

Institutional Transformation and Readiness in Executive Education Development

Gavin Torinno Hardipura¹, Elfrida Viesta Napitupulu²

Master of Management, Institut Bisnis dan Informatika Kwik Kian Gie

gavin.torinno@gmail.com¹, elfrida.napitupulu@kwikkiangie.ac.id²

ABSTRACT

Higher education institutions are increasingly required to reposition strategically in response to evolving market demands and financial constraints. Executive education has emerged as a key avenue for institutional diversification; however, many universities encounter challenges due to insufficient organizational readiness rather than lack of strategic intent. This study develops an institutional transformation and readiness framework to explain how universities prepare for executive education as a strategic initiative. Using an exploratory qualitative multi-perspective design, data were collected from 14 informants comprising institutional leaders and industry stakeholders through in-depth interviews and analyzed using thematic analysis. The findings indicate that readiness is a multidimensional construct shaped by four interrelated dimensions: governance and strategic commitment, organizational capability configuration, ecosystem and market responsiveness, and structural–infrastructural readiness. Governance flexibility and leadership commitment determine strategic direction, while capability configuration reflects the institution’s ability to integrate resources and knowledge. External alignment is captured through industry engagement and market responsiveness, and sustained implementation depends on adequate infrastructure and administrative systems. This study contributes by advancing organizational readiness beyond traditional psychological perspectives toward a systemic capability–alignment framework tailored to executive education development. The proposed framework offers a structured approach for institutional leaders to assess preparedness, align internal capabilities with external expectations, and manage transformation more effectively.

Keywords: *Institutional Transformation; Organizational Readiness; Executive Education; Strategic Alignment; Higher Education Management.*

1. Introduction

Higher education institutions are currently operating in an environment characterized by increasing competition, rapid technological change, evolving labor market demands, and growing pressure to diversify revenue sources. In many countries, universities are expected not only to provide degree-based education but also to support lifelong learning, professional development, and workforce upskilling. Executive education has emerged as one of the most promising strategic responses to these challenges because it enables universities to strengthen industry engagement, generate alternative income streams, and enhance institutional relevance in rapidly changing economic environments (Daher-Armache et al., 2025). At the same time, higher education institutions are undergoing extensive transformation processes driven by internationalization agendas, digitalization, and policy reforms aimed at improving competitiveness and responsiveness to stakeholder needs (Brilyanti, 2025; Fuadiy et al., 2025).

Empirical evidence demonstrates that institutional transformation has become a central priority for higher education systems worldwide. In Indonesia, for example, the implementation of the Merdeka Belajar–Kampus Merdeka (MBKM) policy has accelerated curriculum reform, organizational restructuring, and collaboration between universities and external stakeholders (Purwanti, 2021; Simatupang & Yuhertiana, 2021; Supriati et al., 2022). Recent studies have also highlighted the increasing role of digital transformation in reshaping educational delivery,

entrepreneurial learning, and institutional governance (Rauf et al., 2024; Fuadiy et al., 2025). Furthermore, educational policy innovations have encouraged universities to adopt more flexible and adaptive models of learning that align with industry and societal needs (Rosidin et al., 2025). Despite these developments, many institutions continue to face challenges in translating strategic transformation initiatives into sustainable executive education programs. Organizational silos, bureaucratic governance structures, limited cross-functional coordination, and insufficient industry integration frequently hinder the successful development and scaling of executive education initiatives (Diab et al., 2025).

Executive education differs substantially from conventional degree programs. Unlike traditional academic offerings that rely on standardized curricula and relatively stable delivery mechanisms, executive education requires rapid program development, customized learning solutions, strong industry partnerships, market responsiveness, and flexible operational systems (Daher-Armache et al., 2025). Consequently, the success of executive education depends not only on program quality but also on the institution's readiness to adapt its structures, leadership practices, resource allocation mechanisms, and governance processes. However, evidence suggests that institutional readiness remains uneven across higher education institutions. For instance, studies examining MBKM implementation reveal varying levels of organizational preparedness, resource availability, and stakeholder support, indicating that readiness remains a critical challenge in higher education transformation efforts (Zakiyyah et al., 2021; Purwanti, 2021).

Although previous studies have extensively examined digital transformation (Rauf et al., 2024; Fuadiy et al., 2025), internationalization strategies (Brilyanti, 2025), curriculum innovation (Rosidin et al., 2025), leadership transformation (Diab et al., 2025), and executive learning practices (Daher-Armache et al., 2025), relatively little attention has been devoted to understanding how institutions develop organizational readiness specifically for executive education. Existing literature predominantly focuses on pedagogical approaches, curriculum implementation, leadership development outcomes, or policy adaptation, while the institutional conditions that enable executive education to emerge and scale successfully remain underexplored. Consequently, there is a significant research gap regarding the interaction between institutional transformation processes and organizational readiness in supporting executive education development.

