RISK MANAGEMENT OF LEGAL ENTITY COLLEGE: EXPLORING RISK PROCESS WITH INTERNAL CONTROL IN REALIZING WORLD CLASS UNIVERSITY

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Abstract

This study examines risk management at Legal Entity State Universities (PTN BH), which aims to improve its status to become a World Class University (WCU) by using internal control. The study provides in-depth insight into the importance of risk management to Indonesia's global higher education standards. The methodology combines qualitative and quantitative data collection assisted with NVivo software for its analysis, risk identification, WCU status calculation, and rigorous analysis. Universitas Airlangga (UNAIR) exemplifies the success of WCU's status through strong internal control-based risk management, with a strong academic reputation, impressive research productivity, high job readiness, and extensive international partnerships.

Keywords: Risk Management, Legal Entity College, Internal Control, World Class University.

1. INTRODUCTION

A World Class University (WCU) is a higher education institution globally recognized for outstanding achievements in various academics, research, and other aspects (Hazari 2010; Poirel 2012; Rubel 2010). WCU University excels in a variety of dimensions that have earned it high rankings in globally recognized inter-national university rankings, such as the QS World University Rankings, Times Higher Education World University Rankings, and Academic Ranking of World Uni-versities (ARWU) (Robinson 1994). This reflects the very high level of academic standards held by these universities at an international level.

The assessment of World Class University (WCU) status involves a number of indicators and criteria used by various ranking institutions. According to the Academic Ranking of World Universities (2019) from higher education institutions in China, there are several indicators that include: a) Quality of Education (10%) this includes evaluation of graduates/alumni of universities, b) Faculty Quality (40%) involves an assessment of staff and institutions winning and highly cited, c) Research Output (40%) this indicator includes an assessment of research publications and the number of citations, d) Performance per Capita (10%) It measures academic performance per individual in the institution. Based on Webometrics (2019), the standard categorization of a university as WCU includes a) Presence (20%) this includes the number of website pages and dynamic pages that are globally linked, b) Impact (50%) this indicator involves the number of research external links that are globally connected, c) Openness (15%) this includes the number of citation files that are globally connected, d) Excellence (15%) this indicator focuses on the number of article publications.

In Indonesia, several universities have achieved impressive levels of international fame and recognition through their various efforts and achievements (Marginson

2011). There are several main factors that have strengthened the position of Indonesian universities at the global level. International rankings are an important indicator of the achievements of Indonesian universities. Several universities in Indonesia have achieved high rankings in recognized world university rankings, such as QS World University Rankings, Times Higher Education World University Rankings, and Academic Ranking of World Universities (ARWU). This reflects the outstanding academic standards applied within these campuses as well as their commitment to a high quality of education. Indonesia has also focused its efforts on scientific research and publications.

Ministry of Education, Culture. Research and Technology of the Republic of Indo-nesia using assessment parameters version of Quacquarelli Symonds (QS) and The Times Higher Education / THE. This approach is considered more comprehensive in representing the quality of universities around the world. According to Quacquarelli Symonds World Class University (2020), the assessment parameters involve: a) Academic Reputation (40%) this includes teaching and research, b) Graduate Reputation (10%) this indicator focuses on graduate reputation, c) Staff to Student Ratio (20%) this measures the ratio between staff and students. d) International Publications (5%) this indicator focuses on publications with international coverage, e) Citations (20%) involve the number of citations of work from the university, f) International Staff to Student Ratio (5%) This measures the ratio of international staff to students at the university. According to The Times Higher Education Supplement (2016), the WCU assessment covers various aspects with their respective weights: a) Research Quality (60%) this indicator emphasizes the quality of research produced by universities, b) Graduate Employability Readiness (10%) includes the preparation of graduates for the world of work, c) International Perspective (10%) this indicator focuses on the extent to which universities have a global perspective, d) Teaching Quality (20%) this includes the quality of teaching at universities.

Over the past decade, there has been a very significant increase in the growth of universities in Indonesia. According to data available on the official website of DIKTI, there are currently 4,655 units of universities in Indonesia, which are divided into several types, including Academic (916 units), Polytechnics (307 units), Colleges (2,513 units), Institutes (242 units), and Universities (639 units). The location of this university is spread throughout Indonesia, with the majority being on the island of Java, which includes 1,708 units. The surprising thing is that the number of these universities exceeds the number of universities in Europe, and more than 50 per cent are private universities (Wright, 2008). Currently, the University serves around 7 million students and has 250 thousand lecturers. However, this huge growth also gave rise to significant imbalances. The differences in mission and focus between different types of colleges such as research universities, comprehensive universities, and more teaching-oriented institutions such as polytechnics or academies, are becoming less clear. As a result, the role of universities in economic building has become blurred. Although several leading universities in Indonesia have obtained international accreditation, there is still a large disparity in the quality of universities, both public and private. Higher education institutions are also faced with the need to innovate and adapt to the development of Information and Communication Technology (ICT) to maintain the quality of higher education (Deem, 2008). In this case, increasing the competence of lecturers and their productivity is the main concern. The Ministry of Education, Culture, Research, and Technology (Kemdikbud Ristek) has introduced

regulations that lead to the use of ICT in higher education administration to improve efficiency. More detailed information can be found in PDDikti 2023, which provides an overview of the number and variety of universities in Indonesia as follows:

Table 1: Data on the Number of College at Indonesia

College Name	State College	Private College	Number of Colleges
Academy	55	861	916
Polytechnic	136	171	307
High School	55	2.458	2.513
Institute	56	186	242
University	82	557	639
Community Academy	7	31	38
Total	**391**	**4.264**	**4.655**

Source: Higher Education Database of the Ministry of Education and Culture of the Republic of Indonesia, 2023

Higher education is expected to become a center of innovation, which is important to improve the nation's competitiveness in various fields (Findlay 2012; Peng et al. 2023). Study programs in universities also need to continue to develop in accordance with the demands of the times. Efforts to merge or merge universities that face challenges have also been implemented to improve the quality of private universities which are currently still considered low (Craven 2000). It is important to continue to improve the quality of education in Indonesia in order to produce quality human resources. Despite efforts, educational achievement in Indonesia has not yet reached the expected level. In this context, the 2003 National Education System Law emphasizes the importance of education in shaping individual character and ability.

