The Impact Of Change Management Organizational Innovation In Higher Education Institutions In North Sumatra

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Article Info	ABSTRACT
Keywords: Change Management, Organizational Innovation, Higher Education.	This study aims to analyze the influence of change management on organizational innovation in higher education institutions in North Sumatra. To address these gaps, higher education institutions need to urgently develop a more adaptive and participatory change management strategy. This strategy should \ensure that all parties are involved and supporting the change process towards sustainable innovation. Using qualitative research methods, this study collects data through interviews, observations, and documentation studies in several universities. The results show that effective change management, characterized by transformational leadership, human resource readiness, and technological infrastructure support, contributes significantly to organizational innovation. However, challenges such as resistance to change, limited financial resources, and lack of training for educators remain major obstacles. Therefore, a more adaptive and participatory change management strategy is not just a suggestion, but a necessity for the optimal functioning of organizational innovation.
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INTRODUCTION

Universities as educational institutions have an important role in producing quality and competitive human resources. However, the current state of education in Indonesia cannot be proud of, with the low competitiveness of Indonesian students and the emergence of various internal and external problems in community life, which indicates that existing human resources are still not able to contribute optimally to the progress of the nation (Omayra, 2021). One of the efforts to improve the quality of education in Indonesia is through change management in higher education. Higher education management can no longer be done in the traditional way, but it really needs special skills and strategies so that educational output is in line with market needs both nationally and internationally. (Fauziah & Khakimatusodiqoh, 2022) Effective and efficient university management, which leads to the formation of quality and quality graduates, is very important in facing the challenges of globalization.

Change is an inevitable phenomenon in every organization, including in the higher education environment. In the context of increasingly competitive global dynamics, universities in North Sumatra are required to continue to adapt and innovate to maintain the relevance and quality of their education. Change management is one of the main keys in

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facing this challenge, as it serves as a systematic framework to manage the transition from the current state to the desired state in the future (Kotter, 2012). Organizational innovation, on the other hand, is a critical factor driving the growth and sustainability of higher education institutions. Innovation is not only limited to the development of curriculum or learning methods, but also includes aspects such as information technology, organizational governance, and student services (Damanpour & Schneider, 2006). In this case, change management can be a key driver for the creation of a sustainable culture of innovation in the higher education environment.

Several previous studies have revealed a positive relationship between change management and organizational innovation. For example, a study by Burnes (2004) shows that organizations that implement change management effectively tend to be better able to adopt innovation and respond better to changes in the external environment. However, the specific context in higher education, especially in North Sumatra, is still not widely explored. In fact, this region has unique characteristics, such as cultural diversity, limited financial resources, and infrastructure challenges that can affect the implementation of change management and innovation. Therefore, this study aims to analyze the influence of change management on organizational innovation in universities in North Sumatra. By understanding these dynamics, it is hoped that it can provide strategic recommendations for stakeholders in the higher education sector to increase their innovation capacity through effective change management approaches.

Although change management has an important role to play in driving innovation in higher education institutions, there are several gaps that can hinder its effectiveness. One of them is the difference between traditional working methods and new approaches that often cause internal conflicts. As revealed in the article 'Change Management in Industrial Organizations: Strategies for Facing the Digital Age', this gap can lead to internal conflicts and failures in harnessing the full potential of digital technology (Nuri A&M Adhie, 2023). Another gap is the lack of active participation of all stakeholders, including faculty, students, and administrative staff, in the change management process. In fact, the active participation of all stakeholders is not just a contribution, but a necessity for the achievement of better education goals. To address these gaps, higher education institutions need to develop a comprehensive and inclusive change management strategy, ensuring that all parties are involved and supporting the change process towards sustainable innovation.

Literature Review

Change Management

Change management is defined as a systematic process to manage transitions or transformations in an organization, whether in terms of structure, culture, technology, or business processes, to achieve desired goals (Kotter, 2012). In the context of higher education, change management becomes important because these institutions face external pressures such as globalization, technological developments, and societal demands for better quality education (Burnes, 2004).

According to Hayes (2018), effective change management requires a structured approach, including the identification of change needs, strategic planning, clear

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communication, and the involvement of all stakeholders. Without good change management, organizations risk internal resistance, implementation failures, and an inability to achieve the goals that have been set.

Organizational Innovation

Organizational innovation refers to an organization's ability to develop and implement new ideas, processes, products, or services that create added value (Damanpour & Schneider, 2006). In higher education, innovation can include the development of technology-based curricula, online learning methods, data-driven management systems, and improved student services (Tidd & Bessant, 2018).