Addressing this gap is important because executive education is increasingly viewed as a strategic mechanism through which universities can strengthen financial sustainability, enhance industry relevance, and contribute to lifelong learning ecosystems. Without adequate institutional readiness, however, executive education initiatives risk becoming fragmented, ineffective, or unsustainable. Therefore, a deeper understanding of how institutions prepare for and manage transformational change is essential for both theory and practice.

The novelty of this study lies in its attempt to integrate the concepts of institutional transformation and organizational readiness within the specific context of executive education development. Unlike prior studies that examine transformation, digitalization, internationalization, or executive learning as separate phenomena, this study conceptualizes readiness as a multidimensional capability-alignment process that links internal organizational capacities with external strategic demands. By doing so, it offers a more comprehensive explanation of how higher education institutions prepare for and implement executive education initiatives.

Accordingly, this study aims to develop a framework of institutional transformation and readiness for executive education development. Specifically, it seeks to explain how higher education institutions align leadership commitment, governance structures, organizational capabilities, and resource configurations with evolving external expectations and market demands. The guiding research question is: How do internal capabilities and external expectations interact in shaping institutional transformation and readiness for executive education development?

2. Literature Review

Strategic Transformation in Higher Education

Higher education institutions worldwide are increasingly compelled to reconsider their traditional operating models in response to intensifying competition, declining public funding, technological disruption, and shifting stakeholder expectations. Rather than relying solely on conventional degree-based programs, universities are progressively engaging in strategic diversification to ensure long-term sustainability and institutional relevance. Strategic transformation in this context extends beyond incremental reform; it reflects a systemic reconfiguration of institutional priorities, governance structures, and capability deployment (Bergsteedt & du Plessis, 2025; Alfadhel et al., 2025). These pressures are particularly pronounced in emerging economies, where resource volatility and regulatory complexity further heighten the need for adaptive institutional strategies.

The literature on strategic transformation in higher education frequently distinguishes between strategic planning and strategic thinking. While strategic planning emphasizes formalized procedures and long-term documentation, strategic thinking entails adaptive learning, leadership-driven visioning, and dynamic responsiveness to environmental uncertainty (Bergsteedt & du Plessis, 2025). In rapidly evolving educational ecosystems, institutions that rely exclusively on rigid planning mechanisms may struggle to respond effectively to market-oriented initiatives. Research on digital transformation readiness further demonstrates that institutional capability and technological preparedness significantly influence the effectiveness of strategic decisions, highlighting the importance of aligning structural readiness with strategic intent (Alfadhel et al., 2025).

Within this broader transformation discourse, executive education has emerged as a strategic extension that bridges academic institutions with industry demand. Unlike traditional degree programs, executive education requires shorter development cycles, flexible program design, customized content, and stronger external engagement. This shift implies not only pedagogical adaptation but also organizational recalibration. Studies on institutional capability suggest that strategic initiatives in higher education are more likely to succeed when supported by effective knowledge management systems, collaborative human relations, and resource integration mechanisms (Rasyid et al., 2021). These findings indicate that diversification strategies require more than market opportunity recognition; they depend on institutional capacity to mobilize and reconfigure internal resources.

However, despite growing recognition of transformation imperatives, much of the existing scholarship focuses on transformation outcomes, such as performance, digitalization, or competitiveness rather than on the preparatory conditions that enable transformation to occur. For instance, digital readiness research demonstrates how infrastructural capability mediates strategic decision effectiveness (Alfadhel et al., 2025), while governance-oriented studies emphasize systemic resilience and value-driven leadership in navigating institutional change (Bergsteedt & du Plessis, 2025). Yet, these discussions rarely integrate the notion of transformation readiness as a distinct and assessable institutional condition prior to launching strategic extensions such as executive education.

Taken together, the literature suggests that strategic transformation in higher education involves the interplay of governance adaptability, capability reconfiguration, leadership alignment, and environmental responsiveness (Bergsteedt & du Plessis, 2025; Rasyid et al., 2021; Alfadhel et al., 2025). Nevertheless, the analytical emphasis remains predominantly on transformation execution rather than on institutional preparedness. This observation underscores the need to shift scholarly attention from transformation outcomes toward readiness conditions, particularly in contexts where executive education is positioned as a strategic business extension rather than merely an academic supplement.

Organizational Readiness and Change Theory

Organizational readiness has consistently been identified as a critical determinant of successful change implementation. Foundational theory conceptualizes readiness as a shared organizational state characterized by collective commitment to change and shared confidence in the organization's capability to implement that change effectively (Weiner, 2009). In this view, readiness is not merely an individual attitude but a collective psychological condition shaped by perceptions of task demands, resource availability, and situational constraints. By positioning readiness as a shared construct rather than an individual disposition, (Weiner, 2009) establishes a conceptual basis for understanding change preparedness at the organizational level.

