring country like Singapore has made incinerators as one of the technologies that process waste into energy, namely Waste-Based Power Plants. The use of incinerator technology is seen as more effective and efficient in eliminating or reducing waste significantly. The sorting of 3R waste from households to landfills is well managed by the Singapore Government. In addition, the Singapore Government provides a tipping fee of around 60-70 Singapore Dollars

to process waste into electricity to investors or managers of WtE (National Environment Agency Singapore, 2018).

## 2. Methodology

In general, the research approach adopted is descriptive qualitative approach using the literature analysis related to several policies and field findings methods. Technical data collection uses survey methods in the sample areas, namely Surabaya, Surakarta and Bandung as cities / regions listed as executors of the accelerated construction of WtE in accordance with Perpres No. 35 of 2018.

## 3. Results and Discussion

**Management of Waste Treatment in Surabaya City:** The city of Surabaya produces up to 1,600 tons/day from the activities of three million citizens. Based on the data from the Surabaya City Government, the waste generated every day is also contributed by the high level of non-resident activities in the city of Surabaya. Garbage in the city of Surabaya consists of at least 31 types, of which around 60-70% is wet waste. The Surabaya City Municipal Government has implemented a zero waste policy through the Waste Bank program to carry out 3R activities (reduces reuse, and recycles). This process has succeeded in reducing around 30-40% of the waste before being sent to the Final Management Site (TPA), so that it is expected to reduce the amount of landfill in TPA. In managing its waste, the City Municipal Government involves the role of private sector through an auction process. Based on memorandum of understanding (MoU), the current corporate selected by the Surabaya City Government to run waste management in TPA Benowo is PT. Sumber Organik, with a system of build, operate, transfer (BOT) since 2011 for a period of 20 years.

Waste management in Surabaya uses a sanitary landfill system, in accordance with the provisions in Law No. 18 of 2008 concerning Waste Management. Benowo landfill area is around 37.4 Ha which is owned by the Surabaya City Government the survey results to TPA Benowo, Surabaya shows that the Surabaya City Government has truly involved the role of the private sector through such actions (Kurniawan, Faizal & Shintarini, 2014). In this cooperation, the Surabaya City Government invested Rp336 billion in the form of providing 18 hectares of land, while the waste management in Surabaya City Government paid a tipping fee to PT. Sumber Organik of Rp119,000 / ton for the first year. The tipping fee has increased by 7% per year in the first 10 years. While in the second 10 years there was a 3% increase per year. For 2016, 2017 and 2018, the tipping fee paid by the Surabaya City Government to PT. Sumber Organik sources are Rp155,985 per ton, Rp166,904 per ton, and Rp.178,587 per ton. The amount of waste generated sent to Benowo Landfill from Surabaya City is 1,600 tons per day (see Table 2).

**Table 2: Surabaya City Government Tipping Fee and PT Sumber Organik Contribution**

| Year | | Tipping Fee (Rp/Ton) | Contribution (Rp Million) | Year | | Tipping Fee (Rp/Ton) | Contribution (Rp Million) |
|---|---|---|---|---|---|---|---|
| I | 2012 | 119,000 | 3,645.47 | XI | 2022 | 223,152 | 7,996.04 |
| II | 2013 | 127,330 | 3,926.16 | XII | 2023 | 227,165 | 8,682.48 |
| III | 2014 | 136,243 | 4,233.71 | XIII | 2024 | 232,168 | 9,431.81 |
| IV | 2015 | 145,780 | 4,570.48 | XIV | 2025 | 236,811 | 10,249.65 |
| V | 2016 | 155,985 | 4,939.05 | XV | 2026 | 241,547 | 11,142.12 |
| VI | 2017 | 166,904 | 5,342.24 | XVI | 2027 | 246,378 | 12,115.92 |
| VII | 2018 | 178,587 | 5,783.12 | XVII | 2028 | 251,306 | 13,178.33 |
| VIII | 2019 | 191,088 | 6,265.02 | XVIII | 2029 | 256,332 | 14.337.29.000 |
| IX | 2020 | 204,464 | 6,791.61 | XIX | 2030 | 261,458 | 15.601.460.000 |
| X | 2021 | 218,777 | 7,367.33 | XX | 2031 | 266,668 | 16.980.276.000 |

**Source:** Contract No. 658.I/4347/436.6.5/2012–88/JBU-SO/8/2012, Government of Surabaya with PT Sumber Organik

From the calculations, in 2017 the Surabaya City Municipal Government allocated around Rp. 97.47 billion from the Surabaya City local government to be paid to PT. Sumber Organik. Total Tipping Fee (TF) in 2017 is the multiplication of TF (Rp/ton), volume of waste (tons), and 365 days. The amount of the tipping fee paid

by the Surabaya City Government is outside the local budget allocated for the process of collecting and transporting waste from the community to the TPA Benowo. In accordance with the MoU between the Surabaya City Government and PT. Sumber Organik, from TPA Benowo, PT Sumber Organik uses methane gas produced from landfill to be used as electricity through biogas technology facilities. Since 2015 WtE Benowo has been able to produce electricity of around 1.5 MW per day, from processing methane gas produced by landfills at Benowo landfill. Furthermore, the electricity produced is sold to PT. PLN with a price of around 18.77 cents USD / kWh which refers to Permen ESDM No. 44 of 2015. The income from the sales of electricity generated from WtE Benowo is entirely the income of PT. Sumber Organik. At present the Surabaya Municipal Government and PT. Sumber Organik is studying the processing of landfill in the Benowo landfill with thermal or combustion technology. It is intended to take advantage of the large amount of existing landfill and also the increasing supply of waste. If the above discourse comes to an implementation agreement, then from Benowo Landfill it is estimated that the electricity of 9 MW output can be produced through.

WtE by utilizing methane gas processing and burning of landfill however, this discourse still needs time considering the cancellation of Presidential Regulation No. 18 of 2016 concerning the Acceleration of WtE Development. At present the substitute regulations are still in the process of discussions between the relevant Ministries. In the old regulation, it accommodated thermal technology in processing waste, and the City of Surabaya was included as one of the seven cities listed in the Presidential Regulation No. 18 of 2016. Regarding cooperation in waste management through the WtE project, the tipping fee paid by the regional government is very much needed as an incentive to invite investment. This is to support the operational costs and maintenance of high WtE technology facilities. An offer from a number of investors who state their readiness to do waste management without the need for tipping fees with electricity rates of 18.77 cents USD / kWh, the credibility and readiness of the such investors needs to be identified further, given the record that cooperation in the construction of WtE involving such investors could not be carried out until now. With the abundant amount of waste supply from the city of Surabaya to Benowo landfill of 1,600 tons / day, 1,000 tons of which will be processed through technical sanitary landfills which can later produce methane gas.

While about 600 tons of the remaining waste will be processed through combustion techniques with the incinerator and continue to utilize the garbage heap that has been around for a long time at Benowo Landfill. In order to maintain the sustainability of WtE Benowo production with combustion technology, a number of cities / regencies around the city of Surabaya are also involved. Related to electricity subsidies allocated in the state budget through PLN bills, the price difference sold by PT Sumber Organik to the East Java Regional PLN PT follows the set price (feed in tariff / FiT) in accordance with Ministerial Regulation ESDM No. 19 of 2013 amounting to Rp1,250 per kWh with a capacity of up to 10 MW. The electric power sold by PT Sumber Organik is 1.65 MW since the commercial operation date in December 2015. While the basic cost of supply (BPP) of electricity is Rp1,015.62 per kWh. The electricity subsidies budgeted and provided in the state budget per month are around Rp150 million to Rp250 million. The realized electricity subsidies originating from WtE Benowo Surabaya in 2015 amounted to Rp134.83 million, in 2016 amounting to Rp2.89 billion and January - August 2017 amounting to Rp1.96 billion. The sales, purchases, BPP and subsidies from WtE Benowo transactions using sanitary landfill technology can be seen in the following table.

**Table 3**: **Sales, BPP & Subsidy WtE Benowo Surabaya with SL Technology**

| Month | Sent kWh Ammount | | Buy Price (Rp) | Total Price (Rp Mill.) | BPP (Rp) | Total Cost of Production (BPP) (Rp Mill.) | Subsidy Needs (Rp Mill.) |
|---|---|---|---|---|---|---|---|
| | up to 1.65 MW ; Price = Rp1,250 | > 1,65 MW ; Price = Rp0 | | | | | |
| Dec-15 | 720,800 | - | 1,250 | 901.00 | 1,062.93 | 766.16 | 134.84 |
| Jan-16 | 987,024 | - | 1,250 | 1,233.78 | 1,015.62 | 1,002.44 | 231.34 |
| Feb-16 | 965,520 | - | 1,250 | 1,206.90 | 1,015.62 | 980.60 | 226.30 |
| Mar-16 | 1,227,600 | 15,284 | 1,250 | 1,534.50 | 1,015.62 | 1,246.78 | 287.72 |
| Apr-16 | 1,188,000 | 2,414 | 1,250 | 1,485.00 | 1,015.62 | 1,206.56 | 278.44 |
| May-16 | 1,087,120 | - | 1,250 | 1,358.90 | 1,015.62 | 1,104.10 | 254.80 |
| Jun-16 | 914,778 | - | 1,250 | 1,143.47 | 1,015.62 | 929.07 | 214.40 |
| Jul-16 | 1,177,000 | - | 1,250 | 1,471.25 | 1,015.62 | 1,195.39 | 275.86 |
| Aug-16 | 967,660 | - | 1,250 | 1,209.58 | 1,015.62 | 982.78 | 226.80 |
| Sep-16 | 1,015,380 | - | 1,250 | 1,269.23 | 1,015.62 | 1,031.24 | 237.98 |
| Oct-16 | 1,083,480 | - | 1,250 | 1,354.35 | 1,015.62 | 1,100.41 | 253.94 |
| Nov-16 | 1,061,840 | - | 1,250 | 1,327.30 | 1,015.62 | 1,078.43 | 248.87 |
| Dec-16 | 672,160 | - | 1,250 | 840.20 | 1,015.62 | 682.66 | 157.54 |
| Jan-17 | 693,300 | - | 1,250 | 866.63 | 1,025.78 | 711.17 | 155.45 |
| Feb-17 | 873,520 | - | 1,250 | 1,091.90 | 1,025.78 | 896.04 | 195.86 |
| Mar-17 | 1,164,980 | - | 1,250 | 1,456.23 | 1,025.78 | 1,195.01 | 261.21 |
| Apr-17 | 1,158,720 | - | 1,250 | 1,448.40 | 1,025.78 | 1,188.59 | 259.81 |
| May-17 | 1,064,520 | - | 1,250 | 1,330.65 | 1,025.78 | 1,091.96 | 238.69 |
| Jun-17 | 1,101,720 | - | 1,250 | 1,377.15 | 1,025.78 | 1,130.12 | 247.03 |
| Jul-17 | 1,177,000 | - | 1,250 | 1,471.25 | 1,025.78 | 1,207.34 | 263.91 |
| Aug-17 | 839,420 | - | 1,250 | 1,049.28 | 1,025.78 | 861.06 | 188.22 |
| **Total** | **21,141,542** | | | **26,426.93** | | **21,587.91** | **4,839.01** |

**Source:** PT PLN, 2017. SL = *Sanitary Landfill*

The investment costs incurred by PT Sumber Organik on the construction of WtE Benowo with Sanitary Landfill technology with a capacity of 2 MW are around USD 7.05 million or IDR 74.14 billion with an Internal Rate Return (IRR) of 13.70 percent per year and a payback period of 7 years 8 months. The cost of capital in such a case is assumed to be 12 percent per year. The IRR of 13.70 percent is close to the arbitrary number agreed upon and generally above the bank interest. The normal 14% IRR rate adopted by PLN refers to the coal-fired projects. In addition to the sanitary landfill technology used by PT Sumber Organik, the elimination of waste (zero waste) will also be carried out through a thermochemical technology called gasification. At present, PT Sumber Organik is implementing a WtE construction and the construction is planned to operate in 2018. The electricity tariff sold to PT PLN East Java is estimated using ESDM Regulation No. 44 of 2015, which is USD 18.77 cents per kWh or around IDR 2,533.95 with an exchange rate of IDR 13,500 per USD. The application of high tariff clearly benefits investors and burdens the state budget because the difference between feed in tariff (FiT) and BPP is around Rp1,497.95 per kWh. The need for electricity subsidies from WtE Benowo Thermochemical Gasification in 2018 is estimated at Rp. 94.47 billion.

**Table 4: Sales, BPP & Subsidy WtE Benowo Surabaya with TG Technology**

| Year | Sent kWh Amount | Exchange Rate (Rp/USD) | Unit Price (Rp/kWh) | Purchasing Price (Rp Mill.) | BPP (Rp) | Total Purchase Price (Rp Mill.) | Subsidy Needs (Rp Mill.) |
|---|---|---|---|---|---|---|---|
| 2018 | 63,072,000 | 13500 | 2,533.95 | 159,821 | 1,036 | 65,344.87 | 94,476 |
| 2019 | 63,072,000 | 13500 | 2,533.95 | 159,821 | 1,046 | 65,998.32 | 93,823 |
| 2020 | 63,072,000 | 13500 | 2,533.95 | 159,821 | 1,057 | 66,658.30 | 93,163 |
| 2021 | 63,072,000 | 13500 | 2,533.95 | 159,821 | 1,067 | 67,324.88 | 92,496 |
| 2022 | 63,072,000 | 13500 | 2,533.95 | 159,821 | 1,078 | 67,998.13 | 91,823 |
| 2023 | 63,072,000 | 13500 | 2,533.95 | 159,821 | 1,089 | 68,678.11 | 91,143 |
| 2024 | 63,072,000 | 13500 | 2,533.95 | 159,821 | 1,100 | 69,364.90 | 90,456 |
| 2025 | 63,072,000 | 13500 | 2,533.95 | 159,821 | 1,111 | 70,058.54 | 89,763 |
| 2026 | 63,072,000 | 13500 | 2,533.95 | 159,821 | 1,122 | 70,759.13 | 89,062 |
| 2027 | 63,072,000 | 13500 | 2,533.95 | 159,821 | 1,133 | 71,466.72 | 88,355 |
| 2028 | 63,072,000 | 13500 | 2,533.95 | 159,821 | 1,144 | 72,181.39 | 87,640 |
| 2029 | 63,072,000 | 13500 | 2,533.95 | 159,821 | 1,156 | 72,903.20 | 86,918 |
| 2030 | 63,072,000 | 13500 | 2,533.95 | 159,821 | 1,167 | 73,632.23 | 86,189 |
| 2031 | 63,072,000 | 13500 | 2,533.95 | 159,821 | 1,179 | 74,368.56 | 85,453 |
| 2032 | 63,072,000 | 13500 | 2,533.95 | 159,821 | 1,191 | 75,112.24 | 84,709 |
| 2033 | 63,072,000 | 13500 | 2,533.95 | 159,821 | 1,203 | 75,863.36 | 83,958 |
| 2034 | 63,072,000 | 13500 | 2,533.95 | 159,821 | 1,215 | 76,622.00 | 83,199 |
| 2035 | 63,072,000 | 13500 | 2,533.95 | 159,821 | 1,227 | 77,388.22 | 82,433 |
| 2036 | 63,072,000 | 13500 | 2,533.95 | 159,821 | 1,239 | 78,162.10 | 81,659 |
| 2037 | 63,072,000 | 13500 | 2,533.95 | 159,821 | 1,252 | 78,943.72 | 80,878 |
| 2037 | 63,072,000 | 13500 | 2,533.95 | 159,821 | 1,264 | 79,733.16 | 80,088 |
| **TOTAL** | | | | **3,356,247** | | **1,518,562** | **1,837,685** |

**Source:** PT PLN, 2017. TG = Thermochemical Gasifikasi. BPP = Cost of Production

The investment costs incurred by PT Sumber Organik on the construction of WtE Benowo with Thermochemical Gasification technology with a capacity of 9 MW are around USD 54.18 million or Rp644.43 billion. The figure is calculated with an Internal Rate Return of 13.19 percent per year and a payback period of 8 years 3 months, while the cost of capital is assumed to be 12 percent per year.

**Management of Waste Treatment in West Java:** Specific waste is rubbish containing hazardous and toxic materials, garbage arising from disasters, building debris, waste that is technically not yet able to be processed and waste that arises periodically. Service compensation, also known as a tipping fee, is the amount of fees that must be paid by the Regional Government, either cities or districts to be used in carrying out the tasks of waste treatment and final processing of waste both technically, socially and environmentally (Cordato, 2001).