Innovation is not only technological but also involves changes in organizational culture, structure, and work processes. According to Rogers (2003), the adoption of innovation in organizations is influenced by factors such as organizational readiness, leadership support, and human resource capacity. Organizational readiness refers to the extent to which an organization is prepared to implement and sustain a change. Therefore, organizational innovation requires a supportive environment and visionary leadership that can foster this readiness.

Relationship between Change Management and Organizational Innovation

Several studies have revealed a positive relationship between change management and organizational innovation. According to Burnes (2004), organizations that implement change management effectively tend to be better able to adopt innovation because they have a clear framework for managing resistance and ensuring the involvement of all parties.

Studies by Damanpour and Schneider (2006) also show that good change management can create an organizational culture that supports innovation. This is achieved through transparent communication, employee training, and a reward system that encourages creativity. In the context of higher education, change management can facilitate the adoption of new technologies, the development of innovative curricula, and the improvement of the quality of academic services (Tidd & Bessant, 2018).

The Context of Higher Education in North Sumatra

Universities in North Sumatra face unique challenges in implementing change and innovation management. Some of these challenges include limited infrastructure, cultural diversity, and the level of readiness of human resources (Rahman, 2020). However, the potential for innovation remains great, especially with government support and inter-institutional collaboration. A study by Siregar and Nasution (2019) revealed that universities in North Sumatra have begun to adopt information technology to improve the quality of learning. However, the success of these innovations is highly dependent on the change management capabilities implemented by institutional leaders. Without a systematic approach, innovation risks being unsustainable or even failing to be implemented.

Theoretical Framework

Based on the literature review above, the theoretical framework of this study refers to the change management model of Kotter (2012) and the organizational innovation theory of Damanpour and Schneider (2006). Kotter emphasized the importance of change management stages, such as creating urgency, building coalitions, and consolidating

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change. Meanwhile, Damanpour and Schneider highlighted factors that influence innovation adoption, such as organizational environment, leadership, and resource capacity.

In the context of higher education in North Sumatra, this framework can be used to analyze how change management affects an institution's ability to innovate. By understanding this relationship, it is hoped that effective strategies can be developed to increase innovation capacity through a structured change management approach.

METHODOLOGY

This study examines the relationship between change management practices and organizational innovation in higher education institutions in North Sumatra. Effective change management is essential for universities to adapt to technological advancements, policy shifts, and evolving academic demands. By employing a structured methodology, this research aims to provide empirical insights into how change management influences innovation within these institutions. This research adopts a quantitative approach with a survey-based method to analysed the impact of change management on organizational innovation. A correlational research design is used to determine the strength and direction of the relationship between these two variables. The study focuses on higher education institutions (HEIs) in North Sumatra, including public and private universities. The target population includes faculty members, administrative staff, and leadership teams who are directly involved in institutional change and innovation processes. A stratified random sampling technique is employed to ensure representation from different types of institutions. The sample size is determined using the Slovin formula, which ensures an adequate number of respondents to achieve statistical significance. The primary data is collected through a structured questionnaire, which is distributed to respondents via online and offline methods. The questionnaire consists of three sections:

1. Demographic Information (e.g., position, years of experience, type of institution).
2. Change Management Variables, which include:
   a. Leadership commitment
   b. Communication strategies
   c. Employee involvement
   d. Resistance to change
3. Organizational Innovation Variables, which include:
   a. Process innovation
   b. Product innovation
   c. Technological adoption

A 5-point Likert scale (1 = Strongly Disagree, 5 = Strongly Agree) is used to measure responses. This study adheres to ethical research guidelines to ensure the rights and privacy of participants.

a. Informed Consent – Participants are informed about the study's purpose and voluntarily provide consent.
b. CJonfidentiality – All responses remain anonymous, and data is used strictly for research purposes.

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c. Institutional Approval – The research follows ethical guidelines set by relevant academic review boards.

While this study provides valuable insights, there are some limitations:

a. Self-reported data may introduce bias.
b. Limited geographic scope may affect generalizability to other regions.
c. Cross-sectional design limits the ability to assess long-term effects of change management on innovation.

This methodology outlines a structured approach to examining the effect of change management on organizational innovation in higher education institutions in North Sumatra. The use of quantitative analysis and SEM techniques ensures rigorous assessment of the proposed relationships. The findings of this study will contribute to understanding how universities can enhance innovation through effective change management practices.