Empirical studies in higher education contexts extend this theoretical foundation by demonstrating how readiness manifests in practice. Research indicates that readiness is reflected through cognitive appraisal of the necessity of change, affective orientation toward transformation initiatives, and perceived organizational capability to execute new strategies (Haqq et al., 2021; Liu, 2024). In academic institutions, staff perceptions of leadership clarity, communication effectiveness, and institutional support structures significantly influence readiness levels (Liu, 2024). Similarly, evidence suggests that supervisory support and self-efficacy strengthen readiness by reinforcing confidence in the organization's ability to manage change processes (Haqq et al., 2021). These findings collectively affirm that readiness emerges from both psychological alignment and structural reinforcement within the institution.

Beyond its psychological dimensions, readiness also involves capability-based preparedness. Transformation initiatives in higher education require adequate technological infrastructure, governance flexibility, and strategic resource configuration to translate intention into execution (Alfadhel et al., 2025; Kruasom et al., 2025). Studies on digital transformation readiness and institutional autonomy further demonstrate that internal capabilities mediate the effectiveness of strategic decisions under external pressure (Alfadhel et al., 2025; Kruasom et al., 2025). In this respect, readiness operates not only as a state of willingness but also as an indicator of whether the organization possesses sufficient structural capacity to implement strategic change.

Importantly, higher education institutions often experience readiness challenges within environments characterized by regulatory demands, funding volatility, and growing market orientation (Kruasom et al., 2025). Under such conditions, institutions may articulate ambitious transformation agendas while lacking coherent internal alignment across governance systems, leadership commitment, and resource mobilization. Consequently, readiness should be understood as an integrative construct that captures both collective psychological commitment and capability alignment within the institution (Weiner, 2009; Liu, 2024).

Despite these advances, much of the existing literature examines readiness either at the individual level or within specific transformation domains such as digitalization or governance reform (Alfadhel et al., 2025; Haqq et al., 2021). Limited attention has been devoted to conceptualizing readiness as a comprehensive institutional condition preceding strategic diversification into market-oriented initiatives such as executive education. This limitation suggests the need to reposition readiness within a broader strategic transformation framework that integrates collective commitment, structural capability, and external responsiveness.

Institutional Capability Alignment and Strategic Preparedness

If organizational readiness explains the collective condition that enables change, institutional capability alignment explains how that readiness is operationalized in practice. Strategic transformation in higher education does not occur solely because institutional members are willing to change; it unfolds when internal capabilities are deliberately reconfigured to support new strategic directions. From a capability perspective, transformation outcomes depend on how institutions mobilize resources, redesign coordination mechanisms, and integrate organizational systems to execute strategic intent effectively (Rasyid et al., 2021; Alfadhel et al., 2025).

Capability alignment becomes particularly critical when institutions pursue market-oriented initiatives such as executive education. Unlike traditional degree programs, executive education requires stronger industry engagement, flexible governance processes, accelerated program development cycles, and adaptive knowledge management practices. Studies in educational organizations demonstrate that strategic capabilities especially knowledge management and cross-unit collaboration enhance institutional adaptability by facilitating knowledge creation, transfer, and application across organizational boundaries (Rasyid et al., 2021; Bergsteedt & du Plessis, 2025). These mechanisms reduce internal fragmentation and enable coordinated responses to strategic change.

Empirical research further indicates that institutional preparedness is shaped by multidimensional capability configurations, including governance flexibility, leadership commitment, infrastructural adequacy, and cultural alignment (Kruasom et al., 2025; Liu, 2024). Digital transformation studies reinforce this view by showing that technological infrastructure and system integration mediate the effectiveness of strategic decisions in higher education (Alfadhel et al., 2025; Hidayati, 2022). Readiness, therefore, becomes meaningful only when capability elements are not merely available but coherently aligned to support strategic execution.

At the same time, institutional capability alignment is influenced by external pressures. Higher education institutions are increasingly evaluated by their responsiveness to industry needs, societal relevance, and governance accountability (Bergsteedt & du Plessis, 2025; Kruasom et al., 2025). Under such conditions, preparedness requires more than internal efficiency; it demands the capacity to interpret external expectations and translate them into coherent strategic configurations. Misalignment between internal systems and external demands may result in symbolic transformation rather than substantive change (Liu, 2024).

Despite growing attention to capability development and institutional reform, existing studies often treat internal capability enhancement and external responsiveness as separate domains. Limited integration has been offered to explain how internal capability reconfiguration and external expectation management jointly shape strategic preparedness for executive education development. Addressing this gap requires an analytical framework that conceptualizes readiness as capability alignment within a specific strategic context.

The preceding discussion therefore positions institutional transformation readiness not merely as a psychological or structural condition, but as a dynamic process of aligning internal capabilities with external strategic expectations. Building on this foundation, the present study adopts a qualitative exploratory approach to examine how institutional actors interpret, negotiate, and operationalize readiness in the development of executive education initiatives.

3. Methods

The study adopts an exploratory qualitative multi-perspective case-based design to investigate institutional transformation readiness in executive education development. This approach is appropriate for capturing the complexity of organizational alignment, governance dynamics, and external stakeholder expectations, which require contextual and interpretive analysis rather than quantitative measurement. The exploratory orientation is justified by the limited integration of prior studies linking organizational readiness with strategic capability within the specific context of executive education, allowing the research to uncover patterns and underlying mechanisms that inform framework development.

