

**Good School Governance: An Approach to
Principal's Decision-Making Quality in Indonesian
Vocational School**

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Abstract	Article Info
<p><i>Good school governance is basically about effective principal leadership used to create appropriate processes, systems, and management for ensuring the sustainability and continuity of schools. This research aims to examine the model of good school governance and to establish the correlation between good school governance and the principal's decision-making in Indonesian vocational school contexts. The samples of the present quantitative descriptive study were the vocational school principals, vice-principals, and teachers by considering the representation of all provinces in Indonesia. The data were gathered from a structured questionnaire survey of 838 respondents. The factor analysis was applied to bring out the latent variables representing the attributes, and</i></p>	<p>Article History: <i>Received</i> August 30, 2020 <i>Accepted</i> December 24, 2021</p> <hr/> <p>Keywords: <i>Principal's decision making, Decision-making quality, Good school governance, School improvement, Indonesian vocational school.</i></p>

later, the causality between these variables was established using structural equation modeling (SEM). The confirmatory factor analysis has shown that good school governance was constructed by six principles namely transparency, accountability, responsibility, autonomy, fairness, and participation. Empirically, the good school governance has impacted positively on the quality of the principal's decision-making. The research has affirmed that good school governance facilitates the participation of teachers and educational staff in the decision-making process. Furthermore, the good school governance improves the decision-making quality through the empowerment of teachers, the delegation of authority, and the encouragement of shared decision-making.

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Introduction

Ideally, vocational high schools are designed to prepare students becoming entrepreneurs or working in a particular field (Altan & Altintas, 2017). Consequently, the schools are required to collaborate with industrial stakeholders as well as community. Unfortunately, the development of expertise area in vocational education and training institutions is not in line with the market needs. In 2019, the number of unemployed vocational high school graduates reached 8.63% (BPS, 2020). This indicated ineffectiveness of vocational school management in producing qualified graduates. One of the ideas is through decentralization of the school authority.

The shifting authority from the central government to the school level empowers the school stakeholders in school decision-

making. School governance is the autonomy of schools in managing their schools, both human, financial, and material resources in schools (De Grauwe, 2005). The school stakeholders are expected to take appropriate decision based on the factual school conditions (Hopkins, 2012). Consequently, the school principal should support good governance at schools.

Good governance is a process in managing schools for increasing the schools' development and accountability. This is also essential legitimizing schools as institutions (Balarin et al., 2008). School governance exists to enhance the quality of producing the effective school governance performance (Lingard et al., 2002). This is a set of responsibilities, practices, policies, and procedures carried out by an institution in providing strategic direction for ensuring of goals achievement and responsible, accountable and transparent use of resources (Risteska et al., 2010). This means that implementing the good school governance will increase the level of participation, accountability, and transparency of a vocational school as well as the level of effectiveness of school management.

Some research show that improving the quality of teaching and learning highly depends on the quality of leadership. The leader's level of positivity and transparency impacted followers' perceived trust (Norman et al., 2010). This means that the leadership practices are related to the perspectives of various school stakeholders. Principles of decentralization afford principals autonomy and discretion in determining school practices and innovative leadership (Lukas & Jankovic, 2014). Some delegate to the subordinates, however, others restrict the authority delegation on decision-making and tend to follow the logic of a quick-fix approach (Freitas & Freitas, 2020). In private schools, for example, leadership



exhibits more autonomy in influencing school-level policies (Shakeel & DeAngelis, 2017). In addition, the principals mobilize diverse essential resources for school efficacy and develop partnerships with external agencies that can contribute to school efficiency. Consequently, principals can be perceived as having the responsibility to realize the school's interests (Garud et al., 2007). School autonomy is essential but must be accompanied by good governance principles such as strong accountability, clear roles, and responsibilities, clear rules, monitoring and self-evaluation mechanisms that are aimed at school improvement.