Higher education is not only responsible for providing education and conducting research, but also must play a role in forming ethical and independent attitudes (Wiyono 2018; Wright 2008). This includes avoiding acts of violence such as beatings or mistreatment as well as acts of academic dishonesty such as plagiarism, jockeying, and cheating. Although the growth in the quantity of higher education in Indonesia, especially under the Ministry of Education and Culture (formerly the Ministry of Research, Technology and Higher Education), has increased significantly, the improvement in the quality of higher education has not reached a comparable level. Therefore, further efforts need to be made to improve the quality of higher education so that it can compete with developed countries (Griffin 1995). In recent years, there have been positive signs that improving the quality of Indonesian higher education is starting to have an impact at the international level. Several universities in Indonesia have made it into the list of the 10 best Quacquarelli Symonds (QS) 2023 version, and several universities are on their way to World-Class University (WCU) status.

Universitas Airlangga (UNAIR) is the first higher education institution in East Java that has successfully strengthened its reputation as a World Class University (WCU). At first, the main focus of this campus was in the field of guise. However, over time, UNAIR has succeeded in strengthening its tensions in various other fields, including law, natural sciences, and social sciences. This campus consists of 14 faculties and postgraduates spread across three locations in Surabaya, namely Campus A on Jalan Prof. Dr. Moestopo 47, Campus B on Jalan Airlangga 4-6, Campus C in Mulyorejo, and Banyuwangi Campus. UNAIR was established on November 10, 1954, coinciding with the 9th Heroes' Day, in accordance with Government Regulation Number 57/1954. With the Garuda Mukti logo featuring Bathara Wisnu, the university has

succeeded in developing a higher education management strategy that always emphasizes quality as one of its advantages. Improving the quality of education cannot be separated from various excellent strategies implemented by UNAIR to consolidate itself as the best university. One of the strategies that is the main focus is the application of the principle of "Excellence with Morality" in the quality assurance process. According to data from Quacquarelli Symonds (QS) in 2023, UNAIR managed to rank 199th as the best university in Asia, ranked 6th in Indonesia, and ranked =345 at the world level. This success is the result of teamwork, collaboration, management that provides opportunities, and the important role of the quality assurance unit in quality management of this institution sees that UNAIR as one of the state universities of legal entities in Indonesia (Rochmawati et al. 2020).

The management of Legal Entity State Universities (PTN BH) involves a number of very strict requirements. In 2016, it was recorded that there were eleven BH state universities in Indonesia including UNAIR. The government has set a series of strict requirements for PTN BH, including the achievement of the highest national ranking in international publications and patents, "A" accreditation from BAN PT, financial audits with "Reasonable Without Exception" (WTP) opinions for two consecutive years, as well as student achievements recognized at the international level. The status of PTN BH is determined through government regulations, while the status of PTN-BLU (Public Service Agency) is determined through a Decree of the Minister of Finance after a proposal from the Minister of Research and Technology. PTN BH has a wide degree of autonomy in academic matters and has the right to open and close study programs within its universities. On the other hand, PTN-BLU/PTN Satker does not have the same flexibility in this regard. Tuition fees at PTN BH are determined based on technical guidelines set by the Minister, by considering the economic ability of students, parents, or other parties who support student education. The income obtained by PTN BH is not part of Non-Tax State Revenue (PNBP), and the assets obtained from PTN BH's activities are PTN BH's assets which are considered as separate state assets (Craven, 2000). In addition, PTN BH has the authority to establish, recruit, foster, and terminate employment relationships with Non-Civil Service staff in accordance with applicable regulations. The development of status from State-Owned Legal Entity (BHMN) to PTN BH has undergone transformation in accordance with regulations imposed by the government. With the enactment of UNAIR as PTN-BH in its implementation, there are uncertainties which are then formulated using risk management (Argadinata and Gunawan 2019).

Risk management in state universities of legal entities has a very important role in ensuring the efficient running of educational operations and management of institutions (Beck 2011; Codd 2005; Kotseva 2001). In Indonesia, state universities with legal entities are higher education institutions that have autonomy in managing their own finances, including in dealing with risks that may arise (Godfrey 2009; Ulfatin, Ahmad Sonhaji, and Arifin 2016). These risks include uncertainty in government funding, fluctuations in student numbers, global competition in seeking students and research, as well as various other internal risks such as financial risk, reputational risk, and legal risk. Risk management in public universities of legal entities should be an integral part of the institution's management strategy. Higher education institutions need to have clear policies and procedures related to risk identification, evaluation, and management (Dai 2002). This includes prioritizing risks that need to be addressed, developing risk mitigation strategies, and implementing appropriate

actions to reduce the impact of these risks. In addition, the use of appropriate risk management frameworks, such as ISO 31000:2018, can assist universities in managing risk effectively (Alijoyo 2022; IRM 2018).