The research involved fourteen purposively selected informants to ensure relevance and depth of insight. The sample consisted of four senior institutional leaders occupying strategic roles in governance and academic management, each with more than ten years of experience in higher education leadership and direct involvement in strategic planning and program development. In addition, ten external participants were drawn from industry, including former

chief executive officers, senior corporate executives, human resource directors, board-level professionals, and executive coaches, with professional experience ranging from 8 to over 20 years in leadership and executive development contexts. Participants were selected based on their capacity to provide strategic-level perspectives on institutional readiness and market expectations while maintaining anonymity through role-based classification rather than institutional identification.

Data were collected through semi-structured in-depth interviews using an interview guide derived from key constructs in the literature, including organizational readiness, capability alignment, and external responsiveness. Interviews explored themes such as governance flexibility, leadership commitment, resource configuration, and industry engagement. All interviews were conducted individually, recorded with consent, and transcribed verbatim. Data collection proceeded until thematic saturation was achieved, indicated by the recurrence of similar insights across participants and the absence of new conceptual contributions.

Data analysis was conducted using a thematic analysis approach supported by grounded coding techniques. Rather than adopting grounded theory as a full methodological framework, the study utilized its coding procedures—open, axial, and selective coding—to structure the analytical process within a thematic interpretation paradigm. Initial coding identified meaning units from interview transcripts, followed by the grouping of codes into higher-order categories through constant comparison across internal and external perspectives. In the final stage, themes were synthesized into integrative dimensions that explain institutional readiness as a capability-alignment process.

To enhance analytical rigor, qualitative data management was supported using NVivo software, enabling systematic organization, coding consistency, and traceability between raw data and emergent themes. Credibility was strengthened through data triangulation across internal and external informants, ensuring convergence and validation of interpretations. Researcher reflexivity was maintained by continuously reviewing coding decisions and interpretations to minimize subjective bias, while peer debriefing was employed to cross-check thematic consistency. These procedures ensured that the resulting framework was empirically grounded, transparent, and methodologically robust.

4. Result and Discussion

The findings presented in this section are organized around the central premise that institutional transformation readiness operates as a capability alignment construct. Rather than treating readiness as a single variable, the analysis reveals a configuration of interrelated dimensions that jointly shape executive education development. The discussion that follows synthesizes empirical insights from internal and external informants to illustrate how readiness is interpreted, negotiated, and operationalized within institutional contexts.

Principal Findings

The findings reveal that institutional transformation readiness for executive education development is not a singular condition, but a multidimensional alignment process. Analysis of interview data across internal institutional leaders and external executive stakeholders indicates that readiness emerges from the interaction of four interrelated dimensions: (1) governance and strategic commitment, (2) organizational capability configuration, (3) ecosystem and market responsiveness, and (4) structural and infrastructural readiness.

First, governance and strategic commitment shape the direction and coherence of transformation efforts. Internal leaders emphasized that executive education initiatives require explicit top-level endorsement, policy flexibility, and alignment with institutional strategic priorities. Without formal commitment and decision-making support at the governance level, executive education risks remaining peripheral rather than strategically embedded.

Second, organizational capability configuration determines whether strategic intent can be translated into operational execution. Participants highlighted the importance of cross-unit coordination, knowledge management practices, and leadership continuity in sustaining transformation efforts. Readiness was described not merely as willingness to change, but as the institution's ability to mobilize and integrate capabilities in a coordinated manner.

Third, ecosystem and market responsiveness influences institutional legitimacy in delivering executive education. External stakeholders stressed the need for industry relevance, program agility, and credibility in engaging corporate partners. Institutions perceived as academically strong but operationally rigid were considered insufficiently prepared to compete in the executive education space.

Finally, structural and infrastructural readiness underpins the sustainability of transformation. Technological systems, administrative processes, and resource allocation mechanisms were identified as enabling or constraining factors. Participants consistently indicated that transformation initiatives often falter when structural support systems are misaligned with strategic ambitions.

Taken together, these findings suggest that institutional transformation readiness operates as a dynamic alignment mechanism linking internal governance, capability integration, and external strategic expectations. The following sections elaborate each dimension and situate the findings within existing literature.

This finding reinforces the view that institutional readiness cannot be reduced to individual willingness to change. Rather, readiness is structurally embedded in governance arrangements, decision-making routines, and internal coordination mechanisms that either enable or constrain strategic transformation. In this sense, executive education development exposes the depth of institutional alignment beyond surface-level commitment.

Governance and Strategic Commitment

Findings indicate that governance structure and top-level strategic commitment constitute the foundational layer of institutional transformation readiness. Internal participants consistently emphasized that executive education development cannot progress without formal endorsement from institutional leadership and alignment with broader strategic priorities. Several leaders noted that initiatives lacking explicit governance backing tend to remain fragmented, experimental, or dependent on individual champions rather than embedded institutional agendas.