Furthermore, decentralization leads to the significant changes at school level. The principals need to change their role and reformulate their way of thinking and acting. As the effect of school governance, teachers must present a set of skills, knowledge, and activities associated with business than traditional education system taking the role of skillful manager on the competitive education market (Kowalczyk & Jakubczak, 2014). Principals are expected to be educational visionaries, instructional and curriculum leaders, assessment experts, disciplinarians, community builders, public relations and communications experts, budget analysts, managers, and program administrators (Kasprzhak & Bysik, 2014). In other words, the principal leadership strategies must be interpreted as the ability to influence and manage others efficiently, effectively, and economically in achieving the goals. Therefore, the objective of the current study is to contribute the knowledge-based effect of good school governance on principals. This is related to the decision-making at the school level. The present study provides knowledge on school good governance which is essential for the school principals in making decision, and reaching transparency, fairness, and accountability of the school management.

Literature Review

School Governance

Governance describes the mechanisms used by an organization to ensure that its constituents follow the established processes and policies (Kefela, 2011). This is the primary determinant for growth, development, and poverty reduction of the organization (Dayanandan, 2013) including school. Governance changes will lead to improved educational outcomes and experiences for students. However, the unclarity strategic reformation of school governance structures will divert focus, energy, and resource away from the overarching attainment priorities (RSE, 2017). School governance refers to process of determining policy and rules at schools by considering the law and the school's budget (Maile, 2002). This encompasses vision, strategy, accountability, trust, capacity, and stakeholder relationships (Leechman et al., 2019).

Good governance means competent management of the resources which are open, transparent, accountable, fair, and responsive to the needs of society (Kefela, 2011: 3995). This can also be considered a new paradigm in public management (Vyas-Doorgapersad & Aktan, 2017). Good governance in education should possess the traits of responsiveness, accountability, transparency, and engagement to design and implement policies (Risteska et al., 2010). Consequently, good school governance requires strong leadership from both school council and principal. The school council and principal must enable to work together. The influential school leaders set direction, develop people, lead change, improve teaching and learning, solve problems, are values-based, build trust, and are visible in the school (Gurr, 2015).



The good governance indicators are applicable in education and can be adapted to assess the public services governance. The principles of good school governance generally refer to The United Nations Development Program (UNDP "Governance and Sustainable Human Development, 1997"). The present research adopts a set of principles namely transparency, accountability, responsibility, autonomy, fairness, and participation (Risteska et al., 2010).

Transparency

Transparency is built to serve easy access on processes, institutions, and information (Risteska et al., 2010). Basically, the educational provision can be improved through better management practices, transparency in resource use, and accountability to all stakeholders (Abebe, 2012).

Accountability

Accountability is linked to management and concepts of participation, decentralization, empowerment, and transparency. The demands of both democracy and efficiency require some form of accountability at schools in which the political power of the leaders covers three ways namely enforcement, monitoring, and answerability (Maile, 2002). The accountability differs depending on the organization and whether the decision is internal or external (Risteska et al., 2010). However, the principals should monitor and provide information to control teachers and hold them accountable (Hanberger, 2016). Thus, the decision-makers at schools, either private schools or public schools should be accountable to the public and institutional stakeholders.

Responsibility

Responsibility refers to the organization's ability to control the running of rules or procedures (Larasati et al., 2018). The schools must make sure that the policy made is responded well by those in charge of.

Autonomy

The shifting authority system to the decentralization system affects the decision-making processes and increases the school autonomy. Consequently, some changes create a new environment at schools (Kowalczyk & Jakubczak, 2014). However, schools autonomy and participatory governance would be significant for schools improvement (Gorgodze, 2016). The schools turn into independence in which the schools are managed professionally according to their respective functions and roles without any pressure (Larasati et al., 2018).

Fairness

Fairness is promoted through equity principle. The rule of law where laws should be fair and enforced impartially to all (Risteska et al., 2010). Fairness points to equal treatment in fulfilling stakeholder rights based on the agreements and regulations. In daily interaction, for instance, school policies do not discriminate among schools members at school (Sitepu, 2016).