**Final Waste Processing at Legok Nangka:** The management of the Legok Nangka Regional TPPAS is under the control of the Regional Waste Management Center (BPSR), which is a technical implementation unit (UPT) at the West Java Province Environmental Agency. The cost components in the Legok Nangka Regional TPPAS include: (i) Investment costs, which consists of land acquisition, planning, construction of Regional TPPAS facilities, as well as final waste treatment and processing equipment, and (ii) Operational and maintenance costs, which consists of the costs of personnel, fuel, maintenance and maintenance of machinery, materials, building maintenance, overhead and administration. Normally, the operational and maintenance costs of the Legok Nangka regional TPPAS are the responsibility of service providers and are the responsibility of waste-producing regions, including (i) Bandung City, (ii) Cimahi City, (iii) Bandung District, (iv) West Bandung Regency, (v) Sumedang Regency and (vi) Garut Regency, while investment costs are sourced from the West Java Provincial Government. The investment costs for the Legok Nangka Regional TPPAS infrastructure and facilities are amounted to Rp585.29 billion, while the operational and maintenance costs are amounted to Rp67.09 billion per year (see Table 5). The processed waste products will become fuel

for the cement industry as a substitute for coal for electricity generation. These processed products are usually called briquette refused derived fuel (RDF).

**Table 5: Cost of Investment in Infrastructure, Facilities, Operations, Maintenance & TF at TPPAS Legok Nangka**

| No | Infrastructure and Facilities | Cost (Rp Mill.) | No | Components | Annual Cost (Rp Mill.) |
|---|---|---|---|---|---|
| 1. | Land provision TPPAS | 35,000 | 1. | Personnel cost | 16,824.30 |
| 2. | Building Construction | 23.039 | 2. | Fuel | 37,586.16 |
| 3. | Site Landfill Construction | 113.168 | 3. | OM Machine | 5,125.55 |
| 4. | Work of Waste Management Unit | 381.000 | 4. | Materials | 3,674.55 |
| | Pre Sorting and Selection | 65.000 | 5. | Building maintenance | 3,501.00 |
| | Komposting | 65.000 | 6. | Overhead & Admin. | 385,50 |
| | Recycling | 6.500 | **Total** | | **67,097.01** |
| | Briquette refused derived fuel (RDF | 244.500 | | Garbage Vol. (Tons/year) | 547.500 |
| 5. | Infrastructure and Facilities Construction | 11.280 | | TF Fee TPPAS (Rp/Tons) | 122.552 |
| 6. | Procurement of Work Supporting Facilities | 21.762 | | Tipping Fee (Rp/Tons) | **123.000** |
| **Total** | | **585.249** | | | |

**Source:** Contract Government West of Java, City of Bandung, Cimahi, District Bandung, District. Bandung Barat, District Sumedang and District Garut No. 658.1/62/otdaksm, 658.1/954/PDKBR, 189/36-Perj/2014, 658.1/03-Dispertasih/2014, 612.4/332/DCKTR, 658.1/PKS.17-Huk/2014, &660.1/991DLHKP, 8 April 2014. *TF = Tipping Fee.*

In its development, the West Java Provincial Government revised the waste processing in Legok Nangka from RDF to waste combustion using a technology which has been proven and applied in other countries. The garbage from six cities / regencies in West Java has reached 1,820 tons per day. Therefore, the simple technology of SL and the waste processing into RDF are not able to reduce waste to 70%. Based on the joint agreement it was decided that waste management at Legok Nangka was offered to investors on January 29, 2018 through market sounding for PPP bidding process Legok Nangka regional solid waste treatment and final disposal site project. The offer of this project is very attractive to investors because the tipping fee given is a maximum of IDR 386,000 per ton plus the stipulation of electricity rates is estimated at USD 13.44 cents per kWh. It is planned that the construction of WtE begins in 2018.

**Final Waste Processing at Regional TPPAS Sarimukti:** Sarimukti Regional TPPAS which is located in Cipatat, West Bandung Regency was initially used by the City of Bandung, Cimahi City and West Bandung Regency. However, since 2016, Bandung Regency has been disposing waste without reducing the quota from the previous three regions. The Sarimukti Regional TPPAS comes into operation since Babakan waste disposal facility (TPAS) in Bandung Regency has expired. Bandung Regency does not have other TPAS that can be utilized to overcome the limitations of waste management facility. While Sarimukti Regional TPPAS is a land owned by Perum Perhutani which has been jointly managed with the West Java Provincial Government since 2008 as Sarimukti Compost Processing Site Service compensation (KJP) or tipping fees are also applied to Sarimukti's Temporary Regional TPPAS of IDR 50,000 per ton since the beginning of January 2017. In the previous year, the imposition of KJP was IDR 29,000 per ton. The application of tipping fees can change every year based on the evaluation results from the Regional Government – the institution that so far sends waste to the Sarimukti Temporary Regional TPPAS.

**Management of Waste Treatment in Surakarta City:** The results of the BKF field survey in Surakarta City show that waste management in Surakarta is a collaboration of local government with investors. Waste final processing sites (TPA) have exceeded capacity, while to find another land is very difficult, thus the local government pioneered cooperation with investors for waste management. The auction phase had been conducted up to 3 times but failed. Later in August 2016 the auction was managed to get a winner, namely PT.

Citra Metrojaya Putra in a consortium with PT. Energy Housing Development - which is a subsidiary of BUMN Pembangunan Perumahan (PP)- to become PT. Solo Metro Plasma Power Image (SCMPP). In the beginning of 2018 the construction of waste processing should have been completed and begun testing at Putri Cempo landfill. The technical implementing unit that manages regional waste within the West Java Provincial Government is the Regional Waste Management Center under the Environment Agency. The city of Surakarta became the first local government to carry out waste management together with the private sector as investors without tipping fees. There is already an MoU with PLN, once it is managed to produce electricity, the electricity output will be purchased by PLN. The investor main income is from the sale of electricity excluding tipping fees. It is hoped that waste management will continue for up to 20 years. The perceived obstacles to the implementation of this tipping fee are because the first and it is the only one in Indonesia, thus many parties doubt it due to no tipping fees.

The feasibility study is made by investors, and the study is estimated to be completed at the end of 2017 at the time of auction only pre Feasibility Study (FS). It is estimated that investors will get profits with the costs incurred around Rp420 billion. The results of the calculation of the break event point (BEP) or payback period will be reached around 6-6.5 years with a cooperation agreement for 20 years. A power purchase contract agreement is required the expected tariff is in accordance with the Minister of Energy and Mineral Resources Decree Number 44 of 2015. The WtE Putri Cempo is expected to produce a minimum of 4.5 MW of electricity. Since 2016 a Public Private Partnership (PPP) has been established. From the government side, the PPP team members consist of Bappeda, Public Works Agency, and the Legal Bureau. Its task is to bridge the Surakarta City Government and investors, and the team will be upgraded to the UPT level of the waste management UPT. Waste requirements for WtE per day are 450 tons / day, consisting of 250 tons of new waste 200 tons of old waste in the landfill. Since in the future the garbage in Surakarta will not be enough for the needs of WtE Surakarta, Solo Raya needs coordination for the provision of waste from other regions. The adopted technology for waste treatment in Surakarta City is Plasma Gasification. The choice of technology at the time of the third auction was left to investors, and the investors chose plasma gasification. The reason why the technology used is not incinerator, because the latter technology is old and inefficient.

Plasma gasification technology has been carried out in the United States and Nagasaki. The relevant head of the environmental service has once visited Nagasaki and seen the technology is proven operationally effective. The survey results also show that the WtE built does not require tipping fees. This is quite interesting for other LGs that will build WtE using incinerator technology. PT SCMPP benefits only from the sale of electricity (FiT) which is assumed to be USD 18.77 per kWh assuming a 20-year contract. The return on investment is 14.1 percent and the payback period is quite fast at around 6.8 years. Private investment in WtE in Putri Cempo, Surakarta is a favorable choice for the local government and the private sector. Compared to WtE TPA Benowo, Surabaya, it is seen that only PT Sumber Organik which has benefited, while the Surabaya city budget continues to grow with the escalation of tipping fees and the volume of waste generation which continues to increase every year. Based on the survey results, the selection of technology will affect the presence or absence of tipping fees. The choice of technology also affects the volume of waste generated. The choice of technology affects the amount of government support (APBN). The construction of WtE with gasification technology gives a big advantage to investors (IRR and payback period/PBP). Thus, the construction of WtE in Surakarta City only burdens the state budget in the form of electricity subsidies due to the difference between PLN FiT and BPP.

**Electricity Subsidies and Challenges in the Management of Waste Treatment:** The programs, i.e. Electricity Subsidies and Fiscal Incentives Assistance are intended to support the acceleration of WtE development in accordance with Presidential Decree 58 of 2017 in the areas of DKI Jakarta, Tangerang, Bandung, Semarang, Surakarta, Surabaya, Denpasar and Makassar. Initially the acceleration of WtE development which was included in the national strategic projects was only in three cities, namely Tangerang, Semarang and Makassar. Furthermore, in Presidential Regulation 18 of 2016 which has been revoked by the Supreme Court as many as seven cities, i.e. DKI Jakarta, Tangerang, Bandung, Semarang, Surakarta, Surabaya, and Makassar are also involved. The results of the 2017 survey, there were two additional cities namely Palembang and Manado participating in the acceleration of WtE development. Thus, there would be in total ten cities pr regions accelerating the construction of WtE are given a support by the Central Government. The support is provided by the Government through the APBN includes electricity

subsidies, tipping fee assistance and generally accepted fiscal incentives. The provision of electricity subsidies is carried out with ESDM Ministerial Regulation Number 44 of 2015, by the determination of electricity tariffs sold by investors to PLN at USD 18.77 per kWh. This large tariff clearly benefits investors and becomes a burden to the Government because there is a difference between the feed in tariff and the cost of supply of PT PLN. The regulation was adjusted by the Ministry of Energy and Mineral Resources in 2017 through numbers 12 and number 50.

Minister Regulation (MR) ESDM No. 12 of 2017 concerning Utilization of Renewable Energy Sources for Electricity Supply in Article 22 states that in the purchase of electricity from WtE for the acceleration of WtE development program, the provisions regarding the purchase and price of electricity are ruled in accordance with the provisions stipulated in legislation before Ministerial Regulation Number 12 2017 promulgated. Thus, MR ESDM No. 12 of 2017 can not be applied to cities designated as areas for accelerating the construction of WtE infrastructure after Presidential Regulation No. 18 of 2016 was revoked by the Supreme Court at the end of 2016. Thus, the feed in tariff that applies to WtE is USD 18.77 per kWh as stipulated in ESDM Regulation Number 44 of 2015. Not too long, in early August 2017, the Ministry of Energy and Mineral Resources re-revoked MR ESDM No. 12 of 2017 with ESDM Regulation No. 50 of 2017 concerning Utilization of Renewable Energy Sources for Electricity Supply. Article 26 states that the for purchase of electricity from WtE for the WtE development acceleration program, the provisions regarding the purchase and price of electricity are ruled in accordance with the provisions stipulated in the legislation before this Ministerial Regulation comes into force. Thus, there is no fundamental change between the Minister of Energy and Mineral Resources No. 50 of 2017 with ESDM Regulation No. 12 of 2017, specifically for the purchase of electricity from WtE. For Surakarta regions or cities that have conducted an auction with PT SCMPP, they will use the BPP Generation in the local electricity system (i.e. Central Java).

Minister of Energy and Mineral Resources Decree No. 1404 K / 20 / MEM / 2017 dated March 27, 2017 states that the amount of BPP Generating PT PLN in 2016 in the Central Java region is USD 6.52 cent per kWh or around Rp868 per kWh. The amount of BPP will almost certainly reduce investors' interest in entering WtE development. Tariff setting in Presidential Regulation No. 18 of 2016 is very high at USD 18.77 cent per kWh or around Rp2499.72 per kWh with an exchange rate of Rp13,307 / USD. Considering the fact that the waste business has become part of the Government affairs, waste management should no longer let the garbage just stacked, but all the waste that enters the landfill should be destroyed. Extermination of waste can be done by direct combustion on incinerator technology or by also processing garbage into refused derived fuel (RDF) which is used as one of the fuels for steam power electricity generation. The technology of incinerator and gasification has become an issue that is constantly being raised by environmental NGOs. The combustion system can produce dust that is harmful to public health. A slightly softer opposition is by gasification because the waste is processed into briquettes. The next challenge is how the development of renewable energy from waste to energy (WtE) can support the target of using renewable energy by 25 percent or 45 GW by 2025 and the government international commitment to reduce greenhouse gases (GHG) by 29 percent or 314 million tons of CO2 in 2030. Calculation of degradable organic carbon (DOC) states that 0.15 kg of methane (CH4) is produced by every 1 kg of dry waste and CH4 emissions of organic waste is 0.07 - 0.11 kg CH4 per organic waste dry weight (Intergovernmental Panel on Climate Change, 2007).

This commitment has some implications for the state budget, including: (i) the allocation of regional transfers through non-physical DAK increases every year. The provision of tipping fees will lead to injustice for other regions that are not in the area of accelerating WtE development. (ii) State revenues are reduced by providing fiscal incentives, (iii) providing electricity subsidies that are right on target and controlling mandatory spending, and (iv) financing WtE development projects that receive guarantees by the mechanism of government cooperation with business entities (PPP). The PPP mechanism also provides facilities for projects to be implemented such as the viability gap fund (VGF) and availability payment (AP). The VGF and AV provision is supported from the APBN. The Ministry of Energy and Mineral Resources can also issue a special regulation that regulates the purchase price of electricity by PT PLN for WtE, for example, at USD18.77 cents per kWh as ruled in Permen ESDM No. 44 of 2015. Price regulation is allowed with a more fair and transparent formula by weighing the amount of tipping fees. The greater the tipping fee is imposed, the less the feed in tariff is set by the Government.

The first proposal for tipping is given to investors in the amount of Rp500,000. Based on the amount of the tipping fee, the selling price of the generator is set at USD 13.35 cents / kWh or equal to Rp.1935.75 at the rate of Rp.14,500. The FiT formula which is proposed for WtE with a capacity of up to 20 MW is USD 13.35 cent per kWh. While capacity > 20 MW is USD 14.54 cent per kWh - (0.076 x WtE Capacity). The Central Government can provide tipping fee assistance through non-physical Special Allocation Funds (DAK) as long as the Regional Government (District / City) has allocated it in the Regional Budget. Furthermore, the Provincial Government is also obliged to provide tipping fees if the region has not been able to fulfill all tipping fee obligations. The biggest portion of budget for waste management should come from the Regency / City, considering that it is the regional and regional authority that benefits most from the WtE project, which is at least 50 percent of the tipping fee per ton. If funding support for waste management is needed, the Provincial Government should play a bigger role than the Central Government even though the Central Government can also participate at least 25 percent. Tipping fees from non-physical DAK can be given a maximum of 25 percent of the total tipping fee. The provision of tipping fees needs to be regulated in the Minister of Environment and Forestry Regulation. The following table is a simulation of the total tipping fee and electricity subsidies that can be aligned in the 2019 State Budget to the ten cities that are included in the areas selected for accelerating the WtE development.

**Table 6: APBN Support for the Acceleration of WtE Development in Three Cities**

| | **Waste Volume** | **FIT** | **Tipping Fee** | **Regional Gov. TF** | **Prov. Gov. TF** | **DAK NF (APBN)** | **Electric Subsidy (State Budget)** |
|---|---|---|---|---|---|---|---|
| | | | | (51%) | 25% | 24% | |
| | (ton) | (Rp/kWh) | (Rp/ton) | (Bill. Rp) | (Bill. Rp) | (Bill. Rp) | (Bill. Rp) |
| Surabaya (9 MW) | 1.000 | 1.935,75 | 500.000 | 93,07 | 45,62 | 43,80 | 56,74 |
| Jawa Barat (20 MW) | 1.820 | 1.935,75 | 500.000 | 169,39 | 83,03 | 79,71 | 284,59 |
| Surakarta (5 MW) | 450 | 1.935,75 | 500.000 | 41,88 | 20,53 | 19,71 | 42,33 |
| Total | | | | | | 143.22 | 383,66 |

**Source:** Simulation Output, 2018

The State Budget support related to waste management in 2019 is as follows: (i) Electricity subsidies for three cities are Rp383.66 Billion (ii) Non-Physical DAK assistance with a maximum criteria of 25% is Rp143.22 Billion. The total Support for the 2019 State Budget is Rp526.88 billion.

## 4. Conclusion

The main objective of WtE development is to destroy waste, while electricity is an additional benefit. Moreover, the efficiency of WtE to produce electricity has so far only reached 17 percent. According to Law No. 32 of 2014 concerning Regional Government, waste management is a regional affair so that the provision of tipping fees becomes an obligation of the region. The waste treatment using the thermal technology is the most suitable for the city Surabaya, Surakarta and West Java Province (those accelerating the construction of WtE), because it is most effective in reducing landfill. In the waste treatment, a number of regions have adopted a tipping fee policy, which is a waste processing fee outside of the collection, transportation and delivery of garbage. The amount of tipping fee provided in the local budget three cities around Rp150,000-Rp400,000 tons of garbage. The imposition of tipping fees is a natural thing as also applied in several other countries such as Japan, America, Sweden, Denmark and Finland. The support provided by the central government to local governments that have managed their waste includes (i) electricity subsidies through the difference in tariffs set by the government with the cost of supply from plants around USD 6-7 cents per kWh, and (ii) assistance with tipping fees from state budget is a maximum of 49% of the total cost of waste management services.