From an internal perspective, readiness was strongly associated with decision-making flexibility and leadership continuity. Participants highlighted that rigid approval processes and compartmentalized authority structures slow down innovation and reduce institutional responsiveness. Executive education, which often requires rapid program design, industry negotiation, and customized delivery formats, demands governance mechanisms capable of adaptive decision-making. Where governance structures remained highly bureaucratic, transformation efforts were perceived as reactive rather than strategic.

External stakeholders reinforced this view by emphasizing credibility and institutional legitimacy. Industry leaders expressed greater confidence in institutions that demonstrate clear executive-level ownership of executive education initiatives. In their assessment, visible commitment from senior leadership signals seriousness, accountability, and long-term sustainability. Conversely, executive education initiatives perceived as side projects or revenue-driven add-ons were viewed as unstable and potentially unsustainable.

These findings align with prior research emphasizing the role of leadership commitment and governance adaptability in shaping institutional readiness (Kruasom et al., 2025; Liu, 2024). However, the present study extends this discussion by demonstrating that governance commitment functions not merely as an enabling factor, but as an anchoring mechanism that determines whether executive education is integrated into institutional identity or remains

peripheral. In this sense, governance readiness serves as the structural catalyst through which strategic intent is legitimized and operationalized.

These results illustrate that leadership commitment functions not merely as symbolic endorsement but as a structural catalyst for capability alignment. Institutional transformation readiness emerges when leadership authority, resource allocation, and governance flexibility converge to support strategic execution. This confirms that readiness is integrative, linking intention with institutional action.

Organizational Capability Configuration

Beyond governance commitment, the findings indicate that transformation readiness depends heavily on the institution's ability to configure and integrate organizational capabilities. Internal participants repeatedly emphasized that executive education development requires coordinated collaboration across academic units, administrative departments, and industry liaison functions. In several accounts, readiness was described not as the presence of individual expertise, but as the institution's capacity to mobilize that expertise in a structured and timely manner.

Participants highlighted knowledge management practices and cross-functional coordination as critical mechanisms enabling capability integration. Institutions that relied on siloed academic structures faced difficulties in designing market-responsive programs, negotiating with corporate partners, and delivering customized executive learning solutions. Conversely, institutions with stronger internal communication channels and clearer role delineation were perceived as more agile and operationally prepared.

External stakeholders echoed this perspective by stressing execution reliability. From their viewpoint, institutional credibility in executive education is shaped by consistency in program delivery, responsiveness to customization requests, and the ability to translate strategic conversations into actionable learning designs. Where internal coordination was weak, external actors reported hesitation in committing to long-term partnerships.

These findings reinforce prior studies linking knowledge management and digital infrastructure to institutional adaptability (Rasyid et al., 2021; Alfadhel et al., 2025; Hidayati, 2022). However, the present study advances this discussion by demonstrating that capability readiness is not merely technological or structural; it is configurational. That is, readiness emerges when governance flexibility, leadership continuity, knowledge integration, and infrastructural support operate coherently rather than independently.

Thus, organizational capability configuration functions as the operational backbone of transformation readiness. Strategic intent alone does not generate preparedness; it is the deliberate alignment and integration of institutional capabilities that enable executive education initiatives to move from aspiration to execution.

The evidence underscores that readiness becomes meaningful only when institutional capabilities are deliberately reconfigured rather than passively inherited. Executive education development demands coordinated adjustments across knowledge systems, human resources, and operational infrastructure. This finding strengthens the argument that transformation readiness is operationalized through capability alignment rather than abstract strategic aspiration.

Ecosystem and Market Responsiveness

The findings further reveal that institutional transformation readiness is strongly influenced by the institution's responsiveness to ecosystem and market expectations. While governance commitment and internal capability configuration establish structural preparedness, readiness remains incomplete without alignment to external demand conditions. Executive education, by its nature, operates at the intersection of academia and industry; therefore, market legitimacy becomes a central determinant of transformation viability.

External participants consistently emphasized the importance of industry relevance, program agility, and relational credibility. From their perspective, executive education providers must demonstrate a clear understanding of corporate challenges, leadership development needs, and sector-specific dynamics. Institutions perceived as academically rigorous but disconnected from industry practice were considered insufficiently prepared for sustained executive education engagement. Market responsiveness was not interpreted merely as promotional capability, but as the ability to co-create learning solutions with corporate partners.

Internal leaders acknowledged this tension. Several participants indicated that traditional academic structures, which prioritize standardized curricula and long planning cycles, often struggle to accommodate the speed and customization required by executive clients. Readiness, therefore, involves the institutional capacity to interpret external signals and translate them into strategic adjustments in program design, partnership models, and delivery formats.

These findings resonate with prior research highlighting the growing pressure on higher education institutions to demonstrate societal relevance and stakeholder responsiveness (Bergsteedt & du Plessis, 2025; Kruasom et al., 2025). However, the present study extends this literature by illustrating how ecosystem responsiveness interacts with internal capability alignment to shape executive education transformation. Rather than treating external pressure as an isolated driver of change, the findings suggest that readiness depends on the institution's ability to mediate external expectations through coherent internal structures.