Participation

Participation is proved to improve the quality of education and the governance of educational institutions. A research demonstrates the positive relationship among participation, education quality and governance (Oxfam, 2017). All stakeholders



have roles in making decisions, either directly or through representation. Moreover, participation is also closely related to the interaction of educational stakeholders, the community, the business world, and the government.

Principal's Decision Making

The school principals have a prominent responsibility in ensuring all school programs run effectively (Fullan, 2007; Verger et al., 2013). They are mostly elected from either the administrator or the instructional leader. The principals work collaboratively with the other school stakeholders to develop and implement the school plans in finances, teaching and services, internal processes, and development of the organization (Anderson et al., 2019; Mokoena, 2011). This means that they should enable to interpret messages, approaches, and contexts within their school environments (Ingle et al., 2011) and make decisions (Al-Tarawneh, 2011). In other words, the school principals become the prominent school stakeholder in achieving the success of the school performance which is mainly determined by the student academic outcomes and teacher career satisfaction (Kasprzhak & Bysik, 2014; González-Falcón et al., 2019).

Some methods are offered in supporting the school's outstanding performance. Rationally, the school success lays on the school principals since the principal's attitude significantly influences effective and efficient management in educational institutions (Eyal et al., 2011; Mokoena, 2011; Zwijze-Koning & de Jong, 2009). This means that the school principals become the dominant stakeholder who are responsible in ensuring the school performance.

The expert opinion might help in solving poorly structured problems in the management of educational institutions (Meczynska

et al., 2014). Furthermore, a tool simulation is set to recognize and reproduce decision-making experiences in a problem-based learning approach (Volante et al., 2020). The decision-making process forces the principals to find various solutions. Those are often highly significant in addressing the needs and demands of the stakeholders such as the teaching and learning materials, time allocation, and assessment, schedule, and budgeting (Shapiro & Stefkovich, 2016; Goldring et al., 2008; Shen & Xia, 2012). Often, the decisions are about the appropriateness of educational programs adopted to the school (Fraser et al., 2018). Thus, the successful principals are those who respond most appropriately towards the problems and situations occurred through decision-making process.

Besides, data-informed decision-making system is also noteworthy for increasing the role of principals in school effectiveness (Shen et al., 2012). The decision support system significantly affects the quality of the principal's decision-making (Supriadi, Usman, & Jabar, 2021). The information system allows the school principals to recognize powers, fears, limitation, and strategies in decision-making process for implementing good governance policies for schools (Tamir et al., 2020). The easy information accessibility is now crucial as in the process of decision-making, it is required active involvement of all stakeholders, namely parents, teachers, students and educational staff. However, practically, the participative decision-making among school principals, teachers, and parents has been challenging to achieve due to the very limited proportion (Mokoena & Machaisa, 2018; Bagarette, 2011). The process of the decision-making is started from identifying a problem, setting a solution approach, testing the idea, and sometimes recognizing a new problem during the testing (Chitpin, 2014).



Good School Governance and Decision Making

The influential factors in the decision makers' behavior and decision-making processes is support processes in fostering the organizational processes to provide the means for and reduce the barriers (OECD, 2013). It is recognized that several school reforms have made the schools difficult to manage. The central government requires the school management to create the conditions needed to achieve national (Smith & Abbott, 2014). The school districts which are under the central government have responsibilities in ensuring both public and private schools are in line with the central school policy. In other words, the relation of the central governance and the division of responsibility among the central, district, schools, and teachers can be regarded as complicated and unclear (Holmgren et al., 2012). Whereas, the comprehensive educational changes should be on the decentralization of structures for broader participation and decision making and the replacement of bureaucratic regulation with professional responsibility and accountability (Walker, 2000).

The decision quality requires a conducive climate of self-governing schools to support the participative decision making, and transparency in school leadership in setting the school policies (Dahawy & Elmelegy, 2010; Naidoo, 2005). As the central government has decentralized the educational system, the more decision-making power in various areas has been distributed to the local school level. The implementation is focused on increasing the responsibility distribution in ensuring the school's effectiveness (Hickey-Gramke & Whaley, 2007). Consequently, the principals have more rights and responsibilities to the school stakeholders.