UNAIR has a deep understanding of the risks faced by institutions and must be active in formulating risk management strategies. In addition, internal and external risk audits are carried out periodically to ensure the effectiveness of the risk management program that has been implemented (Garcia-Tsao 2017; Peters 2010). In addition to financial risk, reputational risk, and legal risk, UNAIR as PTN BH also pays attention to other risks that can affect quality and competitiveness. Therefore, risk management is not only a tactical necessity, but also a strategic component in achieving World Class University (WCU) status and maintaining its existence and reputation (Md and Nendi 2023).

The context of PTN BH risk management is based on internal control, this ensures progress, best practices, and the latest trends in risk management in higher education institutions. Currently, risk management at PTN BH has experienced significant development. PTN-BH has adopted a comprehensive internal-based control approach to improve the effectiveness of risk management. The College has established structured policies and procedures to identify, assess, and manage the risks faced. Unair uses various accredited risk management frameworks, such as ISO 31000:2009 (Lavrnić, Bašić, and Viduka 2021), as a guide in the implementation of risk management. This helps in dealing with a variety of challenges, including financial risk, reputational risk, legal risk, and other internal risks. A structured approach, based on an accredited framework, involving senior management, and complemented by periodic risk audits, is a best practice in risk management of PTN BH based on internal control. This helps UNAIR overcome various risks, maintain the quality of education, and support efforts towards World Class University (WCU) status and maintain the reputation of the institution.
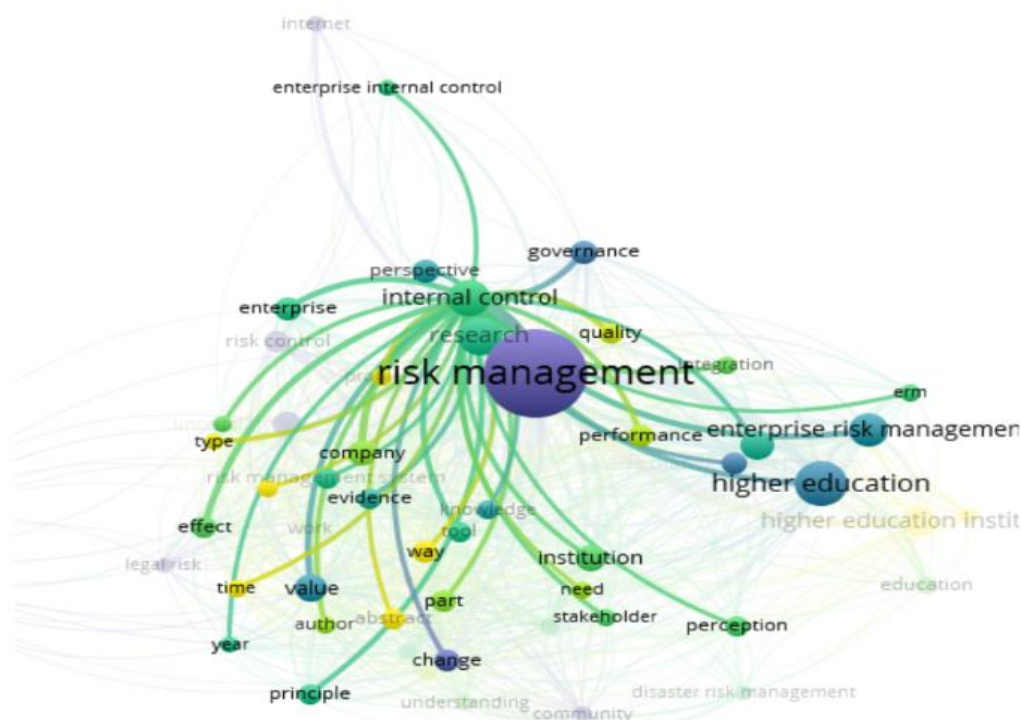

Figure 1: Output Vosviewer Scopus, Scholar, and Crossref

Based on the analysis of the topic of risk management in Higher Education, it was found that there are limitations in the number of international publications that specifically explore risk management in Higher Education (FROOT 1993), especially in the context of Legal Entity State Universities. Similarly, when attempting to focus on the internal-based risk management aspects of control, few international publications have been found on this topic. This shows that the discussion of risk management in universities with an internal control-based approach is still an issue that is rarely considered in international research. This trend also shows that this topic has begun to attract international research interest in recent years. In other words, this issue is becoming increasingly relevant in the world of international research. With this increased interest, it is expected that there will be an increase in the number of publications and further in-depth research on aspects of risk management in Higher Education based on internal control principles (Straub, 1998). In order to get a more detailed picture of research trends and what has been visualized on this topic, a more in-depth analysis of VOSviewer output or other data visualizations that may have been created is needed. With these data, we can better understand the trend of more detailed research and the extent to which the development of research on risk management in Higher Education with an internal control-based approach has achieved.

2. METHODS

This research uses a mixed method approach, a combination of two research methods, namely qualitative and quantitative, aims to solve the identified research problem (Creswell 2002). The use of concomitant and embedded mixed model research designs, (Cameron 2011; Weyant 2022) seeks to reconstruct generalizations of qualitative findings reinforced by quantitative findings. The research location is one of the 10 best universities in Indonesia: Universitas Airlangga (UNAIR) with the participation of Risk Owner, Quality Assurance Agency, Lecturers, and Students.