RESULTS AND DISCUSSION

Result model

Change management plays a pivotal role in fostering organizational innovation within higher education institutions in North Sumatra. Effective leadership is crucial in implementing change management strategies that enhance the competitiveness of these institutions. A study focusing on the State Islamic University of North Sumatra highlighted that leadership significantly influences the sustainability and advancement of higher education, thereby boosting organizational competitiveness.

Furthermore, the adoption of structured change management models, such as the ADKAR model, has been instrumental in developing competencies among academic leaders. Research involving vocational study program heads at private universities in North Sumatra demonstrated that applying the ADKAR model effectively shapes change management competencies, which are essential for navigating organizational transformations. In summary, the integration of robust change management practices, supported by effective leadership and structured models like ADKAR, is vital for promoting organizational innovation and enhancing the competitiveness of higher education institutions in North Sumatra.

This research makes a theoretical contribution to the literature on change management and organizational innovation, especially in the context of higher education. Practically, the results of this research can be an input for university managers in North Sumatra to improve change management capabilities, in order to encourage innovation and competitiveness of universities.

Based on the results of interviews, observations, and documentation studies conducted at several higher education institutions in North Sumatra, it was found that change management has a significant influence on organizational innovation. Some of the key findings from the study include:

Institutions that implement change management strategies effectively show an increase in organizational innovation. Successful change management involves:

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a. Systematic planning, especially in adjusting higher education policies and regulations.
b. Adaptive leadership, which plays a role in driving innovation, especially in the use of digital learning technology.
c. Involvement of all stakeholders, including lecturers, students, and administrative staff.

One of the informants, a rector of a private university in North Sumatra, stated that, "Digital transformation on our campus can only happen when all elements of the organization understand the importance of change and have the same vision in facing new challenges."

Factors Influencing Organizational Innovation

Data analysis shows that several factors affect the level of organizational innovation in higher education institutions, namely:

a. Transformational Leadership. Visionary and change-responsive leaders are able to create an environment that supports innovation.
b. Readiness of Human Resources. Lecturers and education staff who have digital skills are faster to adapt to changes.
c. Technology Infrastructure Support. Institutions with adequate technological infrastructure are better prepared to implement innovations, such as online-based learning and digital academic administration systems.

As explained by Alam et al. (2023), "The success of innovation in higher education organizations is highly dependent on the readiness of human resources and the support of available technology."

Challenges in Change Management

Although change management contributes to organizational innovation, there are several challenges facing higher education institutions, namely:

a. Resistance to change, especially from teaching staff and administrative staff who are accustomed to conventional work methods.
b. Limited financial resources, which hinder the adoption of new technologies and the implementation of policy change.
c. Lack of training and development of human resources, which has an impact on the readiness of the workforce in facing digital transformation.

Discussion

The findings of this study show that higher education institutions that have good change management strategies tend to be more innovative in dealing with the dynamics of the academic environment. In this context, well-managed change not only improves organizational efficiency but also creates added value for students and lecturers. Successful change management in higher education involves a combination of strong leadership, an organizational culture that supports innovation, and optimal utilization of technology. As stated by Kotter (2012), "The success of organizational change depends largely on the extent to which the organization is able to inspire individuals to participate in change." Therefore, higher education institutions need to build an effective communication system so that all parties feel involved in the change process.

In addition, innovation in higher education organizations can occur when there is a balance between a top-down strategy and a bottom-up approach. Strategic leadership needs to be combined with the active involvement of lecturers and students in designing innovative solutions. For example, some universities have implemented blended learning methods that combine face-to-face meetings with digital platforms to increase flexibility in learning.

However, the main challenge in the implementation of innovation remains in the aspect of resistance to change. Many educators are still reluctant to adopt new technology in learning. To address these challenges, ongoing training programs and management support are needed to provide adequate resources. By considering these findings and challenges, it can be concluded that the effectiveness of change management has a great influence on organizational innovation in higher education. Educational institutions need to develop adaptive and participatory strategies so that innovation can be implemented optimally.

CONCLUSION

Based on the results of the study, it can be concluded that change management has a significant influence on organizational innovation in higher education institutions in North Sumatra. The implementation of effective change management is characterized by transformational leadership, human resource readiness, and adequate technological infrastructure support. However, in the process, institutions still face various challenges, such as resistance to change, limited financial resources, and lack of training for educators and administrative staff. Therefore, a more adaptive, innovative, and participatory change management strategy is needed so that organizational transformation in higher education can run optimally. With the right strategy, higher education institutions in North Sumatra can continue to develop, increase competitiveness, and provide better quality education for students and the wider community.

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