**Recommendations**: The amount of tipping fee for each region should be adjusted to the characteristics of the waste, the area, and the location of the landfill. The purchase price of electricity from WtE for a certain rupiah needs to be stipulated in the revised Perpres No. 18 of 2016 to provide certainty reasonable prices to investors. The things that need to be addressed in the provision of tipping fees are the supportive regulatory

framework for providing assistance to other regions. Currently, the assistance provision always needs legislative annual approval. In addition, to provide certainty to investors, the Regional Government needs to issue a statement that waste to energy investment is supported during the contract.

Thus, the change of regional head and local senators does not affect the contracts that have been carried out by the previous government. Considering the large amount of support provided by the state budget on the development of waste-based EBT, further studies need to be conducted on the preparation of a comprehensive incentive scheme to support the issuance of a Perpres 18 of 2016 regarding the acceleration of the construction of waste-based power plants in DKI Jakarta Province, Tangerang City, Bandung City, Semarang City, Surakarta City, Surabaya City and Makassar City. The plan for issuing a new Perpres also needs to accommodate other cities such as Denpasar City other cities in Bali, Palembang City and Manado City. These cities are possible to obtain additional regional incentive funds that have managed their waste well. Further studies on the development of garbage or waste-based WtE also need to calculate the fiscal burden in the state budget. This burden arises if more and more regions need the support of the Central Government through electricity subsidies, tipping fee assistance through non-physical DAK and tax incentives. Another thing that is quite important from the follow-up study is the calculation of the value of emissions from waste which was previously only disposed of to landfill compared to being destroyed and utilized as electricity.

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# Perception of Thai Students on Graduate Business Program: Comparison between Online and On-Campus Program

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**Abstract:** This study was an investigation of the perception of Thai students on graduate business program comparison between Online and On-Campus program. The graduate business program appropriate with people who seek to advance your current position, growth your career, the source of competitive advantage, develop the business knowledge, development yourself, increase management skill, and start students' own business. The qualitative research by in-depth interview of thirty students who want to study in graduate business in the comparison between Online and On-Campus program. The question was an interview about the benefit of Online and On-Campus business program, the disadvantage of Online and On-Campus business program, the balancing of learning ,working, life balance, the advance on job career of Online and On-Campus business program. The Online business program, students, can balance the learning, and work responsibility because of the graduate business program available to students 24 hours in 7 days in everywhere your convenience. The students can schedule, ask the question a one- on one meeting discussion between students, and professor. The Online program is not disrupting work, your hobby, and daily family life. The online graduate business program appropriates with people who seek to growth, your career and develop the business knowledge. The On-Campus program has a strong relationship, the connection among students more than the online graduate business program. Students can interact with friends and professor. On-Campus enhances the leadership of the students and quantitative skill. The student has alumni, and community in the building. On-Campus graduate business program appropriate with people who seek to advance your current position source of competitive advantage, increase management skill start students' own business because program give the educational experience, and communication skill.

**Keywords:** *Perception, online graduate business program, on-campus graduate business program.*

## 1. Introduction

Objectives of this study to compare Thai students perception between On-campus and Online graduate business program, and find out the benefit and advantage of On-campus Online graduate business programs of Thai students. The On-Campus and Online business graduate programs are the qualifications for a supervisor to advanced to manager, give your opportunities for a salary increase. Students have decision making to apply Online or On-Campus program depend on various reasons.

- The degree of designation. The degree is the most important for students who seek to advance the job and increase salary.
- Cost of the program. The students compare the cost between Online and On-Campus before deciding to apply for the program.
- Difficulty of On-Campus, and Online graduate business program.
- Library services for students On-Campus and Online program.
- The Value of networking among students, alumni compare between Online and On-campus business program.

**Objective**: To study the perception of Thai students between Online and On-Campus graduate business program in Thailand.

## 2. Review of Literature

Maija et al. (2016) study that the international massive open online course (MOOC) was experienced to be relevant following reasons: good content, implementation of course, the course makes it possible to study in a new way, and the personally useful. The characteristics of the MOOC, such as being available anywhere,

anytime, free access, online learning, bringing out a flexible new way of learning. Miri et al. (2016) study that both On-Campus and Online students maintained that successful online learning relies on cognitive strategies, and regulation of cognition (a metacognitive skill). Online students indicated the skills, such as planning, thinking, and evaluation. On-Campus students must have self-responsibility.

Muqiang et al. (2018) study show that the students maintain the best learning achievement by using a cost-efficient technique that encourages students to receive knowledge without On-Campus limitation. More importantly, compared with the On-Campus lecture-based course category, the Online and On-campus course significantly improved the students' knowledge, and hard skill. Ismail & Omer (2014) study that the new technologies in the electronic learning such as Web-based Instruction, Online learning, and Internet-based instructionuse human-computer interaction activities for designing visuals ,text, and student design to develop future electronic learning course. Simin et al. (2014) study that the rapid growth of Information and Communications Technology (ICT) has become one of the most important topics the ICT provide proactive teaching, hard skill and learning environment. The present digital period, lecturer want to integrate ICT in their teaching, use modern equipment, and facilities. Peter (2017) study that deep learning were developed several innovative teaching strategies delivered in Research methods to graduate business students.

Blog, interactive tutorials, online videos, games, and posters are used to develop a student's cognitive abilities. Shu-Man et al. (2014) told that the potential of promoting student use the online social network. Online social networks changed the ways students manage their social relationships social network activities such as checking Facebook post and the potential to assist students' development. Elena & Ioana (2015) study that Facebook is given the uncensored post their interests, preferences, goals, and expectations. As a social networking site, Facebook is particularly used for reasons related to social documentation (social searching) maintain the relationship among friends, and initiate new contacts. Mohsen & Fatemeh (2014) told that social networks form maintaining social contacts, finding a user with common interests, creating content and sharing information. Susan et al. (2018) told that the online resource called Communication Learning in Practice. It can provide to successfully integrate the teaching and learning of a complex set of tacitly.

It also provides a flexible way for academics, and students. The repeated use of Communication and learning by students and academics indicate that the resource and its delivery model are considered useful, respected, and impactful the intended audiences. Zekai et al. (2016) study that the monitoring developments in the internal and external environmental conditions of business, gaining the necessary skill is critical. The skills are trained in strategic management course in the university. Nikolas et al. (2015) study that web conference teaching is becoming more common. Cheng & Min (2017) found that ten motivational factors in learning are as follow: interest, desire, fellowship, communication, instrumental value, perspective, the personality of the teacher, class time, method of teaching, and curriculum. Rojan (2016), study that the services of quality are positively related to student satisfaction. In this competitive management education, schools must focus on managing, and enhancing service quality to make students happy.

## 3. Methodology of Research

This study was qualitative research. In-depth interview (Individual interview) of thirty bachelor degree people which three people from each district in Chonburi province, Thailand. The four following questions were asked the participants.

**Question1:** Can you describe the benefit of the online business program, and On Campus program?

**Question2:** Can you describe the work, learning, and life balance for deciding to apply for the Online or On-Campus graduate business program.

**Question 3:** Can you explain the expectation of Online, and On-Campus business program to advance in your job career?

**Question 4:** Can you describe the disadvantage of the online business program and on-campus program?

**Question 5:** The cost of On-Campus and Online programs affect the decision to study?

**Data Analysis:** The study use content analysis, and t-test of SPSS19 to explain the compare means of data.

## 4. Results of Research

General information of participant is thirty people with age between 21-50 years old, and graduate bachelor degree.

**Table 1: Perception** of Thai Students on Graduate Business Program **Comparison between Online and On-Campus Program**

| Program | Number (person) | Mean | SD | t-test | Significance |
|---|---|---|---|---|---|
| On-Campus | 21 | 3.3333 | 0.1054 | 0.592 | 0.559 |
| Online | 9 | 3.2222 | 0.1470 | | |

The perception of Thai students on the graduate business program was not different between Online and On-Campus program. The seventy percent of participants (21 persons) decision to apply On –Campus graduate business program, and thirty percent of participants (9 persons) decision to apply for the online graduate business program.

### The Benefit and Disadvantage of on-campus and Online Program

- The benefit of the On-Campus program, the students, have a strong relationship, the connection among students more than the online graduate business program. Students can interact with friends and professor. Students have alumni, and community in the building. On-Campus program give the educational experience, communications skill meeting, enhance leadership and quantitative skill (76.67 percent of participants)
- The advantage of On-campus programs, students can get the tone of voice of lecturer, (13.33 percent of participants) get eye contact (10 percent of participants, ask the lecturer or professor immediately (23.33 percent of participants). The career counselling is available in class (36.67 percent of participants).
- On-campus students cannot skip classes and on time learning (53.33 percent of participants).
- Disadvantage of On-Campus program is waste time to travelling (100 percent of participants).
- The thirty percent of participant decision to apply for online graduate business program.
- The benefit of an online program, the students have the opportunity to plan the convenient time for learning, working, hobby, family life, and work the current job during learning (100 percent of participants).
- Online programs have less time for boarding time. Online programs have cheaper expense more than On-Campus (100percent of participants). The expense is course materials (textbooks and documents) and transport cost (26.67 percent of participants).
- Disadvantage of Online program is inconvenient to get library service in books, journal, and the service cannot available after working hours (33.33 percent of participants).
- The cost of On-Campus or Online program affects the decision to study (13.33 percent of participants).

## 5. Conclusion

The advantage of online graduate business programs, the student can learn, and make quiz 24 hours. If a student has the question, they can ask the professor immediately, the students convenient to manage the time for learning, working, family more than On-Campus graduate business program. The career advancement of online business program is growth your 0career and develops the business knowledge (73.33 percent of participants). The disadvantage of Online graduate business program, students, have not connected among 0business man because of 0learning with 000smart phone, PC computer and tablet. The decision making of students to apply for the On-Campus program more than an online program are 40 percent. The career

advancement of study On-Campus programs are advancing your current position, the source of competitive advantage, increase management skill, and start students' own business (73.33 percent).

**Discussion**

Students want to learn in the English language of both Online and On-Campus program (43.33 percent of participants) because students want to advance in job application more than in Thai language program. Students can check course accredit of the degree and certificate from the office of Civil Service Commission, Thailand or ask the information from universities before deciding to apply for the Online or On-Campus graduate business program. The researcher has further research to interview the opinion of a human resource officer for job employment's policy to Online, and On-Campus graduate business program in Thailand.

**Recommendations:** Both Online and On-campus advance job career in knowledge, high position, and increase salary (83.33 percent of participants). The progress in job, salary, promote the position depend on individual performance and graduate in departments of the program such as accountancy, commerce, management, marketing and finance.

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# The Effect of Shopping Life Style and Positive Emotion on Buying Impulse (Case Study of the Palembang City Hypermarket)

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**Abstract:** This study aims to determine: (1) the effect of Shopping Life Style on impulse buying on customers at Palembang City Hypermarket, (2) the effect of positive emotions on Impulse buying on customers at Palembang City Hypermarket, (3) the effect of Shopping Life Style and positive emotions impulse buying for customers at the Palembang City Hypermarket. This study uses primary data obtained by survey methods by distributing questionnaires that have been tested for validity and reliability. The population in this study were customers at the Palembang City Hypermarket. The sampling technique used purposive sampling method with a total sample of 150 people. The data analysis technique used is path analysis. Shopping LifeStyle has a significant effect on the Hypermarket impulse buying in Palembang. Positive emotions have a significant effect on Impulse Buying at Hypermarket consumers in Palembang.

**Keyword:** *Shopping Life Style, Positive Emotion, Impulse Buying.*

## 1. Introduction

Today's consumer needs are constantly changing, which greatly influences changes in lifestyle or lifestyle patterns. Along with changes in lifestyle, consumers will always try to meet their needs. Consumer behavior to meet their needs will be related to consumer shopping behavior. Consumer shopping behavior will arise due to the existence of planning or without prior planning (impulse buying). Consumers as purchasing decision-makers or those who influence the decision-making process need to be understood in order to create the Impulse Buying phenomenon to increase sales. To be able to bring up the impulse buying phenomenon, marketers must know the factors that influence consumers in doing impulse buying. The causes of impulse buying include excessive consumption and positive emotions (Amiri et al., 2012). At present most consumers in Indonesia are more recreation oriented when shopping (Ma'ruf, 2006). Shopping Life Style includes behavioral aspects related to multi-sensory, fantasy and emotional consumption that are controlled by benefits such as pleasure in using products and aesthetic approaches. According to Hausman (2000), the value of hedonic shopping plays an important role in impulse buying. Along with the development of Palembang City as one of the big cities and is expected to develop into a "Metropolitan" city, the existence of a comfortable and modern economy means a necessity for city residents and tourists who visit. Following the demands of these needs, in the city of Palembang also grew and developed one of them Hypermarkets.

Hypermarket is a shopping center with one or several large department stores as the attraction of small retailers and restaurants with building typologies such as shops facing the main hypermarket or pedestrian corridors which are the main elements of a shopping center (hypermarket), with functions as circulation and as a communal space for the implementation of interactions between visitors and traders (Maitland, 1987). The rapid development of this hypermarket has an impact on human behavior. At this time in human behavior there has been a shift in behavior (behavior change). The behavior of people who plan shopping becomes unplanned or impulse buying. This situation is seen in the situation of hypermarkets that provide goods that can meet their needs (consumers) and provide benefits to them financially. They forget the purpose when they enter the store as they should. This phenomenon occurs at the Hypermarket of Palembang City which provides many outlets in it and offers various consumer goods. Based on the results of pre survey observations, researchers can conclude that lifestyle is very influencing consumer thinking patterns about meeting their needs. Consumers with a shopping lifestyle will tend to be happy with everything that is luxurious without thinking about prices and budgets, including in this case the purchase of fashion products. Based on the results of observations of researchers, it shows that consumers are very easy to spend money to shop, usually will often make purchases outside of what they planned before.

## 2. Literature Review

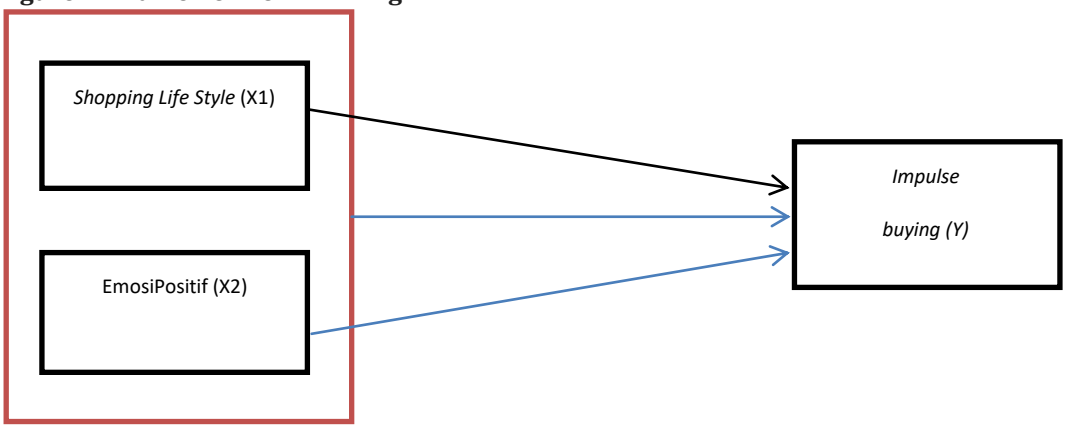
**Consumer Behavior:** An understanding of consumer behavior and the consumption process will result in a number of benefits including helping managers in making decisions, providing basic knowledge for researchers in analyzing consumers, and helping consumers make better purchasing decisions (Mowen in Dwiastuti, et al., 2012). Consumer behavior is the buying behavior of end consumers, both individuals and households, who buy products and services for personal consumption (Kotler and Armstrong, 2012). Consumer behavior is an action that is directly involved in obtaining, consuming, and consuming products and services, including the decision process that precedes and follows these actions (Engel et al., In Simamora, 2008).

**Impulse Buying:** According to impulse buying (impulse buying) is the process of buying an item, where the buyer does not have the intention to buy beforehand, it can be said that the purchase is without a plan or instant purchase. Meanwhile, according to Mowen and Minor (2002), impulse purchase (impulse purchase) is an act of buying that was not previously recognized consciously as a result of consideration, or intention to buy formed before entering the store. Clarified by the opinion of Rook and Fisher (1995) that impulsive buying is interpreted as the tendency of consumers to buy spontaneously, reflexively, suddenly, and automatically. It can be said that impulse buying is a natural thing and is a fast reaction.Sutisna (2002) explains that impulsive purchases occur when consumers make sudden purchasing decisions. The drive to make purchases is so strong that consumers no longer think rationally about their purchases. According to Park (2007), impulsive purchases often appear suddenly, quickly, spontaneously, more emotionally than rationally, more often regarded as something bad than something good, and consumers tend to feel "outof-control" when buying goods impulsively. In line with the opinion expressed by Schiffman and Kanuk (2007) that impulsive buying is an emotional decision or according to the insistence of the heart. Emotions can be very strong and act as the basis of the dominant buying motive.