The good school governance leads in improving the quality of decisions and effectiveness. The quality of decision refers to a

decision taken consistently to the school goals. This means that the implementation of the decision is influenced by the degree to which group members understand and support the decision (Vroom, 2003). School supervisor, principals, and other leaders engage in strategic decision-making when they set the broad goals (Brazer et al., 2010) and should consider the impacts on the students' lives (Bäckman & Trafford, 2007). The school principals' power is reflected on how much power the principals have in various decision-making areas for the school improvement. The school improvement should be based on flexibility, persistent optimism, motivating attitudes and dispositions, and commitment through teacher empowerment (Leithwood et al., 2008).

The principal's decision-making power could be constrained by the teachers, school board, and central government. If the principals increasingly reach accountable performance for the educational quality improvement, principals will gain more responsibilities, influence, and power within schools (Shen & Xia, 2012). The principals' roles has been expanded for increasing the accountability and decentralization and dominated in the decision-making process (Mokoena & Machaisa, 2018). However, the shared decision-making of the central government to schools improves the problem-solving capabilities of teachers, and decisions become conscious and well-reasoned choices (Wildy et al., 2004).

The teachers and parents are allowed to make decisions on some issues at school, for example on the school funding. In other words, the participative decision-making may increase human capital (Widanto & Satrya, 2019). The participative decision making is commonly set through goal setting, locus of knowledge, involvement in generating alternatives, planning and evaluating results, task



strategy formulation, and co-operative problem solving for reaching positive results (Vroom, 2003). The participative decision-making practices are chosen due to the decrease of ambiguity role and conflict as well as the school performance improvement (Elmelegy, 2015). Frequently, the school principals also request assistances from the school supervisors and the local educational authorities depending on their influence at schools. Accordingly, the school principals enable to control the external agencies involvement at schools and strengthen the power of the central educational authority (Addi-Racah, 2015).

Theoretical Framework

The present study employs the theory of management system which is emphasized on the effective management of vocational schools. The governance perspective draws upon systems theory, theories of inter-organizational networks, and public management (Ris, 1994). This means that the good governance practices are based on the participation, accountability, transparency, responsiveness, effectiveness and efficiency, justice, and strategic vision. The implementation of good governance at schools is a collaboration among the stakeholders namely school, community, and government to improve the education quality.

The good governance praxis should be applied in school-based management. This provides greater autonomy to schools and encourages participatory decision-making from all school members specifically teachers, students, principals, employees, parents of students, and community. In other words, the effective governance is one of the keys in achieving the educational objectives because it comprises the responsibilities of all stakeholders (Nimota & Kadir,

