

The Controversy of Diplomas as a Challenge for Strategic Management in Ensuring Transparency, Accountability and Crisis Management in Indonesia

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Publication Date: 2026/07/22

Abstract: The national debate regarding the authenticity of public officials' academic credentials reveals strategic failures that extend beyond mere legal concerns, exposing more profound weaknesses in governance, information transparency, and risk management within higher education institutions and political organisations. This study aims to investigate how fragmented verification systems, restricted access to academic records, and ineffective crisis communication strategies exacerbate the controversy within public discourse. The research conducts an analysis of the normative framework governing the validity of educational documents, evaluates institutional responses to reputation crises, and identifies gaps in strategic management that further amplify uncertainty and misinformation. Employing a normative juridical methodology that incorporates conceptual, statutory, and case-based approaches, the study scrutinises media documents, academic literature, and online public discussions. The findings indicate that institutions frequently struggle to maintain public trust due to their failure to implement clear data transparency protocols, coherent document authentication procedures, and standardised crisis communication measures. Such deficiencies create an environment conducive to speculation, public distrust, and the political exploitation of credential-related issues. This research contributes novel insights by integrating evidentiary legal analysis with strategic management perspectives to uncover systemic vulnerabilities underlying credential controversies. Furthermore, it proposes a more adaptive and responsive model of reputation governance for institutions in an era characterised by open information.

Keywords: *Strategic Management, Credential Controversy, Transparency, Accountability, Crisis Communication*

How to Cite Balthasar Watunglawar; Karnadi; Amin Silalah (2026) The Controversy of Diplomas as A Challenge for Strategic Management in Ensuring Transparency, Accountability, And Crisis Management in Indonesia Enhanced Treatment.

International Journal of Innovative Science and Research Technology, 11(7), 675-679.

<https://doi.org/10.38124/ijisrt/26jul243>

I. INTRODUCTION

In an age marked by enhanced information transparency and digital governance, the legitimacy of state institutions and public figures hinges on accountability. In Indonesia, the authenticity of educational certificates held by public officials often ignites controversy, leading to a significant crisis of public trust. This issue transcends mere administrative or legal concerns, revealing systemic weaknesses in institutional management regarding reputational risks and information crises. Dwiyanto [1] argues that educational documents, typically private in nature, can escalate into national concerns when verification and communication systems lack transparency and integration.

The debate surrounding the validity of diplomas for public officials, particularly the allegations against former

President Joko Widodo, illustrates this point. Accusations of fake diplomas have frequently emerged in public discussions, raising questions not only about the former President's academic credentials but also about the overall transparency of the higher education system and the processes for verifying state documents [2]. Public responses to these allegations reflect a broader evaluation of the personal integrity of officials and the credibility of the educational institutions involved, highlighting the intertwined nature of legal and ethical considerations.

The spread of conflicting information and counter-narratives on social media, coupled with delays in official communications, intensifies public uncertainty and invites political speculation [3,4]. This situation underscores the inadequacies in crisis management frameworks, which should be equipped to address sensitive issues promptly and transparently, utilizing verified data to uphold public trust [5].

Research indicates that deficiencies in academic data governance and a lack of public information transparency contribute significantly to rising uncertainty and speculation, particularly when political figures are involved.

Higher education institutions and state agencies must therefore act as credible providers of legal documents, holding a strategic responsibility to maintain their institutional integrity through ethical and accountable practices. The diploma controversy serves as a clear indication of organizational shortcomings in managing reputational risks. Studies in strategic management suggest that public organizations without robust crisis communication protocols are prone to escalate conflicts and experience a decline in stakeholder confidence [6,7].

In today's digital landscape, where information spreads rapidly, it is crucial for institutions to develop effective crisis management strategies. The dynamics of social media can amplify the dissemination of unverified information, often with political implications. When allegations of a public official's fake diploma circulate, public reactions are typically immediate and emotionally charged, which can disrupt social and political stability. As such, institutions must prioritize both document verification and the management of public discourse.

While Indonesia has established a legal framework for diploma validity and educational document verification, many legal studies indicate that these regulations are not sufficiently supported by an accessible and standardized information system. Suteki and Taufiq and Mulyadi [8,9] highlight the challenges faced by the public in obtaining transparent information about the authenticity of public officials' diplomas, creating an environment ripe for speculation and doubt. Consequently, institutions often react defensively to allegations, lacking a proactive and strategic approach.

This reactive stance, compounded by unclear procedures for managing information crises, can exacerbate reputational damage. The disconnect between legal standards, data governance, and strategic management practices is a critical flaw in addressing diploma-related crises in Indonesia. Previous research has tended to analyze these issues in isolation, neglecting a cohesive strategic perspective. Rahardjo and Sihombing, and Kim and Mauborgne [10,11] illustrate that such fragmentation hinders a comprehensive understanding of effective management strategies.

To address these challenges, an interdisciplinary approach that merges legal analysis with insights from strategic management and reputational governance is essential. By integrating these fields, we can uncover the systemic roots of the problem and develop a more flexible reputational governance model for higher education institutions and public organizations in Indonesia. This approach aims to enhance transparency and accountability while fostering public trust amid complex information dynamics.