**Shopping Lifestyle:** Lifestyle refers to how a person lives, how they spend their time and money, purchasing activities they do, their attitudes and opinions about the world in which they live (Kotler and Keller, 2012). A person's lifestyle can be shown by looking at his opinion on a particular object. A person's lifestyle is a pattern of life in the world expressed by one's activities, interests, and income. Shopping lifestyle is defined as the behavior shown by customers in connection with a series of personal responses and opinions about product purchases (Tirmizi, 2009). The way we shop reflects status, dignity and habits. Shopping lifestyle shows the way someone chooses to allocate income, both in terms of fund allocation for various products and services, and certain alternatives in differentiating similar categories (Zablocki and Kanter in Japarianto 2010).

**Positive Emotions:** Emotions which include feelings and mood (mood) are important factors in making decisions by consumers (Park, Kim, & Forney, 2007). Emotions can be divided into two dimensions, namely positive and negative. Positive emotions can be seen through positive feelings such as pleasure, love, liking, enjoyment, satisfaction, and alertness. The creation of positive emotion for consumers regarding a product or article or even a store environment can increase the motives of consumers in doing impulse buying. According to Peter and Olson (2005) states that the main store atmosphere involves affection in the form of emotions in a store that may be completely unnoticed by customers when shopping. The basic model underlying Donovan and Rositter's research, shown in Figure 1, was taken from the environmental, psychological literature. Basically, the model states that environmental stimulation influences the customer's emotional status, which in turn affects behavior or becomes a customer. Approaching behavior is a movement towards and avoidance behavior is a movement away from various kinds of environments and stimuli.

**Figure 1: Framework of Thinking**




## 3. Methods

This study uses multiple linear regression analysis techniques, to test whether there is a relationship between independent variables Shopping Life Style ($x_1$), Positive Emotions ($x_2$), with independent variables Impulse Buying (Y).

The regression equation in this study is as follows:

$$\mathbf{Y= a + \beta_1X_1 + \beta_2X_2 + e}$$

Information :

a = Constanta
$\beta_1$ $\beta_2$ = Variable Regression Coefficient $X_1$ and $X_2$
$X_1$ = Life Style
$X_2$ = Positive Emotions
Y = Impulse Buying
*e* = Standard error

## 4. Results

### Classic Assumption Test

**Multicollinearity Test:** The regression model does not experience multicollinearity disorders. This can be seen in the tolerance value of each variable greater than 10 percent (0.1). The VIF calculation results also show that the VIF value of each variable is less than 10. So it can be concluded that there is no multicollinearity between the independent variables in the regression model.

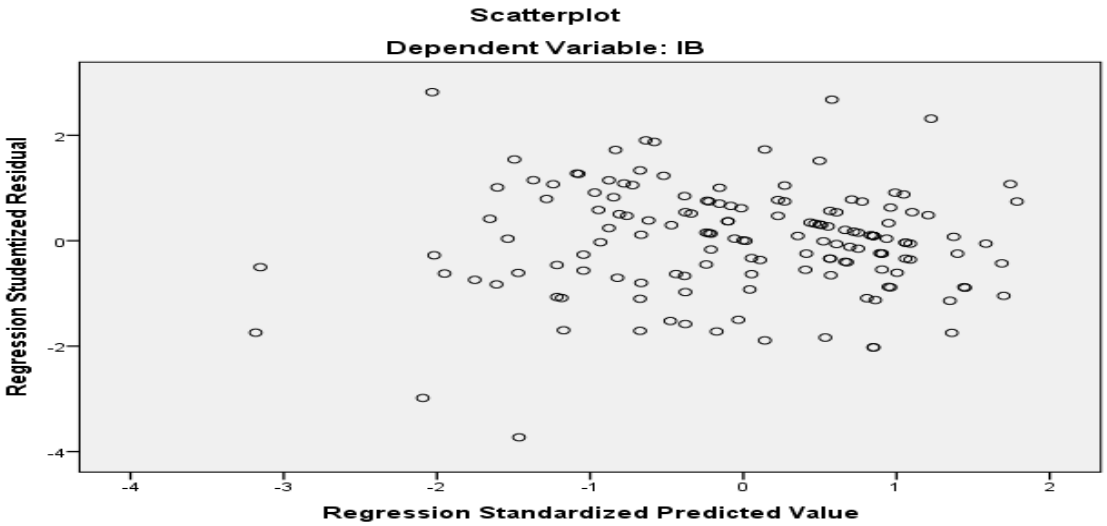
**Table 1: Uji Multikolinearitas**

**Collinearity Statistic**

| Variables | Toleran | VIF |
|---|---|---|
| Shopping Life Style | 0,960 | 1,041 |
| Positive emotions | 0,960 | 1,041 |

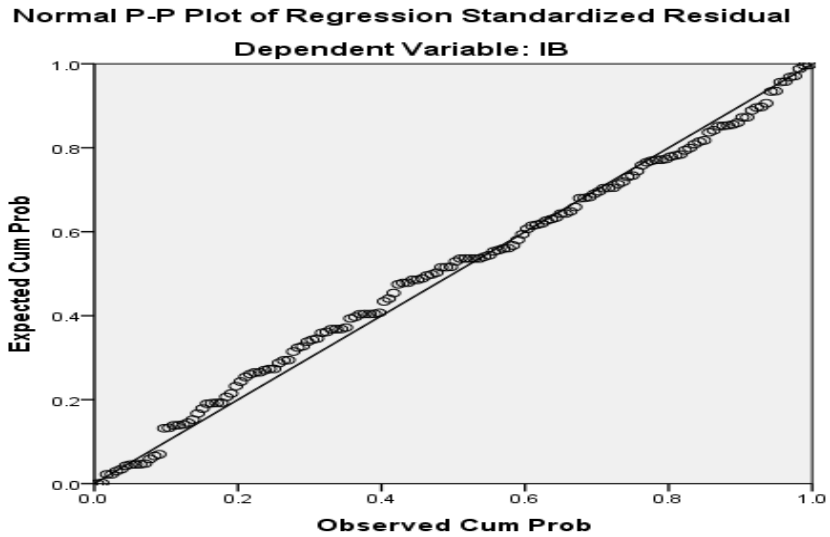
**Heteroscedasticity Test:** The scatterplot graph does not have a clear spread pattern and the points spread above and below the number 0 on the Y-axis. This shows that there is no heteroscedasticity disturbance in the regression model.

**Figure 1: Heteroscedasticity Test**




**Normality Test:** The normal probability plot graph shows a normal graph pattern. This can be seen from the point that spreads around the normal graph. This can be seen from the points that spread around the diagonal line and the spread follows the diagonal line. Therefore, it can be concluded that the regression model is feasible because it meets the assumptions of normality.

**Figure 2: Normality Test**




**Autocorrelation Test**

**Table 2: Autocorrelation Test**

| Variable | Significant Value |
|---|---|
| Durbin Watson | 1,303 |

The Durbin Watson value is between -2 to 2, meaning that there is no autocorrelation problem (Santoso, 2012).

**Test Results T**

**Table 3: Test Results T**

| Variable | Test Result Significant |
|---|---|
| **Shopping LifeStyle** | 0.000 |
| **Positive Emotions** | 0.000 |

In shopping Life Style variables with a significance level of 95% (α = 0.05). The significance value (P Value) in the LifeStyle shopping variable is 0.003 <0.05. On the basis of these comparisons, H0 is rejected or means that the LifeStyle shopping variable has a significant influence on the Impulse Buying variable. Positive Emotion variables with a significance level of 95% (α = 0.05). The number of significance (P Value) in the variable is 0.440> 0.05. On the basis of these comparisons, H0 is accepted or means the Positive Emotion variable does not have a significant effect on the Impulse Buying variable.

**Simultaneous Test (F Test)**

**Table 4: F Test**

| Model | | Sum of Squares | DF | Mean Square | F | Sig. |
|---|---|---|---|---|---|---|
| 1 | Regression | 608.750 | 2 | 304.375 | 27.447 | .000[b] |
| | Residual | 1630.190 | 147 | 11.090 | | |
| | Total | 2238.940 | 149 | | | |

From the results of the F test in this study, the calculated F value is 11,186 with a significant number (P value) of 0,000. With a significance level of 95% (α = 0.05). The number of significance (P value) is 0,000 <0,05. On the basis of these comparisons, H0 is rejected or means that the variable Shopping Life Style and Positive Emotion have a jointly significant effect on the Impulse Buying variable.

**Coefficient of Determination**

**Table 5: Coefficient of Determination**

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|---|---|---|---|---|
| 1 | .521[a] | .272 | .262 | 3.330 |

In table 5 it can be seen that the adjusted R2 value is 0.26. This can be interpreted that the independent variable (Shopping Life Style and Positive Emotion) can explain the dependent variable (Impulse Buying) of 26%, while the rest is explained by other factors not examined.

**Regression Coefficient**

**Table 6: Regression Coefficient**

| Model | | Unstandardized | | Standardized Coefficients | | | Collinearity | |
|---|---|---|---|---|---|---|---|---|
| | | B | Std. Error | Beta | t | Sig. | Tolerance | VIF |
| 1 | (Constant) | 11.805 | 2.481 | | 4.758 | .000 | | |
| | SL | .199 | .041 | .347 | 4.836 | .000 | .960 | 1.041 |
| | EP | .287 | .063 | .326 | 4.539 | .000 | .960 | 1.041 |

Based on table 6, we find the multiple linear regression equation as follows:
**Y = 11,805 + 0,119 X1+0,287 X2**

The above equation can be explained as follows:

- The value of 0.119 in the Shopping Life Style (X1) variable is positive so that it can be said that the higher the Shopping Life Style given by the Consumer, the higher the Impulse Buying will be.
- The value of 0.287 on the Positive Emotion variable (X2) is positive so that it can be said that the higher the Positive Emotions provided by the Consumer, the higher the Impulse Buying will be.

## 5. Conclusion

Based on the analysis and discussion of the influence of shopping lifestyle variables on impulse buying through positive emotions in consumers of the Palembang hypermarket, conclusions can be drawn as follows:

- Shopping Life Style significantly influences the Hypermarket impulse buying in Palembang.
- Positive Emotions significantly influence Impulse Buying at Hypermarket consumers in Palembang.

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# Leadership Orientation of Afghan and Japanese Respondents: A Study of "Guzaara" or Getting Along in Asia

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**Abstract:** The purpose of this paper is to analyze the leadership tendencies of Afghan and Japanese respondents by exploring their task and relationship orientations. While there are many published studies on the Japanese work culture and leadership practices, research about Afghan working adults is limited. Using the Style Questionnaire, this research collected and compared the leadership orientations of 400 respondents from each country based on national culture on the task and relationship-orientation continuums. To deepen the understanding of Afghan leadership tendencies, we explore their culture of "guzaara" (getting along) practices. Similarly, we discuss the Japanese concept of "ba" (interactive knowledge creation) as one example of a best practice that can be benchmarked by others in society. Both Afghanistan and Japan are high-context cultures; therefore, people are expected to be more relationship-oriented. While respondents from both countries do have a stronger focus on their relationships, data shows that Afghans have a significantly higher score on both the task-orientation as well as relationship-orientation continuums, compared to their Japanese counterparts. Implications, recommendations and limitations of the study are provided. The findings that Japanese and Afghan employees are indeed focused on their relationships, and that they have a moderately high task orientation scores, are useful for managers and expatriates working in these two Asian countries.

**Keywords:** *Afghan leadership orientation; Japan cultural orientations; Guzaara; Edaara; Rahbariat; Ba; relationship-orientation; task-orientation.*

## 1. Introduction

The leadership tendencies of modern managers and working professionals can be researched using their task and relationship orientations. To explore the behavioral tendencies of working adults in the Afghan and Japanese workplaces, we review the traditional norms of each country's rich cultural practices while assessing their leadership similarities and differences. The Afghan and Japanese cultures both have a rich history with strong traditions and norms which provide good learning opportunities for application in the modern workplace (Huang, Mujtaba, Cavico, and Sims, 2006; Scagliotti and Mujtaba, 2010; Molz and Mujtaba, 2011; Mujtaba and Isomura, 2012; Nguyen, Mujtaba, Tran, and Rujis, 2013; Nguyen, Mujtaba, & Pham, 2013). Due to economic and corporate trends like mergers and acquisitions (M&A) over the past few decades, there have been significant changes in Japan (Jackson and Miyajima, 2007; Economic and Social Research Institute, 2010; Yoshitomi, 2011). Consequently, more and more foreigners are travelling to Japan to learn and work in Japanese organizations (Molz and Mujtaba, 2011). As such, Olcott (2009) suggests that Japanese companies must be ready to role model and teach their traditional management and leadership practices when they are integrated with so many expatriates or foreigners. Therefore, understanding the leadership orientations of the Japanese is increasingly more important for global leaders (Schneider and Littrell, 2003; Mujtaba and Isomura, 2012).

This presents great learning opportunities for Afghans to learn from the successes of the Japanese in developing their own economy since both cultures seem to have similar cultural orientations. Afghans and Japanese are likely to be strongly relationship-oriented because their cultures are collectivistic. Research has demonstrated that Japan is a group-oriented culture, long-term oriented, and a high context society (Nakane, 1967; 1970; Hall, 1976; Ouchi, 1978; 1980; and Hofstede, 1980; 1991). Similarly, Japanese companies tend to form long-term relationships among their colleagues and partners in business (Ouchi, 1978; 1980; 2004; Nonaka, 1988; 1995; 1998; Asanuma, 1989; Aoki, 1990; and Badaracco, 1991). Afghans can learn from these Japanese concepts to improve their work environment and economy, since there are links and connections between cultural leadership practices and performance (Misumi and Seki, 1971; Misumi, 1986; Mujtaba, Tajaddini, and Chen, 2011; Mujtaba, 2014; Hughes, Ginnett, and Curphy, 2019). It is true that Japanese change and adapt their leadership tendencies over time and with changing conditions since employment stability is

no longer guaranteed as the rate of unemployment has been steadily increasing in Japan (Abegglen, 1958; Minister of Health, Labor and Welfare, 2010b; 2010c; Japan Institute for Labor Policy and Training, 2005).

Accordingly, the Japanese pay system has shifted from a seniority-based system to performance-based systems despite the fact that seniority-based pay system is thought to be dominant (Mujtaba and Isomura, 2012). Moreover, Japan's employee-based corporate governance is in transition, and the influence of shareholders is rising (Abe and Shimizutani, 2005). Japanese management, leadership practices and behavioral tendencies have become more performance-oriented (Jackson and Tomioka, 2004). Nonetheless, some deeply rooted Japanese management practices not changed much despite the fact that they are more open to the global world (Holzhausen, 2000; Kono and Clegg, 2001; Matsuura et al., 2003; Rebick, 2005; Abegglen, 2006; and Witt, 2006). In the remaining parts of the paper, we review literature on traditional leadership as well as the various management styles of managers in Afghanistan and Japan, along with their cultural norms. Then, we explain the methodology, hypotheses, and overall results. Finally, we discuss the implications, limitations and conclusions of the study.

## 2. Leadership Orientations

Leadership is a science as it can be at least partially quantified and documented as a study, and it is an art since one can get better at it through experience over time (Hughes, Ginnett, and Curphy, 2019; Mujtaba, 2019). Responsible managers must gain experience and learn on a continuous basis (Syed and Kramar, 2009; Prahalad, 2010). Regardless of the controversy of it being a science or an art, Barnard (1948) explains that leadership is a function of at least three complex variables: the leaders, the followers, and the situational conditions. Consequently, leadership is a complicated process which requires both artistic and scientific skills. Bass (1990) pointed out that the focus of research has shifted from leaders to their relationships with the followers, and then to the interaction between the leaders and situational or cultural conditions. Hofstede (1980) and Trompenaar (1993) emphasized that culture plays an important role in the behavior of its people. Moreover, according to Adler (1986), national culture has a greater impact on employees than the organization's culture. Thus, management concerns itself not only with optimizing organizational culture but also with developing relevant management practices and skills that are aligned with the national culture of each country. Japan is a high-context culture with a homogenous population who are collectivistic and highly group-oriented. Similarly, the Afghan culture is high-context, collective, and group-oriented but heterogeneous in terms of language, ethnic background, religion, and even physical appearance.

Thomas and Au (2002) explain vertical collectivism as a practice where individuals see themselves as a part of an in-group where there are differences in status. Therefore, to avoid cultural bias, we must pay attention to the details of culture. Actions and behaviors are basically context specific; hence, a better understanding of subtle nuances and mechanisms by which culture works is required (Dorfman and House, 2004). To understand the cultural influence on leadership, we should pay attention to the details of people's behaviors by examining the internal factors' impact on leadership tendencies (Lincoln, 1987; Dorfman and House, 2004; Fukushige and Spicer, 2007). In the leadership literature, the behaviors of leaders are discussed in terms of initiating structure (task-orientation) and consideration (relationship-orientation) components (Halpin and Winer, 1957; Fleishman, 1967). Bass (1990) found relationship-oriented functions to be associated with subordinate satisfaction, and task-oriented functions are linked with performance. Similarly, the relationship function is positively associated with group performance. Overall, situational leadership theory states that the best leadership style depends on the variables surrounding each decision, person, and strategy. One dimension of each person's leadership style is the extent to which he or she is people-oriented or task-oriented. Since cultures influence people through years of socialization, this study will aid in determining whether people of high-context culture are more relationship-oriented or more task-oriented. Thus, it is appropriate that we approach leadership practices of Afghan and Japanese from the perspectives of task and relationship orientations.