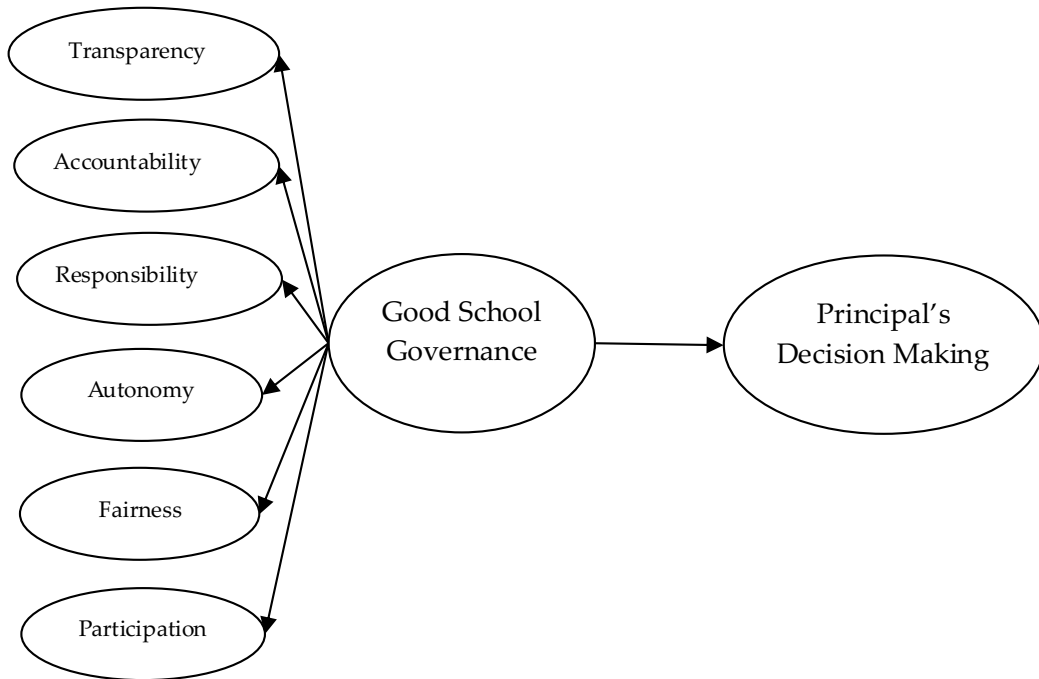
2019). In this regard, the school principals play significant roles in allocating the resources and implementing the programs required to achieve the educational objectives.

The principles of good school governance improve decision-making quality through empowerment of teachers, delegation of authority, and encouragement of shared decision-making. This means that the stronger the implementation of good school governance, the stronger the relationship of rationalization with the principal’s decision-making. The current research has the following hypothesis.

H1: Good school governance is positively related to the principal’s decision making.

Figure 1.

Modeling of the Good School Governance Effects on Principal’s Decision Making





Method

The current study employed a quantitative method approach. This provides data for generalization (Creswell, 2008). In addition, the study applied a correlational design on the influence of good school governance implementation in principals' decision-making in vocational schools.

Sample Size

The study sample is 838 of the principal, vice-principal, and teacher of vocational education in Indonesia. The sampling technique used was a purposive sampling by taking the representation of all provinces in Indonesia.

Data Collection Procedures

This present research area directly observed the objects under review to obtain the relevant data. The data was collected by sending a series of questions to the respondents in both online and offline. The online version was distributed through online media to the respondents. Meanwhile, the offline survey was done by visiting some vocational schools in seven provinces of Indonesia, namely; Sumatera Island, Java Island, Kalimantan Island, Sulawesi Island, Nusa Tenggara, Maluku, and Papua Island.

Data Collection Instruments

The principal decision making was a latent endogenous variable. It is measured by three sub dimensions (Gao et al., 2018; Nimota & Kadir, 2019) since the focus of the present study is the principals decision-making. The measurement indicates the stakeholder involvement in decision making, policy making, and agreement results with stakeholders in decision making (Kasprzhak

et al., 2015; Shen et al., 2012; Goldring et al., 2008). Therefore, the concept of principal leadership in decision making is defined by considering the empirical literature and the principal reviews on the stakeholder involvement.

The school governance is an exogenous latent variable and measured by six aspects namely; transparency, accountability, responsibility, autonomy, fairness, and participation (Risteska et al., 2010); OECD, 2013). All items were measured using a 4-point scale, ranging from 1 = Very Bad. 2 = Not Good, 3 = Good, and 4 = Very Good.

The instrument used must be appraising, valid, and reliable. The decision-making instrument's reliability index from Nimota & Kadir (2019) study was 0.76. The good governance instrument's reliability index from Pomeranz & Stedman (2020) study was 0.88. The instrument used in the study was tested for validity and reliability using Confirmatory Factor Analysis and Cronbach's Alpha (Davicik, 2014). Here is the validity and reliability test results of the two current research variables: the principal's decision making and the school governance.