In the practical field, this research design is an effort to answer the research focus through four main steps: (1) qualitative and quantitative descriptive research, the aim is to obtain various scores for quality assessment and university needs and analysis assisted by NVivo software to get a visual picture supporting data interpretation of the condition of the institution and what future strategies are needed to realize WCU (Lusambili et al. 2021); (2) identification, analysis, risk evaluation of public higher education legal entities based on internal control; (3) calculation results in achieving WCU based on meeting four main criteria in WCU: (a) Research, (b) Education and Teaching, (c) Employability, and (d) International and (4) reviewing results.

The findings are interpreted as qualitative data collection using interview, observation, and documentation techniques which are then analyzed with NVivo software (Wiltshier 2011). The initial stage in data analysis involves collecting data from various sources, be it interviews, observations, or other data sources. The data is then compiled and fed into NVivo software for organization. The next step is coding, where researchers assign labels or codes to relevant pieces of data. It helps in identifying themes or patterns that appear in the data. After the coding is complete, the researcher uses the output of the analysis results to understand the implications and significance of the findings that have been found. Using this approach, research can result in a more in-depth interpretation of qualitative data and provide richer insights related to the phenomenon under study.

Quantitative data in this study were obtained through the Delphi Technique, involving structured stages of analysis, including data condensation, data presentation, conclusions, and trend monitoring. Data validity is assessed by four criteria: credibility, reliability, dependability, and confirmation (Ulfatin 2015). The specific calculations of the Delphi Technique are not described in detail in this statement, as they may vary according to the method of analysis used. The validity check of the data discusses four criteria: (1) credibility, (2) reliability, (3) dependability, and (4) confirmation. Calculation of dephi analysis techniques with the following formula.

$$\text{Attainment} = \frac{X}{X1} \, x \, 100\%$$

Information:

Attainment   = College Attainment Rate

X   = Number of Scores obtained

X1   = Overall number of ideal scores in one item

100%   = Constant

Table 2: Data on the Number of College at Indonesia

Attainment Rate	Qualification	Information
81%-100%	Very good	Development Follow-up
61%-80%	Good	Improved
41%-60%	Pretty Good	Measured
21%-40%	Not Good	Fixed
0%-20%	Very Not Good	Revitalized

Source: Modification of Akdon and Hadi (2005)

3. RESULTS AND DISCUSSION

Findings from the study show that to achieve World Class University (WCU) status, internal controls are needed that have a positive impact on improving quality with the implementation of good risk management. The implementation of risk management was identified as the key to improving organizational characteristics (Findlay 2012). When internal control is integrated into the risk management system, this strategy provides direction in the high-risk education process using the AREI cycle (An and Song 2020). The process of internal-based risk control involves steps such as risk identification, analysis, and evaluation, tactical development of tertiary quality plans, and review of quality plans with the implementation of policies. Thus, risk management based on internal control can play an important role in realizing planning policies and improving higher education quality standards in the context of achieving WCU status.

The results of qualitative data analysis are obtained with the help of NVivo lu-nak devices to produce visual representations that are used as a guide in the process of data interpretation by researchers. The presentation of analysis results involves a series of stages that include data collection, coding, and interpretation of the output of the analysis results. In the process of qualitative data analysis, researchers use NVivo software as a tool to facilitate understanding and managing data. The software helps

in gorganizing data, identifying patterns, and visualizing relationships between data (Feng and Behar-Horenstein 2019).

Figure 2: Analysis Output Using Nvivo Devices

The results of this NVivo Word Query output show that in the context of risk management in a college or university, some keywords that often appear in the analyzed document or text are "Risiko Management," "Risk Identification," "Risk Process," "College," "University," "Quality," "Quality," "World," "Internal Control," "Unit," "Risk Analysis," and so on. This indicates that discussions about risk management in higher education often involve concepts such as risk identification, risk processes, internal control, quality, and quality as part of efforts to achieve World Class University status. Further analysis of texts that include these key words can provide deeper insight into how risk management in higher education is performed and how this contributes to efforts to improve the quality and quality of higher education.

Keywords such as "internal control" indicate that internal-based control approaches are also a concern in risk management in college. This reflects efforts to implement a comprehensive internal control framework to ensure effectiveness in managing risks that may arise. Universities specifically consider factors such as "units" or internal units that can have a role in the risk management process. The results of this keyword analysis can lay the foundation for a further understanding of how risk management in higher education is evolving and how universities are trying to improve the quality of their higher education to achieve their desired status as world-class universities.

The results of this study provide in-depth insight into risk management in Legal Entity State Universities (PTN BH) and how the risk process can be explored through an internal control approach in an effort to achieve World Class University (WCU) status. The findings of this study reveal that PTN BH, on the way to achieving WCU, faces various risks that have the potential to affect the quality of education, academic development, and institutional reputation. In dealing with these risks, PTN BH has adopted an effective internal control-based approach. This process involves risk identification, in-depth analysis, and risk evaluation, which is further integrated into strategic planning and quality improvement. Risk management based on inter-nal