**The Afghan Culture:** Afghanistan is a small country located in South Asia. Afghanistan in the northwest of the Indian subcontinent is surrounded by Tajikistan, Uzbekistan, at Turkmenistan at the Amu River, on the east and south by Pakistan, in the northeast by the Republic of China, and on the west by Iran. Afghanistan has an approximate population of 36 million people and literacy rate is about 30 percent. About 80 percent of

Afghans have no formal schooling experience due to the poor economy, lack of proper security, and several decades of war. Consequently, people are informally conditioned by the cultural norms such as guzaara (getting along and people-orientation) and edaara (managing and task-orientation) throughout their lives, especially during their socialization as young children, in hopes that they grow up to become effective rahbars (leaders).

Leadership requires influencing others while providing an environment where organizational objectives can successfully be achieved (Kaifi, Mujtaba, and Xie, 2009; Mujtaba and Kaifi, 2010). Afghans believe that effective leadership (or rahbariat) requires good human skills (guzaara) and technical skills (edaara) while a person exerts influence over one or more individuals to inspire, motivate, and direct their behaviors toward the achievement of organizational goals. The individual or person who exerts any form of influence that guides behavior is the leader (rahbar). In the behavioral perspective of leadership, there are two clusters of behaviors discussed that focus on the people and tasks. First, people-oriented behaviors (guzaara) include showing mutual concern, trust and respect for others. People-oriented leadership tends to result in higher job satisfaction among subordinates, as well as lower absenteeism, grievances, and turnover compared to using task-oriented style. An unintended consequence or side effect of people orientation is that job performance tends to be lower than for employees with task-oriented leaders (Hersey and Campbell, 2004). Second, task-oriented leadership styles (edaara) generally include behaviors that define and structure work roles to ensure that everyone follows company rules in order to reach performance capacity and meet the established standards. An unintended consequence or side effect of task-oriented leadership is that it can result in lower job satisfaction as well as higher absenteeism and turnover among subordinates (Hersey, Blanchard, and Johnson, 2001). Behavioral leadership scholars conclude that some people are high or low on both styles, others are high on one style and low on the other, and most individuals are somewhere in between in the continuum (Hersey, 1984).

The key is to be a flexible leader and use whatever orientation or skill is best for a given situation (Mujtaba, 2014). Let us look at the Afghan concepts of guzaara, edaara, and rahbariat, which are important elements of management and leadership practices in Afghanistan. "**Guzaara**" is the willingness, attitude of people-orientation, and skill to get by, get along, make ends meet, remain patient, think win-win, cooperate, avoid unnecessary risks, curbing one's indulgences, being sustainable, negotiable, and doing whatever is necessary to preserve important relationships. In reality, due to years of cultural conditioning, most Afghans become exceptional at "getting by," but some individuals do not always do well in "getting along." The word guzaara might be followed by "kaardan" which means "doing." In general, "guzaara kaardan" implies that one's actions should be aligned with and complementary to getting by, getting along, cooperating, and proceeding without being entangled into prolonged arguments. Overall, because of prolonged societal conditioning with guzaara, people are intrinsically conditioned not to always challenge higher-ranked and older individuals' opinions and practices. The two basic elements of guzaara can be "getting by" at the lower end, and "getting along" at the higher end of the continuum. The challenge for today's Afghan leaders and all working adults in Afghanistan is to cause a significant paradigm shift in the will and motivation of everyone in the country, through proper socialization and conditioning, so they can work on slowly making a transition from just "getting by" to actually "getting along" in today's interdependent global world. "**Edaara**" is having the ability to manage effectively, control, discipline, and keep order while expertly performing specific tasks (task-orientation). It is about the application of existing or applicable laws, norms, and effective people management skills.

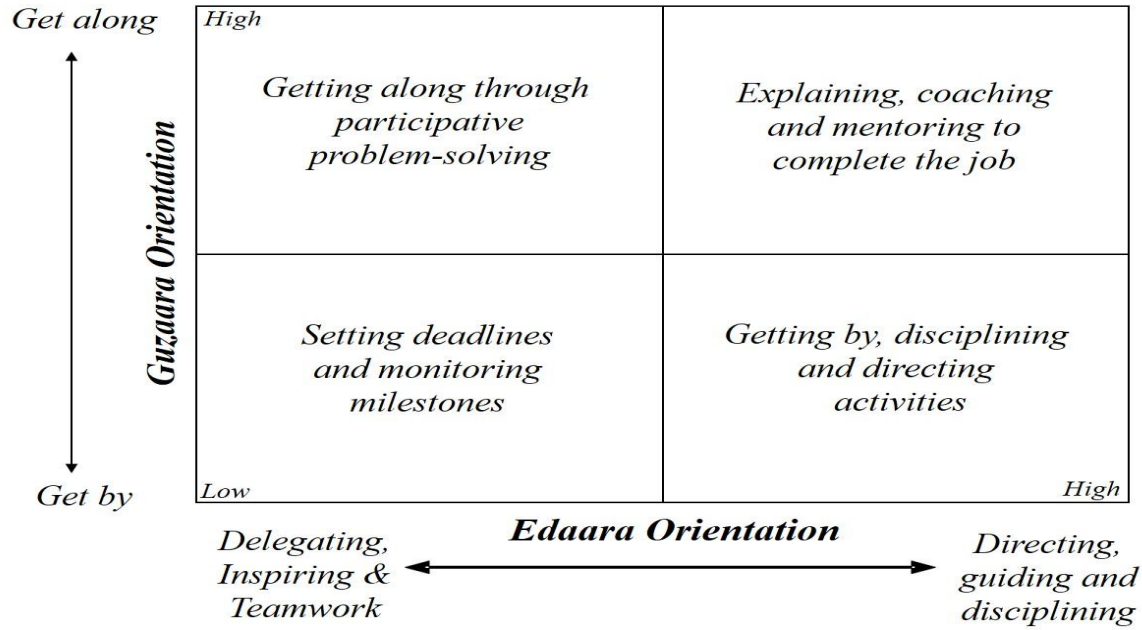
It is about correcting personal performance problems and misbehaviors while managing each situation in a structured manner toward excellence. Once again, using edaara skills, it is important to develop and encourage Afghans to think critically and transition from "getting by" to "getting along" through strategic planning, collaborations, and effective leadership (rahbariat). While most Afghans learn to work well with different people groups and build trusting relationships for "getting by" through guzaara kaardan, it is time for them to move beyond it to "getting along" using their accumulated technical expertise, discipline, organizing, controlling, and task-orientation skills which are all important elements of effective edaara kaardan. "**Rahbariat**" (leadership) is the ability to lead, decide, and act by diagnosing the root causes of problems while separating them from the effect. Rahbariat is one's conceptual skill to think critically and strategically plan for the long-term using a balance of relevant guzaara and edaara kaardan skills. "Rahbariat"

is the ability to differentiate between causes and effects or symptoms, while focusing on the long-term. It is about thinking critically to avoid the unintended negative consequences of societal conditioning on each decision and action. There are individuals who are excellent in the implementation of edaara skills (task-orientation), but not necessarily good in guzaara (people-orientation). Similarly, there are individuals who are excellent in guzaara skills (people-orientation), but not necessarily good in edaara (task-orientation). Effective leaders are those individuals who are excellent in both the skills of guzaara (people-orientation) and edaara (task-orientation) in a balanced manner and use whichever skill is needed the most at any given situation. As such, guzaara and edaara are closely aligned with the concept of situational leadership.

As espoused by Drs. Paul Hersey and Kenneth Blanchard, where one has to decide whether he or she needs to be more or less relationship-oriented or more or less task-oriented depending on the specific needs of those who are being influenced. One can be a good professional manager and leader by learning the concepts of guzaara, edaara, and proper rahbariat in order to better serve his or her colleagues, employees and the people of the world. Ultimately, effective leadership (rahbariat) is about the successful implementation and achievement of guzaara and edaara through a balanced application approach based on the needs of the situation and the readiness of followers or employees (see Figure 1). For example, when an employee is unable, unprepared, and/or demotivated to complete a task or job by himself or herself, then the manager should lead by example while being high on edaara orientation to explain the task and monitor each activity (low guzaara and high edaara). This means that the manager must be "hands on" and/or provide on-the-job training.

It also implies that the manager or trainer explicitly tells the worker what needs to be done, how it should be done, shows how the work is done through step-by-step explanations, and explains the expected standards. However, when the employee is not skilled in performing the task but he or she is motivated to learn and do the job, the manager should explain, mentor, supervise, and closely coach the worker to make sure the activity is completed in a timely manner based on the expected standards (high guzaara and high edaara). On the other side, the manager should attempt to be high on guzaara skills to build a strong relationship by participating with employees who know how to do the job successfully but lack confidence or motivation (high guzaara and low edaara). Finally, managers should lead using low levels of guzaara and edaara with employees who have successfully completed the job in the recent past and are motivated to perform the job; in such cases, one should properly delegate the job, set deadlines, and periodically monitor results by providing relevant feedback as needed.

**Figure 1: Leadership (Rahbariat) Continuum**



No management or leadership model is perfect; thus, they all have strengths and weaknesses. Educators and managers must focus on the strengths of each model, while circumventing or reducing the negative impact of its weaknesses. In the spirit of continuous improvement or the Japanese concept of "*kaizen*", since the culture of Japan and Afghanistan are similar in many respects, the Japanese culture and leadership practices should be explored for benchmarking and the development of Afghan managers.

**Cultural Dimensions:** Cultures regularize human behavior, thereby making decisions more predictable. Culture plays an important role in acting as moral leaders and being perceived as ethical managers locally, nationally and globally (Sanyal, 2005). Culture is "The collective programming of the mind which distinguishes the members of one human group from another. Culture, in this sense, includes systems of values; and values are among the building blocks of culture" (Hofstede, 1980, p. 21). The six value dimensions of national culture as identified by the Hofstede's framework for assessing cultures are:

**Power Distance:** The degree to which people accept that power in institutions and organizations is distributed unequally.
**Individualism versus Collectivism:** Individualism is the degree to which people prefer to act as individuals rather than as members of groups and believe in individual rights above all else. Collectivism emphasizes a tight social framework in which people expect others in groups of which they are a part to look after them and protect them.

**Masculinity versus Femininity (achievement vs. nurturing):** Masculinity is the degree to which the culture favors traditional masculine roles such as achievement, power, and control as opposed to viewing men and women as equals. A high femininity rating means the culture sees little differentiation between males and female roles and treats women as the equals of men in all respects.

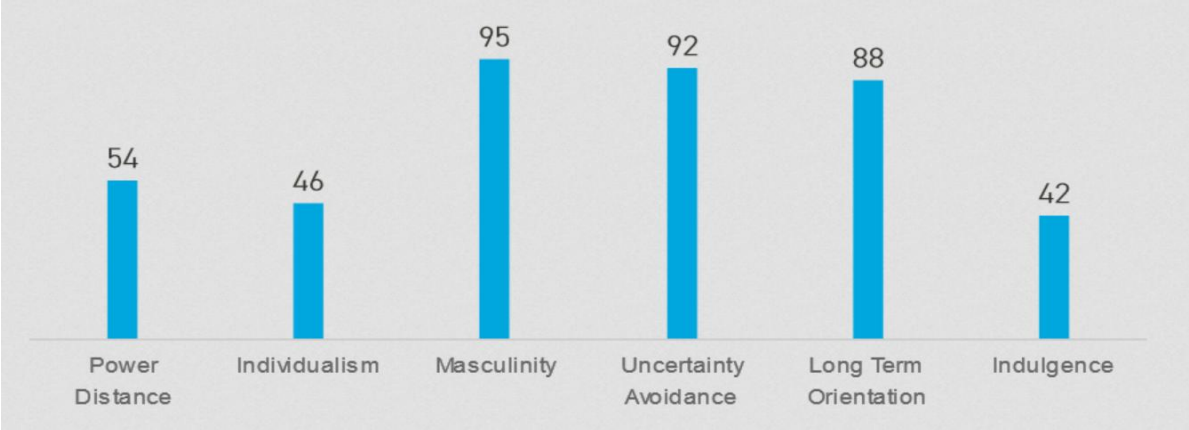
**Uncertainty Avoidance:** The degree to which people in a country prefer structured over unstructured situations defines their uncertainty avoidance.

**Long-Term versus Short-Term Orientation:** People in a culture with long-term orientation look to the future, value thrift, persistence, and tradition. In a short-term orientation, people value the here and now; they accept change more readily and do not see commitments as impediments to change.

**Indulgence versus Restraint:** Indulgence societies tend to allow gratification of natural human desires related to enjoying life and having fun. Restraint societies tend to believe that gratification needs should be curbed and regulated by strict norms.

Geert Hofstede added the last dimension in 2010. Indulgent cultures tend to focus more on individual happiness, wellbeing, leisure time being more important, and there are greater freedom and personal control. In restraint cultures, positive emotions are less freely expressed and happiness, freedom and leisure are not given the same importance. Indulgent cultures tend to place more importance on freedom of speech and personal control while in restrained cultures there is a greater sense of helplessness about personal destiny. In indulgent cultures, such as USA, the expectation is that customer service employee should demonstrate their 'happiness' with a smile along with a friendly demeanor. However, in more restrained cultures such as Russia or eastern European countries this might be considered inappropriate and/or unnatural. Indulgence versus restraint dimension might have an impact on generational differences as the impact of technology on younger generations would suggest that the need for instant gratification is becoming more prevalent.

**Figure 2: Japan Cultural Dimensions Scores**




(Retrieved on February 2, 2019 from: https://www.hofstede-insights.com/)

As can be seen from Geert Hofstede's (1980; 1991) cultural dimensions, power distance and individualism in Japan are in the medium range; masculinity, uncertainty avoidance and long-term orientation are in the high range, while indulgence is also in the medium range (see Figure 2). While there is no published research data based on Hofstede's cultural dimensions as of yet for Afghanistan, there are some excellent explanations that have been by researchers (Entezar, 2008). In general, power distance between workers and managers is likely to be very high for Afghans since formal position title and rank tends to have a high level of importance both on the job and in the community. Similarly, masculinity and uncertainly avoidance are high in Afghanistan as the concept of guzaara conditions people to "play it safe" and not take too much risk. While Afghans do put their faith into God and, therefore, some authors believe that they have low uncertainty avoidance tendencies (Entezar, 2008). However, Afghanistan as a country is a culture of cautious optimists and calculated risk-takers; consequently, most people avoid unnecessary uncertainty and risk. As a society, Afghans learn early on to "reach for the stars"; as such, they are highly achievement oriented.

On the other side of the continuum, individualism and long-term orientation are in the medium range. Finally, Afghan's indulgence score is likely to be in the low range since people are conditioned by the local norms of high uncertainty avoidance as well as other cultural traditions to avoid extravagant expenditures and to save for a "rainy" day (see Table 1). Due to the collective nature of people in Afghanistan and history of tribalism, most individuals learn to socialize and respect members of the community, especially their elders. While Afghans do restrain themselves from acting upon their impulsive indulgences, most of their decisions are short-term oriented as the years of political instability, widespread corruption, and ethnic conflicts have conditioned many toward a survival mode.

**Table 1: Cultural Dimensions Range for Afghans and Japanese**

| Cultural Dimensions | Japan | Afghanistan |
|---|---|---|
| Power distance | medium | Very high |
| Individualism | medium | medium |
| Masculinity | high | high |
| Uncertainty avoidance | high | Very high |
| Long term orientation | high | medium |
| Indulgence | medium | low |

**Japanese Culture:** Hall (1976) divides culture into two extreme types: high context and low context cultures. In high context cultures, people share their way of thinking, feeling, and acting; therefore, they often use non-verbal communication. On the contrary, in low context cultures people utilize verbal communication. Japan, similar to Afghanistan, is a high context society. This partially explains why the Japanese and Afghan people tend to avoid uncertainty and why they are long-term and medium-range oriented. Japanese people try to build strong and stable relationships with others; as such, because of their high-context and homogenous culture, people can more effectively communicate with each other. Nakane (1970) explains that the group

orientation of the Japanese is linked to the immediate social context called frame. Frame is circumstantial, a locality, and a particular relationship that binds like-minded colleagues into a group or clique. Frame is translated from the Japanese word, *ba*. Ba means into location or field. The dependence on frame produces a strong sense of belonging for the Japanese, a deeply emotional involvement of people, a strong sense of exclusiveness, and an emphasis on tangible interactions.