In this sense, ecosystem and market responsiveness function as both a catalyst and a test of institutional preparedness. Institutions that fail to integrate external feedback into internal strategic configuration risk pursuing executive education initiatives symbolically rather than substantively. Conversely, institutions that systematically align governance, capability integration, and ecosystem engagement demonstrate higher transformation readiness.

This finding confirms that institutional readiness is not internally constructed in isolation but shaped through continuous negotiation with external stakeholders. Executive education initiatives intensify the need for responsiveness to industry demands, societal relevance, and governance accountability. Readiness therefore reflects the institution's capacity to translate external expectations into coherent internal strategic configurations.

Structural and Infrastructure Readiness

The analysis indicates that structural and infrastructural readiness constitutes a stabilizing dimension of institutional transformation. While governance commitment provides direction and capability configuration enables coordination, sustainable executive education development depends on the adequacy of administrative systems, technological infrastructure, and resource allocation mechanisms.

Internal participants noted that transformation efforts frequently encounter bottlenecks at the operational level. Administrative procedures designed for conventional academic programs were often described as too rigid for executive education, which requires shorter approval cycles, flexible pricing models, and customized program structures. In several instances, leaders emphasized that without structural adjustments, particularly in budgeting, contracting, and scheduling systems executive education initiatives risk operational delays that undermine credibility.

Technological infrastructure was also identified as a key enabler. Participants highlighted the importance of digital learning platforms, data management systems, and integrated communication tools in supporting executive program delivery. Institutions with more developed technological ecosystems were perceived as better positioned to accommodate hybrid formats, modular learning structures, and ongoing participant engagement.

External stakeholders reinforced the significance of infrastructural reliability. From their perspective, institutional readiness is partly assessed through administrative responsiveness,

contractual clarity, and operational professionalism. Even when academic content quality is strong, weaknesses in logistical and infrastructural systems may erode trust and long-term partnership potential.

These findings align with research emphasizing the mediating role of digital readiness and infrastructural capability in strategic transformation processes (Alfadhel et al., 2025; Hidayati, 2022). However, the present study demonstrates that structural readiness operates not as a standalone technical condition, but as a foundational layer that sustains governance decisions and capability alignment efforts. Without sufficient infrastructural support, strategic intent and organizational coordination may fail to translate into consistent execution.

Collectively, structural and infrastructural readiness anchor transformation efforts by ensuring operational continuity, reliability, and scalability. In this regard, transformation readiness extends beyond strategic alignment and market responsiveness to include the structural resilience necessary for sustained executive education development.

The tension identified in this study highlights that misalignment between internal capability structures and external strategic ambitions may result in symbolic transformation rather than substantive change. Institutional transformation readiness, therefore, should be understood as the dynamic alignment of internal coherence and external adaptability. This integrative perspective consolidates readiness as both a structural and strategic construct.

Discussion

The four dimensions identified—governance and strategic commitment, organizational capability configuration, ecosystem and market responsiveness, and structural and infrastructural readiness—collectively form an integrated institutional transformation readiness framework. Rather than functioning independently, these dimensions interact dynamically to determine whether executive education initiatives become strategically embedded or remain peripheral. This finding supports recent studies emphasizing that higher education transformation requires coordinated institutional adaptation across leadership, governance, digital systems, and stakeholder engagement rather than isolated organizational reforms (Diab et al., 2025; Rosidin et al., 2025).

At the core of the framework lies governance and strategic commitment, which legitimizes transformation intent and anchors executive education within institutional priorities. Organizational capability configuration then translates this intent into coordinated action by aligning leadership continuity, knowledge integration, and cross-unit collaboration. Ecosystem and market responsiveness serve as an external calibration mechanism, ensuring that institutional efforts remain relevant, credible, and aligned with stakeholder expectations. Structural and infrastructural readiness provides operational stability, enabling sustained execution and scalability. These findings are consistent with recent evidence suggesting that leadership commitment and institutional governance play a central role in facilitating organizational transformation and strategic adaptation in higher education environments (Diab et al., 2025).

The findings also reinforce the growing recognition that executive education should be positioned within broader institutional transformation agendas rather than treated merely as an auxiliary revenue-generating activity. As universities increasingly pursue lifelong learning, professional upskilling, and industry-oriented education models, executive education requires institutional mechanisms capable of supporting flexible and responsive learning ecosystems (Daher-Armache et al., 2025). In this regard, readiness extends beyond operational preparedness to include the strategic capacity to respond to changing labor market needs and evolving stakeholder expectations.

This integrative perspective extends existing organizational readiness theory by repositioning readiness from a primarily psychological or attitudinal construct toward a multidimensional institutional alignment process (Weiner, 2009; Liu, 2024). While prior studies

emphasize shared commitment and efficacy as determinants of change implementation, the present findings demonstrate that in higher education transformation, particularly within executive education contexts, readiness must be understood as a systemic alignment between governance structures, capability integration, digital infrastructure, and external expectations. This interpretation resonates with studies highlighting the increasing importance of institutional adaptability in response to digital transformation pressures and evolving educational ecosystems (Rauf et al., 2024; Fuadiy et al., 2025).