control has helped PTN BH in maintaining a strong academic reputation, increasing research productivity, preparing graduates for the world of work, and strengthening international relations. Thus, these findings provide a deeper understanding of the importance of risk management based on internal control in the context of achieving international standards in the world of higher education, especially at PTN BH in Indonesia.
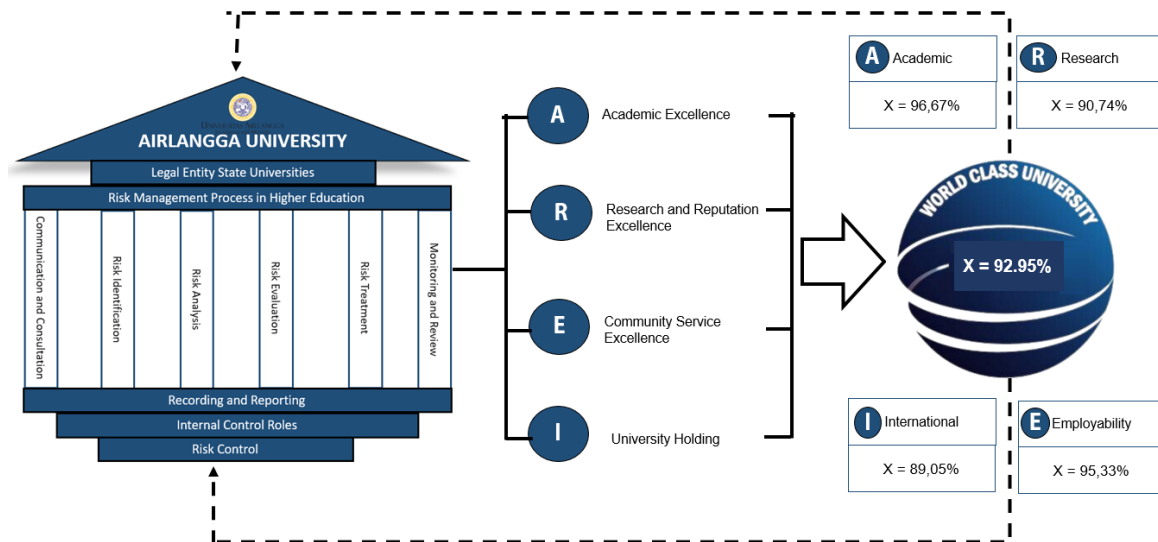

Figure 3: Model of Risk Management Research Findings In State Universities Legal Entities

Source: Research Findings Model, 2023

3.1 Risk Process with Internal Control in Realizing World Class University

3.1.1 Risk Identification

Risk identification is a process that involves identifying and identifying all potential risks or threats that may affect an organization, project, or activity in Higher Education (Lewis 2016). The goal is to understand in depth the various factors that can cause uncertainty or interference in achieving certain goals. In the first focus of this study, the process of risk identification in the context of state universities legal entities based on internal control to achieve World Class University (WCU) status is emphasized on qualitative data collection. This data includes information about risk events, their causes, and physical impacts that occurred in the previous year. The study also considers related elements, such as the actors involved in the risk identification process, the stages of risk identification itself, and the organization of risk data for further analysis.

The process of identifying risks at Universitas Airlangga (UNAIR) as a Legal Entity State University (PTN-BH) is a critical stage in order to achieve World Class University (WCU) status. To achieve this goal, UNAIR considers various internal factors that have the potential to affect possible risks. In this context, involving various parties involved in PTN-BH operations, including academic, administrative, and student staff, in the risk identification process is an important step. This risk identification is the basis for managing universities effectively, with the aim of achieving maximum scores in each global evaluation criterion. The risk identification process at UNAIR is led by the

UNAIR Quality Assurance Agency which acts as a supervisory entity. The approach used in the implementation of risk identification is to adopt the Balance Scorecard method, which is the basis for measuring work results and achieving higher education goals (Bansal 2004). This risk identification was carried out before the preparation of the Strategic Plan (Renstra) Universitas Airlangga, with the hope that the results of the identification will be the basis for dealing with uncertainties that may arise in the implementation of planned programs. The risk identification process involves stages such as screening, goal setting, strategic topic determination, and risk categorization, which is then followed by mitigation efforts or actions to overcome the identified risks (Priori 2002; Rudman 1998).

Efforts to realize Universitas Airlangga (UNAIR) as a world-class campus involve a number of key actors in the risk identification process. UNAIR Rector plays a central role as a driving force in compiling a legal entity state university implementation system that focuses on achieving global achievements. The Rector is supported by several bodies or entities that have an important role in this risk identification process. The Planning and Development Agency (BPP) is responsible for developing strategic planning and developing programs that support UNAIR's vision as a world-class university. The Quality Assurance Agency (BPM) plays a role in overseeing the quality and quality of all aspects of activities at UNAIR, including in the process of risk identification. Meanwhile, the Internal Supervisory Agency (BPI) has a role as an entity tasked with conducting internal supervision of various operations and processes at UNAIR, including in the aspect of risk identification. The main criteria for risk identification refer to the abbreviation AREI, which refers to relevant international standards and criteria. This criterion is the main guideline in identifying risks that can affect the achievement of World Class University (WCU) status by UNAIR. By involving these actors and adhering to the main criteria of AREI, UNAIR strives to identify and address risks that may arise on the way to the desired WCU status.

3.1.2 Risk Analysis

Risk analysis is a deeper step in risk management that includes a more detailed evaluation of previously identified risks (McAlister 2004). The aim is to comprehensively understand the characteristics and potential impacts of each risk, as well as determine the most suitable risk management strategy in Legal Entity State Universities (Tong 2007; Wang et al. 2020).