Consequently, according to Whitewill and Takezawa (1968) and Takezawa and Whitewill (1981), Japanese workers have high levels of work effort, organizational involvement and cooperation, acceptance and trust in management policies and practices. According to Ouchi (1978), Japanese organizations have evolved in a society in which individual mobility is traditionally low and where the culture supports norms of collectivism. In general, Japanese prefer staying in one company and enjoy long length of employment. Consequently, employees will be more familiar with the norms of the organizations and are more likely to develop strong friendships among their co-workers. Moreover, employees become integrated into the culture of the organization and this is a positive element for long-term sustainability (Wolf and Mujtaba, 2011). As such, Japanese organizations are like clans. Clans basically control an organization by socializing and conditioning its members toward a common vision. There are also inter-organizational connections in Japan, known as *keiretsu*. Each keiretsu is an interdependent collection of firms integrated as one collective enterprise or family of member companies, each connected to the others by various means.

The companies within the keiretsu help each other economically by buying shares of stock in each of the member firms. While the size of a keiretsu can be inclusive of over 100 members, each firm within it remains independent. Ouchi (2004) insists that organizational culture plays an important role in harmonizing individual and organizational goals in a large-sized organization. Japanese managers have a homogeneous value system and that both organizational and personal achievement goals are more behaviorally relevant than for North American and European managers (England, 1975; 1983). Japanese have developed their organizations and management styles on the basis of long and stable relationships (Goffee and Jones, 1996). Utilizing two dimensions, that is, solidarity and sociability, Goffee and Jones divide four types of organizational culture: communal, mercenary, networked, and fragmented. Solidarity is a measure of a community's ability to pursue shared objective quickly and effectively; meanwhile, sociability is a measure of sincere friendliness among members of a community. We can say that Japanese organization is the networked organization: high sociability and low solidarity (Mujtaba and Isomura, 2012).

Maintaining health relationships in a group is a top priority in Japan; consequently, leaders tend to avoid stressful disagreements and try to effectively manage dysfunctional conflicts in their organizations as quickly as possible (Nakane, 1970). To avoid conflicts in formal meetings, the leader and their followers exchange their opinions informally (Xu, 1987). After negotiating and reaching consensus, formal decisions are made. Generally, the manager will not decide until followers who will be affected have had sufficient time to offer their views, feel they have been fairly heard, and are willing to support the agreed-upon decision even though they may feel that it is not the best one (Ouchi, 1976; 308). This way of communication to build consensus is called "*nemawashi*"; and it is formally institutionalized as "Ringi sytem": where approval is recorded in a document and final decisions are escalated to the next higher level of management (Yamada, 1985; Ogata and Sanada, 1994; Porter et al., 2000; Haghirian, 2010). Thus, the leader is expected to spend much energy and time in acquiring his or her colleagues' agreement, approval and consent. According to Kono and Clegg (2001), about 70% of the organizational presidents in Japan adopt the consensus style of leadership.

Japanese managers try to harmonize the interests of all relevant groups in the organization. Haghirian (2010) emphasizes that Japanese leaders have more of a coordinating role than their Western counterparts. The role of leaders is to coordinate the interests of each fraction; leaders are obliged to get consent from each fraction, group or clique. Therefore, it takes time for leaders to make a final decision. The relationship between leaders and followers is based on protection and dependence. Doi (1973) emphasizes that dependence is strong in relationships of Japanese. In Japanese companies, middle managers play an important role in combining strategic macro information and hands-on micro information. The middle managers serve as the agents for change in the organization's self-renewal process. The middle managers deeply commit to their organization; therefore, they translate top management's vision into the operational level and support ideas created from the bottom. However, it is assumed that making strategic decisions is difficult, so this style of decision-making

does not always adjust well or quickly to the modern and ever-changing business environment (Porter, Takeuchi and Sakakibara, 2000). Nonaka emphasizes that Japanese organizations create information by sharing not only explicit knowledge but also implicit knowledge among employees.

Nonaka and Konno (1998) consider "*ba*" to be a shared space that serves as a foundation for knowledge creation. "*Ba*" is produced in the active interaction among people who share explicit and implicit knowledge (Nonaka and Takeuchi, 1995). Leaders are expected to be representatives of their employees' agreed-upon decisions. Consequently, the leader's decisions are unchangeable, thus, people are often forced to obey blindly under informal pressure (Tobe, Teramoto, Kamata, Sugiono, Murai, and Nonaka, 1984). Generally, the middle managers accept and support ideas from the bottom; so Japanese leadership style seems to be basically participative and democratic. On the other hand, as explained in the study by Mujtaba and Isomura (2012), once the decisions are made and come from the top, everyone would have to agree without any objections; so the leader's decisions look absolute and, at times, Japanese leadership style seems to be autocratic or directive. To sum up, the role of leaders in Japan is to maintain long-term relationships, coordinate activities, and authorize their decisions to implement them effectively. Japanese leadership tends to be more relationship and consideration-oriented. Japanese managers' leadership style also has an intermediate form between autocratic and democratic as well as directive and participative approaches (Mujtaba and Isomura, 2012).

## 3. Methodology

Paul Hersey (2008), states that leadership is the process of influencing others to achieve organizational objectives. Leaders use various amounts of task and relationship behaviors to achieve their goals. Task behavior (edaara) is the extent to which leaders engage in top-down communication by explaining what the follower is to do, as well as when, where, and how each function is to be accomplished; and relationship behavior (guzaara) is the extent to which leaders engage in joint communication with followers while providing socio-emotional support (Hersey, 2008). In this study, we used the Style Questionnaire to assess the leadership orientation of respondents. Northouse (2007) provides the Style Questionnaire to obtain a general profile of a person's leadership behaviors associated with the task and relationship orientations. This instrument was selected due to its short sentences and simplicity for use in a cross-cultural environment. The short statements leave little room for misinterpretations. The results can show one's use of various task and relationship behaviors. The statistical output for the reliability data has shown that the Cronbach's alpha is 0.887, which means that the questions are good for classroom test.

They are acceptable in social science research (Mujtaba and Balboa, 2009; Mujtaba, Afza, and Habib, 2011; Mujtaba and Isomura, 2012; Nguyen, Mujtaba, Tran, and Rujis, 2013; Nguyen, Mujtaba, & Pham, 2013). To determine one's personal leadership characteristics, the respondent circles one of the options that best describe how he or she sees himself or herself (or the person that is being evaluated) regarding each statement. For each statement, the person indicates the degree to which he or she (or the person being evaluated) engages in the stated behavior. A rating of 1 means "never" and a rating of 5 means "always" with the person demonstrating the specific behavior to determine one's scores for the leadership styles questionnaire, one can add the responses for the odd-numbered items to determine the score for task-orientation behaviors, and add the responses for the even-numbered items to determine the score for relationship-orientation behaviors. The scoring interpretation for the Style Questionnaire by Northouse (2007, p. 87) is presented in Table 2.

**Table 2: Task and Relationship Score Interpretations**

| | |
|---|---|
| 45-50 | Very high range |
| 40-44 | High range |
| 35-39 | Moderately high range |
| 30-34 | Moderately low range |
| 25-29 | Low range |
| 10-24 | Very low range |

What is important to note is that effective leaders stay in control by managing through a balance of both task (edaara) and relationship (guzaara) oriented behaviors, as appropriate, to make sure the objectives and goals are accomplished in a timely manner. This study targeted Afghan and Japanese citizens, workers and managers. To increase both accuracy and response rate, the original questionnaire was translated into the Japanese and Persian languages so that those who were not fluent in English could easily respond to each question. The Japanese and Persian versions of the survey were back-translated into English, by two other individuals, to confirm their accuracy with the original instrument. The printed surveys were offered in Japan and Afghanistan to individuals who volunteered to complete it. Data shows that Japanese males are more task-oriented compared to their Japanese female counterparts; however, the relationship orientation scores of male and female were similar. The online version of the survey was only available in English. The surveys were distributed and collected physically and sent electronically to working adults, graduate students, colleagues, and friends who live all around the globe. The self-administered questionnaire offered anonymity, which is important when conducting research related to leadership and management characteristics.

**Research Hypotheses:** The research question for this study was to determine whether Afghan and Japanese respondents have similar or different scores on the relationship orientation (guzaara) and task orientation (edaara) dimensions of leadership. The specific hypotheses for this study are as follows:

**Hypothesis 1:** Afghan respondents will have similar scores for relationship and task orientations.
**Hypothesis 2:** Japanese respondents will have similar scores for relationship and task orientations.
**Hypothesis 3:** Afghan and Japanese respondents will have similar scores on task orientation.
**Hypothesis 4:** Afghan and Japanese respondents will have similar scores on relationship orientation.

For the purpose of this study, a convenient population was sampled and most data was collected electronically for analysis. From the collected data, 400 candidates were selected for analysis. The convenience sample was obtained through educational organizations, businesses and entrepreneurs, private and public sector institutions. Overall, the findings of this research are consistent with previous studies conducted with Japanese working adults (Mujtaba and Isomura, 2012), and Afghan respondents in Kabul, Herat, and others around the country (Mujtaba and Sadat, 2010; Mujtaba and Kaifi, 2010). A paragraph explaining the purpose of this research and guaranteeing confidentiality was included with the survey. The respondents were asked to voluntarily complete the questionnaire. Out of total surveys selected for both Afghan and Japanese respondents, 30% are female respondents and 70% are males.

## 4. Task and Relationship Orientation Results

The result of data analysis demonstrates that Afghans are highly task-oriented and highly-relationship-oriented. While the average score of Afghan respondents for task orientation (edaara) falls in the "high range," and their relationship orientation (guzaara) average also fell in "high range", there are statistically significant differences among them. In other words, Afghan respondents in this study demonstrated a significantly high focus on both guzaara and edaara dimensions of leadership.

**Table 3: Afghan Task vs. Relationship Orientations**

| **Hypothesized Difference** | **0** |
|---|---|
| Level of Significance | 0.05 |
| *Task Orientation* | |
| Sample Size | 400 |
| Sample Mean | 41.0825 |
| Sample Standard Deviation | 7.353 |
| *Relationship Orientation* | |
| Sample Size | 400 |
| Sample Mean | 43.87 |
| Sample Standard Deviation | 6.523 |

| | |
|---|---|
| Intermediate Calculations | |
| Pooled Variance | 48.308069 |
| Difference in Sample Means | -2.7875 |
| t-Test Statistic | -5.67 |
| Two-Tailed Test | |
| Lower Critical Value | -1.963 |
| Upper Critical Value | 1.963 |
| p-Value | 0.00000002 |

As can be seen from Table 3 and using the t-test for differences in the two means, at a 0.05 level of significance, the first hypothesis is rejected because the calculated t value (-5.67) does not fall within the critical value of t for statistical significance; in other words, since the t value does not fall within the critical values (+1.96 and -1.96), the alternative hypothesis is supported. Furthermore, since the p-value of 0.00000002 is smaller than alpha (α) = 0.05, there is sufficient evidence to reject the hypothesis. Therefore, it can be said that Afghan respondents have dissimilar scores for relationship and task orientations as they are more highly focused on their relationships. Based on the results, the task orientation and relationship orientation scores of Afghan respondents do not appear to be similar. As such, one can conclude that the Afghan respondents have significantly higher scores on the relationship orientation. Perhaps because of their guzaara socialization as well as high context and collective nature, Afghan respondents seem to be putting significantly more emphasis on their relationships. In other words, Afghan respondents in this study demonstrated a significantly higher focus on guzaara orientation, as compared to their edaara dimension of leadership. While the average score of Japanese respondents for task orientation falls in "moderately high range," their relationship orientation average falls in "moderately high range" as well; as such, there are statistically significant differences among them.

**Table 4: Japanese Task vs. Relationship Orientations**

| **Task Orientation** | |
|---|---|
| Sample Size | 400 |
| Sample Mean | 35.65 |
| Sample Standard Deviation | 7.21 |
| *Relationship Orientation* | |
| Sample Size | 400 |
| Sample Mean | 38.8 |
| Sample Standard Deviation | 5.58 |
| t-Test Statistic | -6.91 |
| Lower Critical Value | -1.963 |
| Upper Critical Value | 1.963 |
| p-Value | 0.00000000 |

As can be seen from Table 4 and using the t-test for differences in two means, at a 0.05 level of significance, the second hypothesis is rejected because the calculated t value (-6.91) does not fall within the critical value of t for statistical significance; the alternative hypothesis is supported. Furthermore, since the p-value of 0.0000000 is smaller than alpha (α) = 0.05, there is sufficient evidence to reject the hypothesis. Therefore, Japanese respondents have dissimilar scores for relationship and task orientations as they are more highly focused on their relationships. Based on the results, the task orientation and relationship orientation scores of Japanese respondents do not appear to be similar. As such, one can conclude that the Japanese respondents have significantly higher scores on the relationship orientation. Perhaps because of their high context and collective nature, Japanese respondents seem to be putting significantly more emphasis on their relationships. Japanese appear to have moderately high scores in both their task and relationship orientations.

These results are similar to those of the Afghan respondents; it means that both Japanese and Afghan respondents demonstrate a significantly higher focus on their relationships, as compared to their task-orientation. Additional analysis confirmed that older and male Japanese are more task-oriented. As can be seen from Table 5 and using the t-test for differences in two means, at a 0.05 level of significance, the third hypothesis is rejected because the calculated t value (-10.52) does not fall within the critical value of t for statistical significance. Also, since the p-value of 0.00 is smaller than alpha (α) = 0.05, there is sufficient evidence to reject the hypothesis. Therefore, Afghan and Japanese respondents have dissimilar scores for task orientation; Afghans have a significantly higher focus on the task orientation. This is a paradox as Afghans demonstrate a significantly higher task-orientation compared to their Japanese counterparts, yet the country of Afghanistan is far behind in terms of overall national productivity in relation to Japan.

**Table 5: Japanese vs. Afghan Task Orientations**

| **Japanese** | |
|---|---|
| Sample Size | 400 |
| Sample Mean | 35.65 |
| Sample Standard Deviation | 7.258 |
| *Afghans* | |
| Sample Size | 400 |
| Sample Mean | 41.0825 |
| Sample Standard Deviation | 7.353 |
| t-Test Statistic | -10.52 |
| p-Value | 0.000 |

**Table 6: Japanese vs. Afghan Relationship Orientations**

| **Japanese** | |
|---|---|
| Sample Size | 400 |
| Sample Mean | 38.8 |
| Sample Standard Deviation | 5.58 |
| *Afghans* | |
| Sample Size | 400 |
| Sample Mean | 43.87 |
| Sample Standard Deviation | 6.523 |
| t-Test Statistic | -11.81 |
| p-Value | 0.000 |

As can be seen from Table 6, the fourth hypothesis is rejected because the calculated t value (-11.81) does not fall within the critical value of t for statistical significance; in other words, the alternative hypothesis is supported. Furthermore, since the p-value of 0.000 is smaller than alpha (α) = 0.05, there is sufficient evidence to reject the hypothesis. Therefore, Afghan and Japanese respondents have dissimilar scores for relationship orientation. Based on the results, the Afghan respondents have a significantly higher focus on relationship orientation. Perhaps because of their cultural socialization with guzaara and years of conflicts with foreign forces, Afghan respondents seem to be putting significantly more emphasis on their relationships.

## 5. Discussion, Implications and Suggestions

It was hypothesized that Afghan and Japanese respondents will have similar scores for relationship and task orientations; however, this research did not support this hypothesis because both Afghans and Japanese are more highly focused on their relationships. In addition, older Japanese appear to be more task-oriented than their younger counterparts. This study's result supports literature review on Japanese culture, organization

and management practices that the Japanese are relationship-oriented. Moreover, we can confirm that relationship orientation remains unchanged despite the fact that Japanese management practices might be adjusting to the global economic markets. Japanese are more relationship-oriented than task-oriented; however, their task orientation falls in the moderately high range as well. We can say that the result is related to the findings of Hofstede (1980; 1991) that power distance is in the medium range and masculinity is in the high range. Global managers should pay attention to the reality that Japanese management practices are based on their relationship orientation and getting along with all relevant stakeholders through effective teamwork, participative decision-making and cooperation. While Afghans are highly focused on their relationship and task orientations, no significant differences were found based on gender or age. I do believe in the axiom that if you want to go fast, go alone, but if you want to travel far then goes together.

History has shown that over the last century Japan went very fast and very far in economically becoming one of the world's super powers. In this modern twenty-first century world, Japan is joining the world leaders to help other countries move along in the continuum of economic prosperity. Afghan leaders must take advantage of the rich Japanese experiences and assistance in travelling together toward a brighter future for everyone in the world. It is true that Afghans need to go fast and far simultaneously; with their cultural strengths in relationship orientation, they can build strong partnerships with other Asian cultures like Japan to help them progress successfully in their leadership and management practices. Learning and benchmarking leadership best practices can take place from any country or culture. There is an Italian proverb, which states, "After a game of chess, the King and the pawn go into the same box." The same is true for people as rich and poor, men and women, and people of developing and developed countries alike, end up leaving the world eventually. The hope for every leader is that between birth and death, we make a positive difference in the lives of those around us. Afghans should learn from their own positive and negative trends in the past, as well as the positive and negative patterns of other cultures and countries. As the proverb goes, those who do not know history are likely to repeat it. As such, we should learn from the past to positively influence our lives in the present and future. In any culture, influential leaders are ultimately responsible for establishing ethical strategies the country should implement in the present (Mujtaba, Tajaddini, and Chen, 2011) in order to create a better and ideal future.