Table 1.
Validity and Reliability Testing

Items	Factor Loadings						Principals Decision Making
	Transparency	Accountability	Responsibility	Autonomy	Fairness	Participation	
A.1	0.659						
A.2	0.627						
A.3	0.520						
B.1		0.723					
B.2		0.695					
B.3		0.712					
C.1			0.675				
C.2			0.673				
C.3			0.724				
D.1				0.509			
D.2				0.534			
D.3				0.610			
E.1					0.638		
E.2					0.578		
E.3					0.666		
F.1						0.668	
F.2						0.505	
F.3						0.518	
G.3							0.822
G.2							0.960
G.1							0.919
<i>Cronbach's Alpha</i>	0.716	0.828	0.880	0.854	0.770	0.775	0.926

A variable item passes a validity test if its factor loadings are above 0.70 (Hair et al., 2014). Table 1 shows that the factor loadings values of the two variables ranged from 0.626 to 0.902. This identifies that the variable items of the present study are valid. Besides, Cronbach's Alpha was also applied to test the reliability of the current research variables. The minimum requirement values of the reliability of the research variables are more than 0.70 (Ariola, 2007).

Statistical Tools for Data Analysis

The researcher operated the Structural Equation Modeling (SEM) using AMOS software for analyzing the data. Structural equation models with unobservable variables are a dominant research paradigm in the management community, even though it originates from the psychometric (Davcik, 2014). SEM is a statistical methodology that undertakes a multivariate analysis of multi-causal relationships. This technique enables the researcher to assess and interpret complex, interrelated dependence relationships and includes the measurement error on the structural coefficients (Henseler et al., 2009).

Findings

The current research consists of 21 items on the principal's decision making and 18 items on the school governance. The responses result of the 838 respondents is displayed below.

Table 2.