Analyzing the risks of state universities legal entities such as UNAIR with a focus on internal control in order to achieve World Class University (WCU) status, the method used is a qualitative approach. This approach involves the process of gathering information through various techniques such as interviews, document examination, and observation. The information obtained from these sources is then aligned with the risk identification data previously collected by UNAIR, before finally conducting a thorough analysis and interpretation. In this context, the six-step concept of ORM (Operational Risk Management) becomes the foundation in managing risk (Hannover Research 2020; Jami and Gökdeniz 2020). This process begins with the introduction of hazards or potential risks that can occur in UNAIR operations. Furthermore, an assessment of the risks that have been identified is carried out, taking into account the impact and possibility of occurrence. The next process is risk control analysis, where existing control measures are evaluated to determine their effectiveness in reducing risk. Control decision making is a key step in determining the actions to be taken by

UNAIR to manage these risks. Furthermore, risk control implementation steps are carried out, where selected control measures are applied in UNAIR operations. Finally, supervision and review are important steps to ensure that risk control that has been implemented goes according to plan and is effective in reducing risk (SART Gamze 2014). The entire process aims to improve UNAIR's risk management and contribute to efforts to achieve the desired WCU status.

The risk analysis process is carried out with a focus on internal control in order to achieve World Class University (WCU) status. The method used is a qualitative approach that involves various techniques such as interviews, document examinations, and observations. The information obtained from these sources is then aligned with the risk identification data that has previously been collected by UNAIR, before finally conducting a thorough analysis and interpretation.

3.1.3 Risk Evaluation

Risk evaluation is an important stage in risk management that involves further assessment of previously identified and analyzed risks (Rasmussen 1997). The aim is to understand more deeply the level of risk faced by the organization or project, as well as to make informed decisions about appropriate risk management strategies in Legal Entity State Universities.

Risk evaluation is a very important stage in risk management, which involves further assessment of previously identified and analyzed risks (Eckel 2014). The main objective is to gain a deeper understanding of the level of risk faced by the organization or project. This includes a detailed assessment of the characteristics and potential impacts of each risk identified. With this information, organizations, such as Legal Entity State Universities, can make decisions based on relevant facts, so that the most appropriate risk management strategies can be established and implemented properly.

Academic programs that succeed in achieving academic excel-lence criteria put forward a number of key strategies. First, they focus on improving input quality by rigorously selecting new students and recruiting high-quality faculty. Furthermore, the development of competitive advantage-based curricula becomes a priority, by creating a curriculum that is unique and relevant to industry trends or market needs. In addition, academic programs strive to obtain "Superior" accreditation by meeting rigorous standards in all aspects, including curriculum, teaching staff, facilities, and learning processes. Lastly, they invest in improving the quality of learning facilities, such as laboratories, libraries, and comfortable lecture halls. The importance of good evaluation in the implementation of academic programs is also reflected in attention to a unique and relevant curriculum in response to risks that may arise in its management. Thus, a successful academic program in achieving academic excellence is one that is able to combine all these elements to maintain and improve the quality of their education and maintain a competitive advantage.

The role of internal control in risk evaluation at Universitas Airlangga (UNAIR) is very important in ensuring that the risk management process runs well and effectively. Internal control is a system, process, and practice designed to help organizations achieve their goals by identifying, assessing, managing, and mitigating risks that may interfere with achieving those goals (Schmittgen 2008; Vandesompele 2002). At UNAIR, internal control plays a key role in the risk evaluation phase. Internal controls help in the collection and alignment of risk-related data. In the process of risk

identification, data obtained through various techniques such as interviews, document examinations, and observations, must be synchronized with data from previous risk identification. Internal controls help ensure that this data is accurate, relevant, and available for proper analysis (von Elm 2014). Internal control helps in analyzing the risks that have been identified. This involves a more detailed evaluation of the characteristics and potential impact of each risk. Internal control ensures that the risk analysis process is carried out comprehensively and in accordance with established criteria (Downs 1998; Ryff 1995). Internal control also helps in determining the most suitable risk management strategy. In risk evaluation, control decisions are an important step in determining the actions to be taken to manage risk. Internal controls help in considering the various control options available and assessing their effectiveness in reducing risk. Internal control plays a role in the implementation of selected risk controls (Parratt 1954; Weiner 1985). This involves the implementation of control measures in UNAIR operations. Internal controls help ensure that risk control goes according to plan and is effective in reducing risk. Finally, internal controls also play a role in the supervision and review of risk management processes. This aims to ensure that the risk control that has been implemented functions properly and according to plan (Kohonen 1990; Lupu 2008). Internal control helps in monitoring and evaluating the effectiveness of risk control periodically. Thus, internal control at UNAIR plays an important role in ensuring that risk evaluation is carried out properly, that appropriate risk management strategies are established, and that risk control is effective. This contributes significantly to UNAIR's efforts to achieve the desired World Class University (WCU) status.

3.2 World Class University (WCU) Criteria Achievement Results

The achievement of WCU criteria as the main standard in the World Class University (WCU) assessment parameters, resulting from the evaluation of various rankings such as QS World University Rankings (QS WUR), Times Higher Education (THE), University of Indonesia Ranking (UIR), and 4 International Colleges &; Universities (4ICU). The main criteria in WCU can be grouped into four main categories, namely: (1) Academic Field, (2) Research, (3) Employment, and (4) International Dimension. The Academic Field category covers various aspects of education such as reputation evaluation, teaching quality, institutional income, student-lecturer relations, learning environment, and academic image. The Research category includes research productivity, income from research activities, and citation rate. The Employment category includes a comparison of staff and employment reputation. While the International Dimension category includes the presence of international faculty, international students, and international cooperation. The results of this analysis show the average percentage weights for each main category in this study are as follows: Academic Field 33.75%, Research 41.25%, Employment 13.75%, and International Dimension 11.25%.