The framework also advances discussions on institutional capability and strategic responsiveness (Rasyid et al., 2021; Alfadhel et al., 2025; Kruasom et al., 2025) by illustrating how internal capability reconfiguration and external legitimacy pressures operate interdependently. Instead of treating digital readiness, governance reform, or market orientation as isolated drivers of transformation, the findings reveal that sustainable executive education development emerges from coherent integration across these domains. This observation aligns with evidence that successful institutional transformation increasingly depends on the ability to integrate digital innovation, organizational learning, and stakeholder collaboration into a unified strategic direction (Rauf et al., 2024; Fuadiy et al., 2025).

Furthermore, the ecosystem and market responsiveness dimension reflects the growing importance of external engagement in higher education transformation. Previous studies on internationalization and educational policy reform have demonstrated that universities are under increasing pressure to align institutional strategies with global competitiveness, industry expectations, and societal needs (Brilyanti, 2025; Rosidin et al., 2025). The present findings extend this discussion by showing that executive education readiness is strongly influenced by an institution's ability to establish legitimacy and maintain continuous interaction with external stakeholders. Consequently, readiness should be viewed not only as an internal organizational attribute but also as a relational capability embedded within broader institutional ecosystems.

Importantly, the study identifies readiness not as a static condition but as a dynamic balancing process. Institutions may exhibit strength in one dimension, such as governance commitment, while remaining underdeveloped in infrastructural readiness or market responsiveness. Transformation viability, therefore, depends on the degree of alignment among dimensions rather than excellence in any single area. Similar patterns have been observed in studies examining the implementation of the Merdeka Belajar–Kampus Merdeka (MBKM) policy, where varying levels of institutional preparedness, stakeholder engagement, and resource availability influenced implementation effectiveness (Purwanti, 2021; Supriati et al., 2022; Zakiyyah et al., 2021). These findings suggest that institutional transformation requires balanced development across multiple organizational dimensions.

The results further indicate that readiness is a cumulative capability-building process shaped by policy adaptation, organizational learning, and continuous stakeholder interaction. This interpretation complements the broader paradigm shift in higher education highlighted by Simatupang and Yuhertiana (2021), who argue that contemporary universities must move toward more flexible, collaborative, and innovation-oriented organizational models. Executive education represents one manifestation of this shift, requiring institutions to continuously realign internal capabilities with emerging external opportunities.

By conceptualizing institutional transformation readiness as capability alignment within an ecosystem context, this study offers both theoretical refinement and managerial guidance. The framework contributes to the literature by integrating insights from organizational readiness, institutional transformation, digital adaptation, and executive education development into a coherent explanatory model. Practically, it provides institutional leaders with a structured lens to assess preparedness conditions prior to initiating executive education initiatives, reducing the likelihood of fragmented implementation and enhancing long-term sustainability. As higher education institutions continue to pursue internationalization, digital transformation, and lifelong learning agendas, the proposed framework offers a useful

foundation for aligning strategic ambitions with organizational capabilities (Brilyanti, 2025; Daher-Armache et al., 2025; Diab et al., 2025).

5. Conclusion

This study develops an institutional transformation readiness framework for executive education development, demonstrating that readiness emerges from the alignment of governance and strategic commitment, organizational capability configuration, ecosystem and market responsiveness, and structural and infrastructural readiness. The findings extend organizational readiness theory by shifting the concept from a predominantly psychological perspective toward a multidimensional institutional capability-alignment process. The study contributes theoretically by integrating organizational readiness, strategic alignment, and institutional capability perspectives, while practically providing higher education leaders with a framework to assess preparedness, identify capability gaps, and strengthen the implementation of executive education initiatives. These findings highlight that sustainable executive education development depends not on isolated organizational strengths but on the coherent alignment of internal capabilities and external strategic demands.

This study is limited by its relatively small sample size, context-specific setting, and reliance on participants' perceptions, which may restrict the generalizability of the findings. Future research should quantitatively validate the proposed framework using larger and more diverse samples across different higher education contexts. Comparative studies involving public and private universities as well as institutions from different countries could provide deeper insights into contextual variations in readiness. Additionally, longitudinal research is needed to examine how institutional transformation readiness evolves over time and how emerging factors such as digital transformation, artificial intelligence, and lifelong learning ecosystems influence executive education development.