Statistic Descriptive of Items Questionnaire

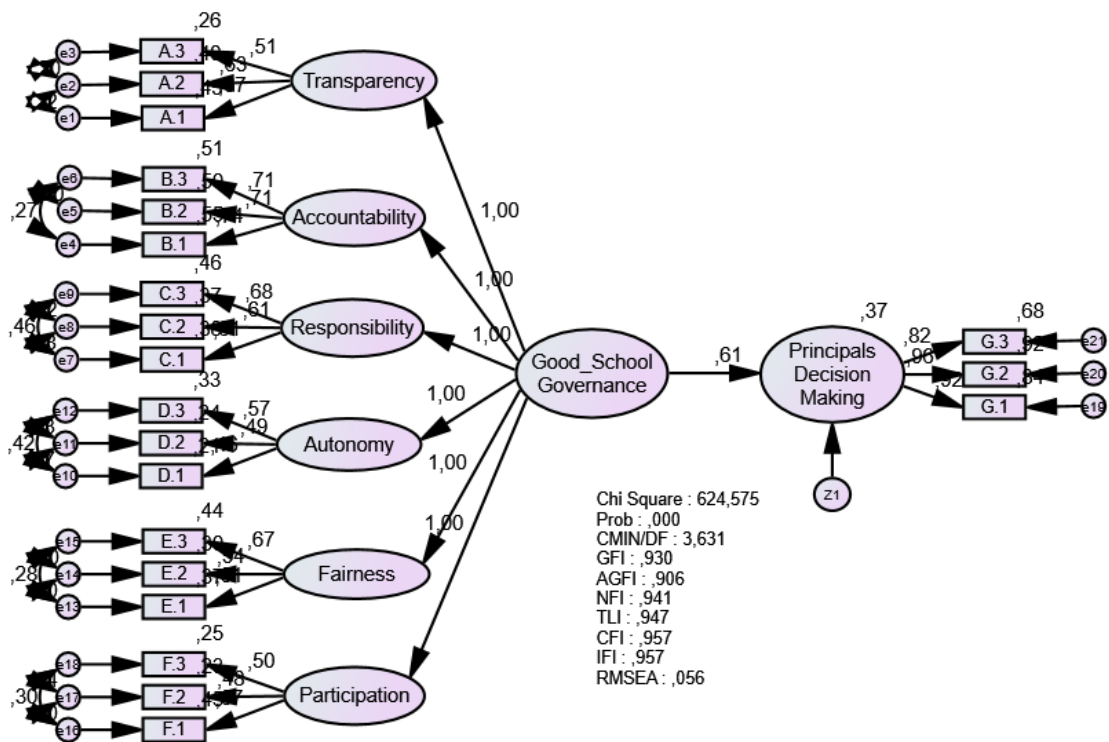
Item	Statement	Number of Respondents				Mean	Std. Dev
		1	2	3	4		
A.1	Reports on work programs and school performance achievements	6	39	645	139	3.11	0.48
A.2	Teacher and education personnel recruitment system	5	40	619	174	3.15	0.51
A.3	New student recruitment system	1	10	435	392	3.45	0.53
B.1	The function of elements in the school organizational structure	7	42	686	103	3.06	0.45
B.2	Management of funds from the community	7	40	624	167	3.13	0.51
B.3	Implementation of vocational work programs	4	32	675	127	3.10	0.45
C.1	Compliance with applicable laws and regulations	3	8	562	265	3.30	0.50
C.2	Compliance in carrying out responsibilities to society and the environment	2	11	607	218	3.24	0.47
C.3	Compliance in accounting for all activities carried out to all stakeholders	3	13	595	227	3.25	0.49
D.1	Formulate school budget and expenditure	4	64	631	139	3.08	0.51
D.2	Determine the allocation of school budget allocations	6	67	643	122	3.05	0.5
D.3	Determine student assessment policy	2	50	629	157	3.13	0.49
E.1	Opportunities for recruitment of teachers and staff	4	44	661	129	3.09	0.47
E.2	Opportunities for admission of new students	3	14	570	251	3.28	0.50
E.3	Implementation of rewards	7	45	667	119	3.07	0.47
F.1	Teacher participation in making decisions about school management	5	77	661	95	3.01	0.48
F.2	Parental participation in monitoring student progress	6	183	569	80	2.86	0.57
F.3	Business and industry participation in improving the quality of graduates	15	178	549	96	2.87	0.62
G.1	Stakeholder's involvement in decision making	9	133	601	95	2.93	0.56
G.2	Stakeholder involvement in policy making	11	139	597	91	2.92	0.57
G.3	Agreement results with stakeholders in decision making	13	112	626	87	2.94	0.54

Generally, Table 2 shows that the respondents were assessed pretty good toward the given variable items. The mean values among the two variables were between 2.86 and 3.29. The school governance, which was comprised of 18 items, had the mean values from 2.86 and 3.29. While, the three principals decision-making items supported the mean values ranged from 2.91 to 2.94.

Structural equation modeling (SEM) is defined as the impact of good school governance on the decision-making of the principal. It describes the direct effects of latent variables and the sum of defined variance for each variable (Bayram et al., 2016).

Figure 2.

The Result Analysis of the Structural Equation Modeling





The measurement of the model fit was assessed through well-accepted GOF measures such as the ratio of chi-square to the degrees of freedom (CMIN/df), CFI, GFI, NFI, TLI AGFI, and RMSEA. If the values of CMIN/df below 5 (Byrne, 2016), the model is indicated as a good fit. If the values of GFI, CFI, NFI, TLI, AGFI are above 0.90 and RMSEA is below 0.08, the model are indicated a good fit (Blunch, 2013); Hair et al., 2014). Table 3 shows the results of the good model fit in the current study. It can be seen clearly that values of the measurement models met the standard values.

Table 3.