It is very important in Afghanistan that leaders become ethical role models and deliver what they promise to others in the community, country, region, and society by reducing and eradicating the existence of mismanagement. It is the responsibility of all public officials and private sector leaders to be culturally competent, ethical role models. Every manager must be role models of guzaara, edaara, rahbariat and they should provide development opportunities for their employees and staff. It is a fact that specific training and educational programs can greatly enhance the level of human development and critical thinking. A better-educated Afghan society is more likely to be responsible for critical thinkers and leaders. Effective critical thinkers are open-minded and self-directed as they discipline and monitor their own views before implementing a major decision. Critical thinkers purposely and explicitly go beyond their intuition or gut feelings to analyze and assess all the facts in a given situation so they can be consistently fair to all stakeholders in a decision. Critical thinkers live fair-mindedly while internalizing and promoting universal values. There are limitations to any academic study and there is no exception here. First, the small number of responses from a convenient population is one of them. Future studies should compare specific populations in different parts of each country with similar working backgrounds and demographic variables. While both Afghan and Japanese populations seem to have a significantly higher focus on the relationship orientation, this might be true simply because they understand the importance of maintaining good connections with others in society due to the economic necessities and not necessarily years of cultural socialization.

**Summary:** This paper provided an overview of the culture and people of Afghanistan and Japan. The paper also discussed the Afghan culture's norm of guzaara or getting along which influences their relationship-orientation. Guzaara is an attitude of cooperating, getting along, showing restraint, win-win thinking, avoiding unnecessary risks, being sustainable, and doing whatever is necessary to preserve relationships and "save face". While the Japanese may not use the word guzaara in their language, their culture and daily behaviors seem fully aligned with this concept since it implies that one's actions should always be one of cooperating, getting along, and being sustainable. Today's global and competitive work environment, especially in developing economies such as Afghanistan, needs educated and strong leaders who think critically about

their decisions. As such, since both countries have similar cultural orientations, Afghan leaders and managers can better educate themselves, by learning many of the relevant best practices, which have made Japan successful and apply them to their own country in Afghanistan. Researchers should also note that the quality of education might also be an important variable or factor in the scores of respondents. Therefore, future studies should test "education" to see if this is a significant variable in the task and relationship orientation scores of respondents in each culture. True leaders have the confidence to learn on a continuous basis, and then standalone with strong ethical convictions and high standards. Overall, this study explored the basic understanding of Afghan and Japanese leadership orientations based on quantitative research and also provided information for local and global managers about the mechanism of their behavior by more closely exploring the culture of guzaara or getting along in Afghanistan.

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# Effect of Job Security and Governance on Teacher's Job Satisfactions of Higher Educational Institutions in Southern Punjab

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**Abstract:** Educational institutes in Pakistan have become progressively successful. In the last few decades Pakistan is facing tremendous challenges particularly in education and due to insufficient and ineffective public education system. However, there is need to plan and strategize upcoming challenges bases on education machinery workforce placement, capability and capacity. This study is aiming to examine the relationship between, job security, governance, and teacher's job satisfaction. In addition this study is also investigating the moderating effect of leadership style between job security and governance. This study has used SMART-PLS structural equation modeling to analyze the data using quantitative research method. This study has used quantitative research method using stratified sampling technique. This study had used 266 completed and usable questionnaires collected from teacher of the institutions in Sothern Punjab- Pakistan. The findings have indicated a significant relationship between job security, governance and job satisfaction at educational institution level. In addition it was also reveals that leadership style has no significant influence between job security, governance and teacher's job satisfaction. The influence of these factors calls for the further research. There is also need to carry out a similar but comparative study in rural settings.

**Keywords:** *Job security, governance, leadership style, job satisfaction.*

## 1. Introduction

Human resource is foremost asset of any institute as the academic and non-academic employees are main contributors for the success of universities, colleges or schools. All those perspectives should be kept in mind which can motivate an employee towards achieving his objective and goals. Efficiency of an employee is all about employee's duties, obligation and processes for achieving goals (Sumra, 2005). Performance of employee should be measured and sustained on regular basis. Job satisfaction describes about employee whether he/she is quantifiable as well as particular towards his job. Many companies are focusing on measurement of job satisfaction feature as it is a very important factor. Job satisfaction is sort of modern phrase. In previous centuries a single person implied on the specific job defined employee's job or work performed through the work of employee's parents. Number of variety of factors affects the job satisfaction of any person. Some factors are characterized as rewards, pay, environment of company, administration, influence of public, job tasks assigned, job clarity and hub design etc. If, the employees are happy at their jobs, they are satisfied and more pleased. Job designed should be such that it ultimately enhances the satisfaction of employee. Job design should be included the job enrichment, job rotation as well as job enlargement (Brkich, et al., 2002).

In addition teachers are called to work on weekends and even on holidays during the high work pressure. In addition, there are few authors (Smith & Wang 1996) who have identified that the most important factor which makes the teacher dissatisfied is their job security, governing authority and leadership styles. As in some cases due to institutes weak profitability and bad performance the employees are downsized. The educational institutes are always in the bargaining position with the employees and the old employees can always be replaced with new fresh employees on contractual basis paying fewer salaries. The human resource department among educational institutes in Pakistan has great importance and institutes realize its meaning for their performance is rising with the passage of time. Universities and institutes are looking for competitive candidates and provide them market equivalent compensation to retain them and remain them as their satisfied employees. Improve students academics performance, university should ensure that academic staff is satisfied their job and deliver excellent job performance in the class (Yee, 2018). Table 1 is showing the statistics of total institutes and teachers distribution from the year 2013 to 2016 issued in a report presented by ministry of finance. This data is indicating a slow growth of established institutes and new teacher's appointments.

**Table 1: Number of Mainstream Institutes and Teachers by Level (Thousands)**

| | Institutions | | | | | Teachers | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2013-14 | 2014-15 | 2015-16 | Rate of % Changed between 2013/14 & 2014/15 | Rate of % Changed between 2014/15 & 2016/17 | 2013-14 | 2014-15 | 2015-16 | Rate of % Changed between 2013/14 & 2014/15 | Rate of % Changed between 2014/15 & 2016/17 |
| **Primary** | 157.9 | 165.9 | 168.9 | 5.07 % | 1.81 % | 420.1 | 430.9 | 431.8 | 2.57 % | 0.21 % |
| **Middle** | 42.9 | 44.8 | 45.6 | 4.43 % | 1.79 % | 364.8 | 380.8 | 388.7 | 4.39 % | 2.07 % |
| **High** | 30.6 | 31.3 | 32 | 2.29 % | 2.24 % | 500.5 | 514.2 | 529.7 | 2.74 % | 3.01 % |
| **Higher Secondary / Intermediate** | 5.2 | 5.4 | 5.7 | 3.85 % | 5.56 % | 124.3 | 118.1 | 124.3 | -4.99 % | 5.25 % |
| **Degree College** | 1.1 | 1.4 | 1.4 | 27.27 % | 0.00 % | 26 | 36.6 | 35.8 | 40.77 % | -2.19 % |
| **Technical and Vocational Institutes** | 3.3 | 3.6 | 3.7 | 9.09 % | 2.78 % | 16.4 | 19.4 | 20.5 | 18.29 % | 5.67 % |
| **Universities** | 0.161 | 0.163 | 0.17 | 1.24 % | 4.29 % | 77.6 | 88.3 | 94 | 13.79 % | 6.46 % |
| **Total** | **241.161** | **252.563** | **257.47** | | | **1529.7** | **1588.3** | **1624.8** | | |

**Source:** Ministry of Professional & Technical Training, AEPAM, Islamabad (2017),

**Problem Statement:** Internationally and in Asia economies are growing rapidly and core myth is capability building via education. Educational institutes in Pakistan have become progressively successful. In the last few decades Pakistan is facing tremendous challenges particularly in education and due to insufficient and ineffective public education system, private education is sufficiently filling those opportunities and making tremendous profits (Saeed, Ahmad, Salam, Badshah, & Ali, 2013). Although the public and private education is transforming and adding value to the system but still the teacher's job security, institutes governance and leadership styles remains a question for debate. This phenomenon has stimulated a number of investigators to study the changes in organizational structures, governance and leadership behavior (Smith & Wang 1996). The literature Vecchio, (2002) has identifies that workload among teachers in Pakistani private institutes is very high and teachers are expected to work more than stipulated working hours. In addition, policy for pay increment and promotion is very slow and it dissatisfies the employees According to Luthans, (2005) changing duty timings and location also dissatisfies the teachers (Rose, 2000).

**Research Objective:** Given below are the research objectives of this study:

- To investigate the relationship between job security and teacher's job satisfaction.
- To find the relationship between governance and teacher's job satisfaction.
- To investigate the moderating factor of leadership style between job security, governance and teacher's satisfaction.

**Research Question:** Given below are the research questions of this study:

- Does job security influence teacher's job satisfaction in public and private educational institutions in southern Punjab?
- What is the relationship between governance and teacher's job satisfaction in public and private educational institutions in southern Punjab?
- Does leadership style moderate between job security, governance and teacher's satisfaction?

## 2. Literature Review

**Job Satisfaction:** The organization considers and used many tools for satisfaction of employee like as job security, work place, targets etc. Raza et al. (2015) found that job satisfaction of teacher is a predicted by teacher retention, determine of teacher commitment in turn contribution to school effectively. According to Hall, (1996) study less satisfied employee has more intention and tendency to leave the organization. Definition of job satisfaction is employee reaction about his organization or occupation. Job satisfaction is gratification or positive emotional state resulting from a review of one's job or job experience (Akdol & Arikboga, 2015). Moreover, Dogan (2016) found that job satisfaction could be improves by communication among colleagues. The author added that good rewarding system, working environment, organizational governance, job security and promotion can also make the employees satisfied.

**Job Security:** Many researchers have find that job security induce organization commitment of employees (Davy, 1997) investigate that job security significantly relate to employee satisfaction. Iverson (1996) find that job security has significant impact on organization commitment. Job security significant has expanded and high light in the previous ten years feedback of employees why they change the organization. Raza et al. (2015) found that academic staff commitment is influenced by various factor but there are two major factors, (i) job security and (ii) job satisfaction. Job security is one's expectation related still in job situation. Job security is important part of job commitment (Akpan, 2013). Consequently, it may be hypothesized:

**Hypothesis # 1:** There is a significant positive relationship between job security and job satisfaction among teachers in HEI.

**Governance:** Governance is a system by way the companies makes their strategies and implements these strategies to achieve the goals of the firms. After corporate scandals like Enron and the big financial losses, the codes of corporate Governance globalized all over the world to protect the investor from frauds of directors and management Bernard (2014). Bernard, (2014) informed that "Corporate governance involves a set of relationships between a company's management, its board, its shareholders and other stakeholders. Corporate governance also provides the structure through which the objectives of the company are set, and the means of attaining those objectives and monitoring performance are determined." Affiliation between Good Corporate Governance and Job Satisfaction Literature on corporate governance shows that, no existing empirical studies on the relationship between corporate governance and employee job satisfaction has been reported. How between corporate governance and firm performance exist. Subsequently, it may be hypothesized:

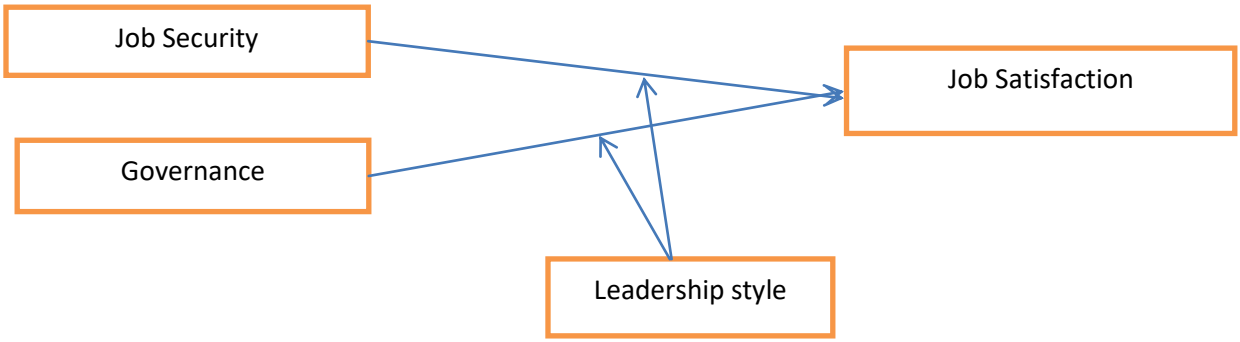
**Hypothesis # 2:** There is positive association between governance and job satisfaction of teacher in HEI.

**Leadership Styles:** Leader plays a very important role in any organization and do have long-lasting and important impact on operation of any organization. According to Elpers and Westhuis, (2008) mostly leaders are less concerned about practices they are performing and their effect on satisfaction of their employees. Leaders have to deal with employee in organization to get some complete from them so leaders have to adopt some behaviors to deal with people in organization. (Lewin, et al., 1939) did explore the different leadership styles as laissez-faire leadership, autocratic and democratic styles. Therefore, it may be hypothesized:

**Hypothesis # 3a:** Leadership styles moderates the association between job security and job satisfaction of teacher in HEI.

**Hypothesis # 3b:** Leadership styles moderates the association between governance and job satisfaction of teacher in HEI.

**Figure 1: Conceptual Framework**




## 3. Methodology

Our study is on impact of job security, governance and leadership styles influencing the job satisfaction in the teacher's Southern Punjab. For this study quantitative research method was used to collect the data. Three hundred and thirty (350) questionnaires were distributed via mailed, email, and personal interaction to the teacher of the institutions Sothern Punjab. The total number of questionnaires distributed was 330, out of which only 290 of questionnaires which were finally returned. Therefore the response rate was 81 % (refer to table 2 and 3).

**Sample Size:** According to Sakran (2012) population sampling table if the population is between 1000, to 2000 the required sample should be 350 samples. Study sample includes of 350 respondents of different of different institution. Sampling method that is used in study is convenience random sampling because respond depends on their availability and willingness.

**Sampling Technique:** Due to analyze us use the non-probability test has been around utilized. For the reason that clarification of the analysis is not just to solve the particular magnitude of impact of factor within institution, however comparatively to acknowledge a new effects, consequently a new non-probability test is actually good enough (Sakran 2012) random sampling technique for collection sampling.

**Unit of Analysis**: The unit of analysis is the main entity that is being analyzed in research. It is the 'what' or 'who' that is being studied. In social science research, typical units of analysis include individuals (most common), groups, social organizations and social artifacts. In this study unit of analysis are teachers from private universities, colleges and schools.