The goal of achieving World Class University (WCU) criteria such as Academic, Research, Employability, and International at Universitas Airlangga (UNAIR) is analyzed using the Delphi method. This method involves using questionnaires with the Likert scale to collect data and views from various stakeholders, including academic staff, students, and other related parties at UNAIR. This questionnaire is used to collect evidence of achievement of four main criteria that are an important foundation in realizing WCU status. In the Delphi method, various stakeholders provide their assessments and views on the extent to which UNAIR has achieved the criteria of

Academic, Research, Employability, and International. They used the Likert scale to evaluate UNAIR's level of achievement in each of these criteria. The results of this questionnaire were then analyzed to get an idea of how far UNAIR has achieved these criteria. In addition to questionnaires, data and percentages of international quality achievement are also used as supporting evidence in the analysis. This data reflects UNAIR's achievements in quality aspects relevant to WCU criteria, such as accreditation, scientific publications, sustainability of graduates in the world of work, and international work. By combining the results of questionnaires, data, and the percentage of international quality achievement, UNAIR can measure the extent to which they have achieved their goal of achieving WCU status. This analysis provides a comprehensive view of UNAIR's achievements in various aspects needed to achieve WCU status, and assists in designing strategies to continuously improve quality and achieve higher academic goals.

As a database that records the distribution of universities in Indonesia, Universitas Airlangga (UNAIR) is ranked as a World Class University (WCU). UNAIR is one of the leading universities in Indonesia that has achieved international level achievements. To provide a more detailed picture of the distribution of universities in Indonesia, here is the complete information:
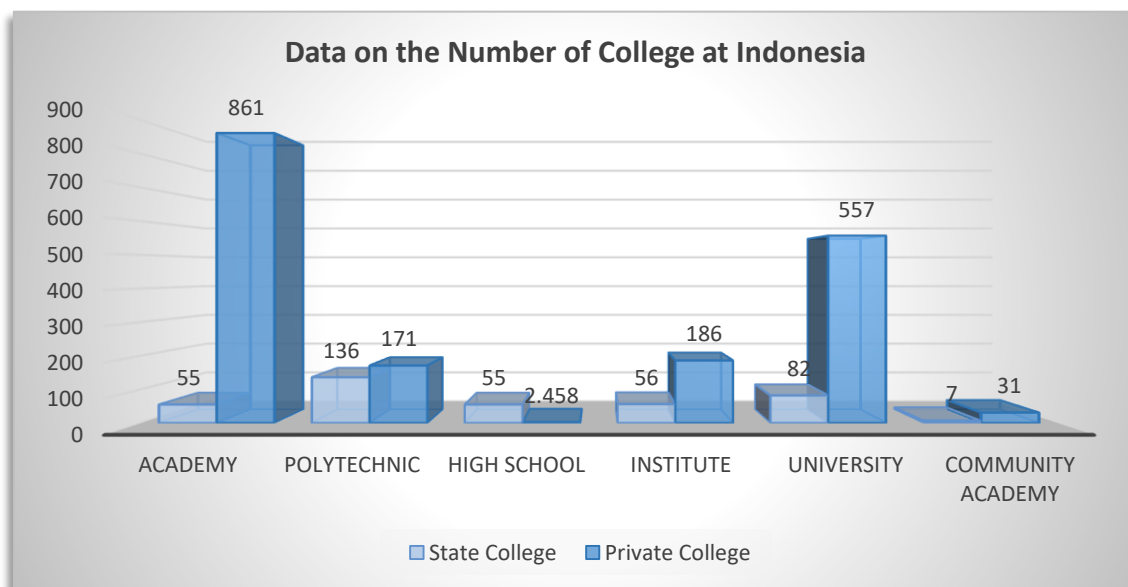

Figure 4: Database of the Ministry of Education and Culture of Research And Technology of The Republic Of Indonesia

Source: PDDikti, 2023

This data is a statistic about the number of universities in Indonesia which are divided into various types based on ownership, such as State Universities and Private Universities. Acad-emy (Academy): There are 916 academies in Indonesia. Of these, 55 are public academies, while 861 are private academies. Polytechnic: There are 307 polytechnics in Indonesia. Of these, 136 are public polytechnics, while 171 are private polytechnics. High Schools: There are 2,513 high schools in Indonesia. Of these, 55 are public high schools, while 2,458 are private high schools. Institute (Insti-tut): There are 242 institutes in Indonesia. Of these, 56 are public institutes, while 186 are private institutes. University: There are 639 universities in Indonesia. Of these, 82 are public

universities, while 557 are private universities. Community Academy: There are 38 community academies in Indonesia. Of these, 7 are public community academies, while 31 are private community academies. Total (Total): The total number of universities in Indonesia is 4,655. Of these, 391 are public universities, and 4,264 are private universities.