This research positions the diploma controversy as a strategic management challenge, impacting transparency,

accountability, and institutional crisis management. Its novelty lies in integrating normative legal aspects with strategic management frameworks to identify systemic issues and formulate a more adaptable governance model. Recognizing the authenticity of public officials' diplomas as a strategic concern necessitates a collective effort from all stakeholders. A comprehensive, interdisciplinary approach is vital for fostering a transparent and accountable system, thereby protecting the integrity and reputation of public institutions in Indonesia.

II. METHOD

This study employs a normative legal approach complemented by strategic management analysis to investigate the ongoing debate regarding the educational qualifications of public officials, viewing it as a systemic challenge in governance, transparency, and crisis management in Indonesia. The focus on legal norms and verification mechanisms of educational documents within public administration justifies the choice of the normative legal approach. By integrating legislative, conceptual, and case-based methodologies, the research scrutinizes the legal frameworks governing higher education, degree validity, and institutional accountability, alongside national regulations on education and public information.

Moreover, the research examines transparency, accountability, and crisis management through the lens of strategic management, particularly concerning the reputation of public organizations and educational institutions. The case-based approach highlights the public discourse surrounding the qualifications of officials, revealing the disconnect between legal systems, governance, and crisis communication strategies. The study employs a variety of legal materials, including primary legislation and recent scholarly articles, while data collection involves comprehensive document analysis and media scrutiny. Qualitative and normative data analysis aims to reveal discrepancies between legal norms and institutional practices, ultimately leading to a conceptual framework for improved reputation governance and crisis management tailored to the educational and political landscape in Indonesia.

III. RESULTS AND DISCUSSION

This section presents the results and discussion, aiming to clarify the key findings of the research while connecting them to the theoretical frameworks outlined in the literature review. The analysis examines how the debate over public officials' qualifications has transformed into a strategic issue involving legal aspects, governance, transparency, and crisis management. Each discussion point highlights specific facets of the issue, revealing the links between systemic flaws and the shortcomings of institutional strategies in ensuring accountability and public trust. Thus, this section not only outlines the identified facts and trends but also provides a critical analysis of the managerial and policy implications for maintaining institutional reputation in an age of information transparency.

➤ *The Fragmentation of the Diploma Verification System as a Strategic Risk*

The analysis indicates that Indonesia's diploma verification system is fragmented and lacks a cohesive national structure. An effective verification system is essential for ensuring public confidence in the authenticity of educational qualifications. Currently, the process is poorly coordinated among various institutions, resulting in inconsistent procedures that confuse users, including employers and the general public.

Access to academic information about public officials is often limited and inconsistent, leading to significant gaps in information. Employers frequently face difficulties in obtaining reliable and current details when verifying job applicants' diplomas. This inconsistency breeds uncertainty and speculation, potentially damaging the reputations of educational institutions and the government alike. Reports of counterfeit diplomas further contribute to a negative perception of all educational entities, regardless of their legitimacy. Research shows that poor data interoperability significantly undermines public trust in these institutions.

To safeguard their reputations, educational organisations must acknowledge that transparency and accuracy in information are vital. Mismanagement of data can have severe repercussions for both institutions and society, which depends on the validity of educational records. Therefore, academic document management should be regarded as a strategic asset requiring systematic protection. In today's digital age, institutions need to implement secure systems for data storage that allow for prompt access by stakeholders. Developing integrated platforms for seamless data access across institutions is crucial, and enhancing the diploma verification system will also require supportive policies and clear regulations from the government.

➤ *The Weakness of Academic Data Transparency and the Erosion of Public Trust*

Research shows that a lack of proactive transparency regarding academic data can lead institutions to adopt defensive postures during controversies. This absence of information, even when aligned with data protection laws, can breed public suspicion of hidden critical details. Transparency involves not only data sharing but also how institutions communicate with the public and stakeholders. For instance, if a university faces plagiarism allegations but fails to communicate its response clearly, it may invite damaging speculation. Studies indicate that reactive transparency can harm reputations more than proactive measures [12,13]

Furthermore, insufficient transparency can create distrust among stakeholders, as ineffective communication may lead to the spread of unfounded rumours. In cases of financial misconduct, a lack of clear reporting can provoke public suspicion of more severe issues than are actually present. Thus, transparency serves as a vital tool for building trust and demonstrating an institution's commitment to accountability. Institutions that prioritise transparency not only meet public expectations but also enhance their reputation, which can improve their standing in the educational sector.

From a strategic management viewpoint, transparency is not just an ethical requirement; it is essential for

establishing legitimacy and trust. While institutions must respect personal data protection, developing balanced transparency policies is crucial. For example, sharing academic research findings without disclosing participant identities can illustrate effective transparency that serves the public interest while safeguarding individual rights. In the absence of transparency, organisations risk facing prolonged reputational challenges. As the public increasingly demands transparency from educational institutions, failure to comply may lead to diminished support from stakeholders. Research by Johnson et al. [14] shows that institutions that experience reputational crises due to a lack of transparency often take years to recover, adversely affecting student enrolment and funding. Thus, integrating transparency into management strategies is essential for navigating societal changes and fostering a positive reputation.