**Table 2: Population Table**

| S. No | Name of Private Institute | Private | Public Institute | Total | Percentage (%) |
|---|---|---|---|---|---|
| 1 | Universities | 3 | 13.000 | 16.000 | 1.0 |
| 2 | Colleges | 1500 | 200.000 | 1700.000 | 77.0 |
| 3 | Schools | 5000 | 1005.000 | 6005.000 | 272.0 |
| **Total Population** | | | | **7721.000** | 350 |

**Table 3: Response Rate**

| S. No | Items | Responses |
|---|---|---|
| 1 | Total Number of Questionnaire Distributed | 330 |
| 2 | Total Number of Questionnaire Returned | 290 |
| 3 | Questionnaire as missing value | 2 |
| 4 | Incomplete Questionnaires | 18 |
| 5 | Non- serious filled questionnaires | 4 |
| 6 | Total Usable Questionnaire | 266 |
| **Response Rate** | | **≈ 81 %** |

## 4. Analysis Measurement Model

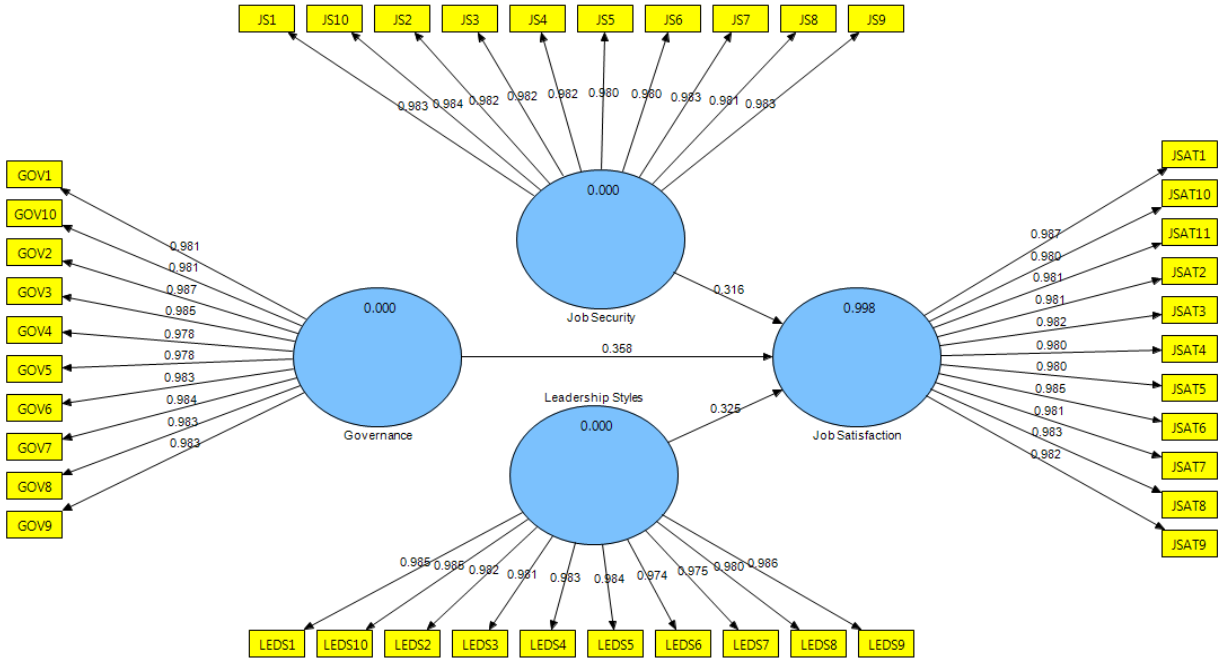
The assessment of the measurement model contain of reliability and validity calculation. Glocker, (2012) informed that measurement models can be evaluated according to factor loadings of more than 0.7 (refer to Table 4 for more details) and composite reliability criteria need to be higher than 0.6 is measured as internal consistency (Henseler, 2012). Meanwhile, the Average Variance Extracted (AVE) standard the average variance have to be higher than 0.5 and the results demonstrates that each AVE value is above 0.5 level (ranges from 0.9630 to 0.965 and refer to figure 2 for more details). In addition Table 1 shows the Cronbach's Alpha value of governance (0.9959), job security (0.99588), leadership style and job satisfaction (0.99629) were all considered acceptable to be tested which mostly found to be more than 0.7 benchmark (also refer to Table 4).

**Table 4: Summary of Measurement Model**

| Variables | Items | Actual Loading | AVE | Composite Reliability | R Square | Cronbach's Alpha | Communality | Redundancy |
|---|---|---|---|---|---|---|---|---|
| **Governance** | GOV1 | 0.981221 | 0.965 | 0.996386 | | 0.995969 | 0.964998 | |
| | GOV10 | 0.981497 | | | | | | |
| | GOV2 | 0.986549 | | | | | | |
| | GOV3 | 0.985093 | | | | | | |
| | GOV4 | 0.978258 | | | | | | |
| | GOV5 | 0.977749 | | | | | | |
| | GOV6 | 0.982709 | | | | | | |
| | GOV7 | 0.984275 | | | | | | |
| | GOV8 | 0.983 | | | | | | |
| | GOV9 | 0.983044 | | | | | | |
| **Job Security** | JS1 | 0.983057 | 0.96425 | 0.996306 | | 0.99588 | 0.964249 | |
| | JS10 | 0.98371 | | | | | | |
| | JS2 | 0.98198 | | | | | | |
| | JS3 | 0.981776 | | | | | | |
| | JS4 | 0.981523 | | | | | | |
| | JS5 | 0.979958 | | | | | | |
| | JS6 | 0.980426 | | | | | | |
| | JS7 | 0.983256 | | | | | | |
| | JS8 | 0.981101 | | | | | | |
| | JS9 | 0.982825 | | | | | | |
| **Job Satisfaction** | JSAT1 | 0.986925 | 0.96424 | 0.996639 | 0.998233 | 0.99629 | 0.964235 | 0.56604 |
| | JSAT10 | 0.98024 | | | | | | |
| | JSAT11 | 0.981071 | | | | | | |
| | JSAT2 | 0.981193 | | | | | | |
| | JSAT3 | 0.9818 | | | | | | |
| | JSAT4 | 0.979506 | | | | | | |
| | JSAT5 | 0.980195 | | | | | | |
| | JSAT6 | 0.984844 | | | | | | |
| | JSAT7 | 0.980735 | | | | | | |
| | JSAT8 | 0.982798 | | | | | | |
| | JSAT9 | 0.982168 | | | | | | |

| | | | | | | |
|---|---|---|---|---|---|---|
| **Leadership Styles** | LEDS1 | 0.984749 | 0.96349 | 0.996225 | 0.995788 | 0.963493 |
| | LEDS10 | 0.984908 | | | | |
| | LEDS2 | 0.982328 | | | | |
| | LEDS3 | 0.981043 | | | | |
| | LEDS4 | 0.983302 | | | | |
| | LEDS5 | 0.984258 | | | | |
| | LEDS6 | 0.974063 | | | | |
| | LEDS7 | 0.975469 | | | | |
| | LEDS8 | 0.980028 | | | | |
| | LEDS9 | 0.985548 | | | | |

**Figure 2: Measurement Model**




**Discriminant Validity:** Fornell and Larcker (1981) recommend that the square root of Average Variance Extracted (AVE) in every latent variable can be used to form discriminant validity, if this assessment is larger than other correlation values amongst the Latent Variables. The Fornell-Larker standard measures how each item relates to each construct (Chin, 1998). Consequently, Table 5, discriminant validity was formed in which the square root of AVE is manually calculated and written in bold on the diagonal of the table which shown that all the constructs with a value of AVE more than 0.5. In addition, entirely constructs also had the diagonal values of square root of more than the square correlation with other constructs in off-diagonal. Thus, this has showed that all constructs come across the satisfactory standard of discriminant validity (Henseler et al., 2009; Osman, Ismail, Nowalid, & Adnan, 2014).

**Table 5: Discriminant Validity**

| | Governance | Job Satisfaction | Job Security | Leadership Styles |
|---|---|---|---|---|
| **Governance** | **0.98234312** | | | |
| **Job Satisfaction** | 0.998547 | **0.981954683** | | |
| **Job Security** | 0.998651 | 0.998721 | **0.98196181** | |
| **Leadership Styles** | 0.9979 | 0.998465 | 0.998609 | **0.981576793** |

**Findings of Structural Model**

**H1: Job Security has a Significant Effect on Job Satisfaction:** There is important correlation between job security and job satisfaction (t=5.349144, p<0.05) because t-statistic is greater than 1.96 (refer to table 3). The relationship between the job security and the job satisfaction is the positive. Similarly, Dachapalli and Parumasur (2012) confirmed that opinion of high job security is linked frequency to increase the level of job satisfaction among staffs. When dissatisfaction of job security exists, employees afraid that they may dismiss one day and it will persuade their job satisfaction and less retention to stay at institution (Sverk, et al., 2002).

**H2: Governance has a Significant Effect on Job Satisfaction:** The results of the Smart-PLS show there is important association between Governance and job satisfaction (t=4.729237, p< 0.05) because t-statistic is greater than 1.96. It's indicated, governance has significant association with job satisfaction. A good governance system is positively association with job satisfaction of teachers (Bernard et al., 2014).

**Table 6: Hypothesis Testing (Direct Relationships)**

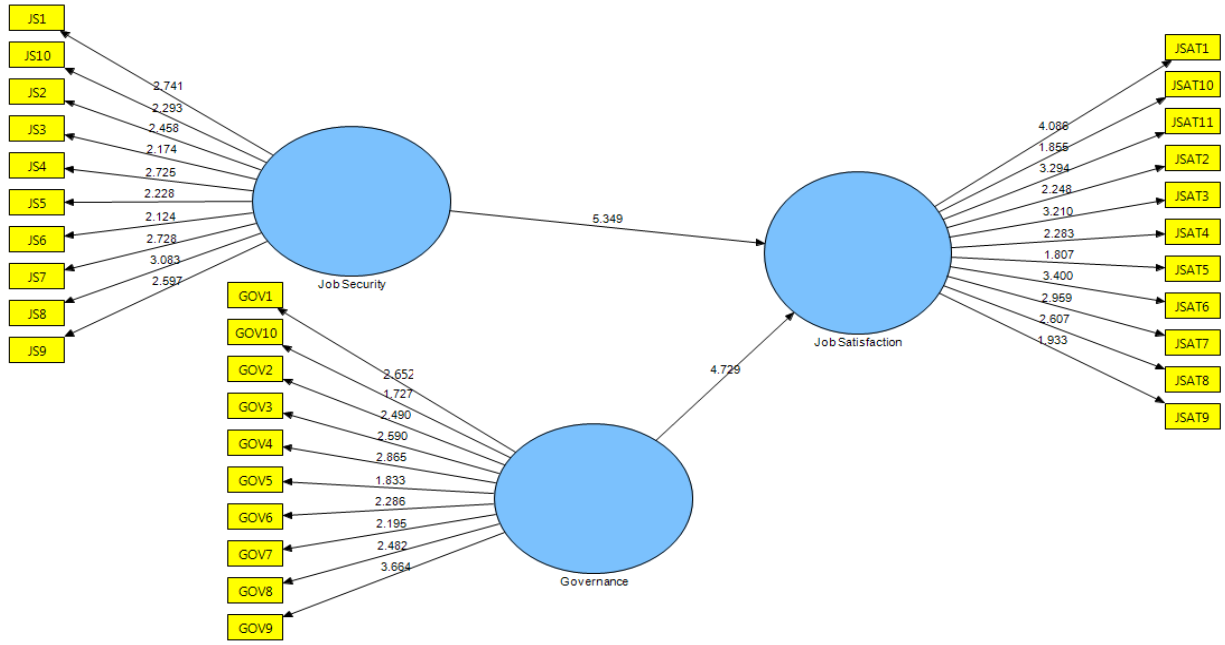
| Hypothesis Testing | Relationship | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | Standard Error (STERR) | T Statistics (\|O/STERR\|) | Acceptance / Rejection |
|---|---|---|---|---|---|---|---|
| H1 | Governance → Job Satisfaction | 0.435212 | 0.402668 | 0.092026 | 0.052026 | 4.729233 | Accepted |
| H2 | Job Security → Job Satisfaction | 0.564096 | 0.49512 | 0.105455 | 0.05455 | 5.349144 | Accepted |

**5. Conclusion**

Drawn the conclusion of this paper in which the job security, governance, leadership style and job satisfaction of teaching staff. Similarly the important difference in which related contribution of job security and job satisfaction of educational staff commitment, with the job security being the most potent participation fellow by job satisfaction. It would be deduced that institution staff that experience job satisfaction are expected to reveal high institution job commitment. The same would be appropriate with lecturer who observes their job as being secure. Therefore, job security and job satisfaction are two related the concept of effect of job attitude institutional commitment of institution staff. The governance is also significant associated with job satisfaction of teacher due t-value is greater than 1.96.

So it is show association between the governance and job satisfaction. This study which shows the no affect the leadership style on teacher job satisfaction with other factors, if we improving the leadership style relate to improvement work efficiency of the academic staff. Educational leader is very important to aware of how leadership styles affect teacher's job satisfaction because they might influence on student progress. This study has also shown the relationship of governance, job security influence the overall job satisfaction. Similarly, they have very important role implication for human resource management practice and administrations of institution conductive social atmosphere need to be produced in the working position to develop assurance of teachers.

**Figure 3: Structural Model**




**Moderation**

**Hypothesis # 3a:** Leadership styles moderates the association between job security and job satisfaction of teacher in HEI.

**Hypothesis # 3b:** Leadership styles moderates the association between governance and job satisfaction of teacher in HEI.

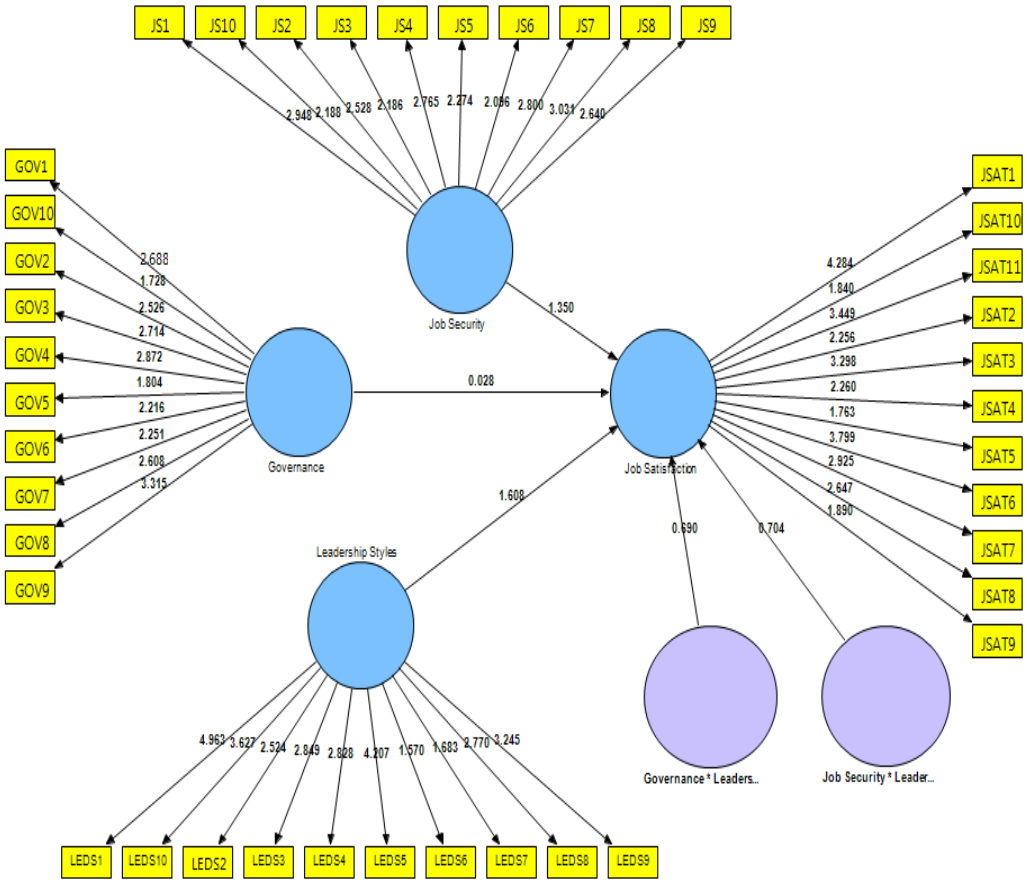
The moderating role of leadership style is no significance association between the job security, governance and the job satisfaction because T-value is less 1.96 similarly p-value is greater from 0.05. So this shows no intervention between the above variable. However, Kenkelvin (2017) the principle leadership style becomes one of the central factors to consider because they a play vital role in organizations. The study sought to find the effects of leadership style on teacher satisfaction in private and public institution. Crispen (2017) indicates in his study academics professionals were not satisfied with leader support those received in relevant department.

**Table 7: Moderation**

| Hypothesis Testing | Relationship | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | Standard Error (STERR) | T Statistics (\|O/STERR\|) | Acceptance / Rejection |
|---|---|---|---|---|---|---|---|
| | Governance → Job Satisfaction | -0.01166 | 0.127271 | 0.419945 | 0.419945 | 0.027766 | |
| H3a | Governance * Leadership Styles → Job Satisfaction | 7.891784 | 3.389524 | 11.442329 | 11.442329 | 0.689701 | Rejected |
| | Job Security → Job Satisfaction | 0.543216 | 0.485634 | 0.40225 | 0.40225 | 1.350445 | |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| H3b | Job Security * Leadership Styles → Job Satisfaction | -8.052102 | -3.451204 | 11.443484 | 11.443484 | 0.703641 | Rejected |
| | Leadership Styles → Job Satisfaction | 0.308115 | 0.307619 | 0.191659 | 0.191659 | 1.607623 | |

**Figure 4: Moderations**




**Theoretical Contribution:** This is conceptually contributed to knowledge but explaining the phenomenon of employee pay and promotion, job security, work load, governance, leadership among teachers influencing their job satisfaction. There are very few studies which ponder on the subject matter discussing teachers human resource related issues leading to their satisfaction attributes.

**Methodological Contribution:** Furthermore this research in one of its kindly exclusively:

**A.** Using teachers as respondents in Southern-Punjab.

**B.** Collecting data from 350 teachers was really a big challenge and this research has contributed by collecting required sample as per sampling collection technique.

**C.** The research has used SPSS for running frequencies and investigated the validity, reliability (measurement model) and hypothesis testing (structural model) using Smart-PLS, which is also a contribution in a since that it's a new statistical approach.

**Recommendations:** On the finding of this paper, author recommended the below suggestions:

**A.** A parallel study is carry out in a business atmosphere to build the role of customers in improving employee commitment Future study is suggested for involvement of other social participants in education such as parents and institutional management boards and committee.

**B.** Then the study was conducted in urban areas teachers would have been committed to their working institutions due to other suitability such as convenience to their working station and teacher residential status and preferences. The impact of these above factors call for further research. There is also need to carry out a similar but comparative study in rural setting.

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