References

- Alfadhel, A. M., Shah, M., Kassim, B., Ashaari, A. B., & Mahar, S. (2025). The impact of digital transformation readiness on strategic decision effectiveness in higher education institutions: Mediating role of technological infrastructure capability. *International Journal of Innovative Research and Scientific Studies*, 8(8), 184–190. <https://doi.org/10.53894/ijirss.v8i8.10576>
- Bergsteedt, B., & du Plessis, A. (2025). Reimagining transformation through strategic thinking and accountable governance in the South African public university system. *Higher Education*. Advance online publication. <https://doi.org/10.1007/s10734-025-01517-w>
- Brilyanti, F. A. (2025). Strategy for internationalizing Indonesian higher education institutions to enhance global competitiveness. *Journal of Indonesian Sustainable Development Planning*, 6(2). <https://doi.org/10.46456/jisdep.v6i2.693>
- Daher-Armache, G., Randall, E., & Prince, H. (2025). Strategies for lifelong learning and upskilling: Leadership development practices in higher education institutions. *The International Journal of Management Education*, 23(1), 101032. <https://doi.org/10.1016/j.ijme.2025.101032>
- Diab, A. K. M., et al. (2025). Transforming adversity into strategic success: Leadership and institutional transformation in higher education. *Administrative Sciences*, 15(11), 425. <https://doi.org/10.3390/admsci15110425>
- Fuadiy, M. R., Rozi, M. A. F., Arafah, N. N., Kamal, L., & Sunoko, A. (2025). Mapping the digital transformation of education in Indonesia from 2012 to early 2025: A bibliometric analysis of Scopus-indexed publications. *Journal of Educational Research and Practice*, 3(2), 276–306. <https://doi.org/10.70376/jerp.v3i2.390>

- Haqq, Z. N., Nurhayati, N., Sharom, N. Q., & Ismail, F. L. M. (2021). Linking perceived supervisory support and self-efficacy for change to individual readiness for change. *Jurnal Bisnis dan Manajemen*, 8(2), 392–404. <https://doi.org/10.26905/jbm.v8i2.6644>
- Hidayati, N. (2022). Digital transformation and human resources readiness: A strategic concept higher education value. *International Journal of Economics, Business and Accounting Research (IJEBAR)*, 6(3), 1269–1277.
- Kruasom, T., Unphim, U., Jaksil, D., & Jaensirisak, S. (2025). Institutional autonomy in developing higher education: A risk-based readiness and strategic planning framework under external pressures in Northeastern Thailand. *Lex Localis – Journal of Local Self-Government*, 23(11), 1093–1109. <https://doi.org/10.52152/802048>
- Liu, H. (2024). Organisational readiness for change in higher education: Perceptions of staff around the case of introducing a new educational model in a transnational university in China. *Edu Research Indonesian Institute for Corporate Learning and Studies (IICLS)*, 5(1), 70–80.
- Purwanti, E. (2021). Preparing the implementation of Merdeka Belajar–Kampus Merdeka policy in higher education institutions. In *Proceedings of the 4th International Conference on Sustainable Innovation 2020 – Social, Humanity, and Education (ICoSIHESS 2020)* (pp. 384–391). Atlantis Press. <https://doi.org/10.2991/assehr.k.210120.149>
- Rasyid, M. K., Rahayu, A., & Wibowo, L. A. (2021). Penerapan strategi manajemen pengetahuan untuk meningkatkan kinerja institusi pendidikan dalam menghadapi Revolusi Industri 4.0. *Jurnal Bisnis dan Manajemen*, 8(1), 75–81. <https://doi.org/10.26905/jbm.v8i1.5292>
- Rauf, R., Raheni, C., Tovan, Mardia, Setiawan, L., & Rodliyatun, M. (2024). Entrepreneurship education and digital transformation: Opportunities and challenges in Indonesia. *Journal of Infrastructure, Policy and Development*, 8(12), 7740. <https://doi.org/10.24294/jipd.v8i12.7740>
- Rosidin, A., et al. (2025). Exploring educational policy innovations and curriculum transformation in higher education: The Merdeka Belajar framework. *Journal of Education Culture and Society*, 16(3), 943–958. <https://doi.org/10.15503/jecs2025.3.943.958>
- Simatupang, E., & Yuhertiana, I. (2021). Merdeka Belajar Kampus Merdeka toward paradigm changes in higher education learning: A literature review. *Jurnal Bisnis, Manajemen dan Ekonomi*, 2(2), 30–38. <https://doi.org/10.47747/jbme.v2i2.230>
- Supriati, R., Dewi, E. R., Triyono, Supriyanti, D., & Azizah, N. (2022). Implementation framework for Merdeka Belajar Kampus Merdeka (MBKM) in higher education academic activities. *IAC Transactions on Sustainable Digital Innovation*, 3(2), 150–161. <https://doi.org/10.34306/itsdi.v3i2.555>
- Weiner, B. J. (2009). A theory of organizational readiness for change. *Implementation Science*, 4(1), 1–9. <https://doi.org/10.1186/1748-5908-4-67>
- Zakiyyah, Z., Cahyani, M. D., & Fatnah, N. (2021). Readiness of the science education study program in the implementation of the Merdeka Belajar–Kampus Merdeka curriculum. *Scientiae Educatia*, 10(2), 160–168. <https://doi.org/10.24235/sc.educatia.v10i2.9243>