➤ *The Absence of Standardised Crisis Communication Strategies*

The study reveals that many educational institutions and political entities lack clear and standardised crisis communication protocols regarding the legitimacy of academic documents. Effective crisis communication extends beyond mere emergency responses; it requires careful planning and cohesive strategies. Without clear guidelines, responses tend to be reactive and disjointed, worsening public controversies and harming institutional reputations. For example, a university facing a legitimacy issue with its diplomas often responds with inconsistent statements.

A notable case is an Indonesian university involved in a fake diploma scandal, where initial affirmations of document legitimacy were later contradicted by conflicting information, leading to public confusion and distrust. Research shows that inconsistent crisis communication is a key factor in organisations' failures to manage reputational crises [15,16]. Thus, effective crisis communication must deliver clear and transparent messages. In the aforementioned case, having established crisis communication guidelines would have enabled the university to quickly convey its investigative actions and accurate information, helping to restore public trust.

Moreover, institutions must view diploma controversies not merely as legal disputes but also as strategic governance challenges that test their capacity to preserve institutional legitimacy, stakeholder confidence, and organizational resilience. Recent studies emphasize that institutional legitimacy is increasingly shaped by an organization's ability to respond transparently, consistently, and accountably during periods of public scrutiny. Consequently, crisis management should be integrated into strategic governance rather than treated solely as a reactive communication integrity function [17,18].

A university that successfully navigates a diploma controversy should develop an evidence-based communication strategy that demonstrates its commitment to academic, procedural fairness, and institutional accountability. Such strategies may include official press briefings, independent investigative reports, external academic audits, and transparent disclosure of administrative procedures. These approaches strengthen organizational legitimacy by reinforcing confidence that institutional

decisions are grounded in established governance mechanisms rather than external pressures [19,20].

Effective crisis management should also extend beyond reputation recovery by strengthening relationships with key stakeholders, including students, parents, alumni, government agencies, and the wider community. Contemporary stakeholder governance emphasizes that sustainable institutional legitimacy depends on continuous engagement, dialogue, and trust-building rather than one-way communication. In the digital era, where information rapidly circulates through online media, higher education institutions should employ proactive digital communication strategies to reduce misinformation, clarify institutional decisions, and reinforce stakeholder confidence [21,22].

The absence of comprehensive crisis communication protocols may intensify public controversy and weaken institutional credibility. Therefore, universities should establish standardized crisis governance frameworks that integrate strategic leadership, institutional accountability, stakeholder engagement, and digital communication management. Such an integrated approach not only enhances organizational resilience but also contributes to sustaining institutional legitimacy and long-term public trust in increasingly complex information environments [23,24].

➤ *Integration of Legal and Strategic Management Perspectives as an Innovation*

Research shows that a lack of proactive transparency in academic data often leads institutions to take a defensive position during controversies. When data protection laws are cited, the absence of clear communication can heighten public suspicion regarding concealed information. Transparency involves not only the dissemination of data but also the manner in which institutions engage with the public and stakeholders. For example, if a university faces plagiarism allegations but fails to articulate its response clearly, it may inadvertently provoke unfounded speculation. Studies indicate that reactive transparency can harm reputations more severely than proactive measures [25,26].

Moreover, inadequate transparency can breed distrust among stakeholders. Poor communication from institutions may lead to the proliferation of unfounded rumours. In cases of financial misconduct, unclear reporting can prompt the public to suspect more significant issues than are present. Thus, transparency is a crucial mechanism for fostering trust and showcasing an institution's dedication to accountability.

From a strategic management viewpoint, transparency is not just an ethical necessity; it is vital for establishing legitimacy and trust. Institutions that prioritise transparency not only meet public expectations but also enhance their reputations, which can improve their standing in the educational sector. For instance, universities that regularly publish detailed annual reports may see an increase in student enrolment and donor support. While transparency is essential, it is equally important to protect personal data. Institutions should adopt balanced transparency policies that share vital information while safeguarding individual privacy. By embracing a transparent approach, institutions can mitigate reputational risks and strengthen relationships with

stakeholders, ultimately fulfilling public expectations while respecting privacy rights.

IV. CONCLUSION

The discussion surrounding the validity of academic qualifications possessed by Indonesian public officials illustrates that the verification of degrees transcends mere administrative concerns, emerging as a significant governance challenge that impacts transparency, crisis management, and public confidence. This research reveals that inadequate verification processes, a lack of data transparency, and the absence of standardized crisis communication have intensified information ambiguity and undermined the credibility of both higher education institutions and political figures. While current regulations establish a legal framework for degree legitimacy, they fall short in terms of digital integration, inter-agency collaboration, and public accessibility, rendering them susceptible to political manipulation in the digital age. By merging legal analysis with strategic management principles, this study highlights the importance of transparency, accountability, and effective crisis communication as essential elements in managing institutional reputation. It advocates for the creation of a comprehensive verification system and the implementation of proactive crisis communication strategies to protect legitimacy, foster public trust, and ensure democratic stability.

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