Many universities in Indonesia, Universitas Airlangga (UNAIR) has shown a significant increase in achievement in the last three years. This reflects UNAIR's commitment in achieving World Class University (WCU) status by implementing effective risk management and internal control. This increasing achievement is clear evidence that UNAIR has successfully implemented a strong strategy in managing risks and ensuring the quality of international quality higher education. Universitas Airlangga (UNAIR) has made significant progress in recent years. UNAIR's achievements are reflected in the QS World University Rankings (QS WUR) which recorded extraordinary achievements. In 2019, UNAIR was ranked 751-800, and subsequently experienced a significant increase in the following years. In 2020, UNAIR managed to rank 651-700, then in 2021 it reached positions 521-530, and in 2022 experienced a significant jump to reach rank 465. With dedication and continuous efforts, in 2023, UNAIR managed to achieve a very impressive position, which is ranked 345 as one of the leading universities in the world. This success cannot be separated from UNAIR's focus on co-collaboration and strong research networks. UNAIR has established close collaboration with various partners, both domestic and foreign. This collaboration has enabled UNAIR to significantly expand its research potential. Through this approach, UNAIR can continue to improve the quality of higher education and make a meaningful contribution to the world of education and research globally.
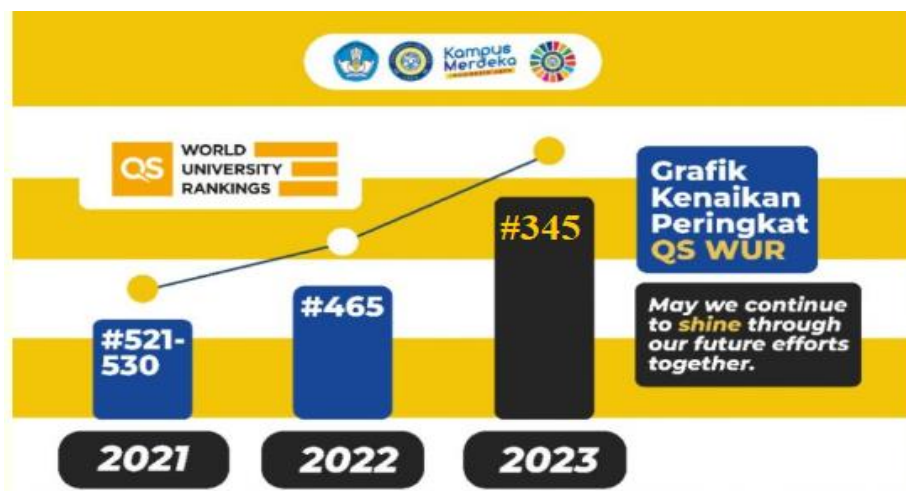

Figure 5: Progress Of Unair's Achievement As A World-Class University A

Source: Universitas Airlangga, 2023

The results of the aforementioned achievements are based on measurements that adhere to the core criteria of World Class University (WCU), with special emphasis on the International Association for Higher Education (AREI) as one of its key indicators. In this context, research has produced data and calculations that can illustrate UNAIR's achievements. This study has provided the following results.

Table 3: Findings Of Achievement Of World Class University Criteria

College Name	Criteria	Attainment %	Average %
Airlangga University	Academic	96.67	92.95
	Research	90.74	
	Employability	95.33	
	International	89.05	

Source: Research Data Results, 2023

The findings of achieving the World Class University (WCU) criteria by Airlangga University show that this university has achieved a high level of excellence in various important aspects. In the Academic category, the achievement of 96.67% illustrates that this university has a strong academic reputation, supported by good teaching quality, adequate institutional income levels, good relationships between students and lecturers, and a conducive learning environment. Good academic evaluation also plays an important role in this achievement. In the Research category, an achievement of 90.74% shows that Airlangga University has high research productivity. The university has significant research revenues and a good citation rate, which shows a meaningful contribution to the world of research. This reflects the university's commitment to producing high-quality research that has a positive impact on the development of science (Villalonga 2009). The Employment category reached a percentage of 95.33%, indicating that the university is recognized among employers and industry. Graduates from Airlangga University are known to have high job readiness, which is an important aspect in preparing students to enter the world of work. The high reputation in this category is the result of educational programs that are relevant to the needs of industry and the community. In the International category, an achievement of 89.05% shows that Airlangga University has succeeded in establishing strong international relations. The presence of an international faculty and international students is an important indicator of this achievement, demonstrating the diversity and inclusivity of the university on a global scale. Significant inter-national cooperation also supports the achievement of this category. With an average achievement of 92.95%, Airlangga University is on a good track to achieve World Class University (WCU) status. This reflects the continuous efforts in improving the quality and reputation of the university on an international scale, which will support the development of better higher education in Indonesia and contribute to the advancement of science globally.

4. CONCLUSION

This research shows that Universitas Airlangga (UNAIR) has achieved significant achievements in its efforts towards World Class University (WCU) status. The results of this study confirm that to achieve WCU status, UNAIR has implemented effective internal controls and implemented good risk management. Risk management based on internal controls plays a key role in improving organizational characteristics and achieving core WCU criteria. The risk management process at UNAIR has involved risk identification, risk analysis, and risk evaluation. Comprehensive internal controls have been integrated into this process to ensure effectiveness in managing risks that may arise. Internal controls have helped in monitoring, evaluating, and ensuring the implementation of appropriate risk controls. The research findings also show that UNAIR has achieved a high level of excellence in various WCU criteria, including

Academic, Research, Employment, and International Di-mensi. The university has a strong academic reputation, high research activities, good employability and close international links. This achievement reflects UNAIR's commitment in producing international quality higher education. The conclusion of this study is that risk management based on internal control has played an important role in realizing planning policies and improving the quality standards of higher education at Universitas Airlangga (UNAIR) in the context of achieving World Class University (WCU) status. UNAIR's achievement in the WCU criteria is a clear proof of its commitment and continuous efforts in improving the quality of higher education in Indonesia and contributing to the world of education and research globally.

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