Goodness-of-Fit Result Modification

Index	Cut Off Value	Analysis Result	Information
Chi Square	Expected to be low	624.575	moderate
Probability	≥ 0.05	0.000	moderate
CMIN/df	≤ 5	3.631	good
CFI	≥ 0.90	0.957	good
NFI	≥ 0.90	0.941	good
GFI	≥ 0.90	0.930	good
AGFI	≥ 0.90	0.906	good
TLI	≥ 0.90	0.947	good
IFI	≥ 0.90	0.957	good
RMSEA	≤ 0.08	0.056	good

Table 3 shows the good fit indices for the simultaneous contribution of each observed and latent variable to the entire model for the theoretical models developed of the causal relationship. The model showed a good overall fit on almost all indices, CMIN/df= 3.631, CFI= 0.957, NFI= 0.941, and GFI= 0.930, RMSEA= 0.056. The root means square error of approximation (RMSEA) is a measure to

estimate on how well the population non-centrality index is. The purpose of the RMSEA on an SEM study is to adjust the complexity of the model and sample size. The theory is not for a generally accepted threshold value, but in practice, the $RMSEA \leq 0.08$ is established (Davcik, 2014).

Table 4.

Path Coefficients and p Values

	Relationship	Estimate	S.E.	C.R.	P
Transparency	<--- Good School Governance	1.000			
Accountability	<--- Good School Governance	1.031	0.055	18.797	0.000
Responsibility	<--- Good School Governance	0.949	0.060	15.772	0.000
Autonomy	<--- Good School Governance	0.716	0.059	12.110	0.000
Fairness	<--- Good School Governance	0.881	0.057	15.585	0.000
Participation	<--- Good School Governance	0.996	0.057	17.375	0.000
Principals Decision Making	<--- Good School Governance	0.839	0.058	14.354	0.000

Squared Multiple Correlations: 0.367

As presented in Table 4, the hypothesis test results determined the relationship between each variable in the model. The results verify that the good school governance support positively influences the principals' decision making (H_1 : estimate= 0.839, S.E = 0.058, C.R = 14.354, and $p < 0.01$). Table 4 shows the square multiple correlation analysis results conducted to determine the extent to which good school governance predicted the principal's decision-making. It was seen that the variable of good school governance



representing the factors of transparency, accountability, responsibility, autonomy, fairness, and participation predicted the principals' decision-making positively. The factors of good school governance noted 36.7% of the change in the principal's decision-making.

Discussion

The findings indicate that the good school governance has a significant relationship with the principals decision-making, which is supported by past research (Elmelegy, 2015). The research has affirmed that the good school governance facilitates the participation of teachers and employees in the decision-making process. In addition, the good school governance increases the quality of decision-making through the participation of teachers, a delegation of authority, and support for shared decision-making.

The study also spotted that the principals welcome to all school stakeholders in participatory decision-making as espoused on the good school governance philosophy. Parents, students, and teachers are involved in the decision making (Claude & Starr, 2014). In this study, there is systematic evidence about the principle of transparency to assist the principal's decision making in improving the quality of the school aspects. Although the central government has granted power and authority to the school level through orders from school boards, it is largely dependent on school principals to encourage and initiate participatory decision-making. The autonomy principle in good school governance help principals address the issues faster. Principal autonomy is more robust in private schools than in public schools (Hanberger, 2016). Due to the fewer political and bureaucratic constraints, the private school principals are likely

to have more influence in decision making and enjoy more autonomy in the selection of students and daily administration than the public school (Wilkins, 2015). Since private school principals get less political pressures, they significantly influence the school-level activities. The school principals who have implemented effective school governance, have invited teachers, parents, and community representatives as partners in the decision-making process for the school improvement and student achievement (Bandur & Gamage, 2014).

In this study, the principals are still the dominant decision-maker. This is indicated by the low level of school stakeholders participation at school, for example, the involvement of parents only once at the end of the year (Lingard et al., 2002). The principals decision-making will be better under a good school governance approach in which all school stakeholders contribute relatively in decision-making processes (Mokoena & Machaisa, 2018). In the context of school organizations in Indonesia, this stakeholder participation is accommodated in the school committee. The existence of school committees is legalized on a Decree of the Minister of National Education. This is an advisory role of good school governance, representing cooperation with the school board and the community (Gorgodze, 2016). In Indonesia, there is a support system needed to achieve and implement a good school governance model, namely the Regional Government, in this case, the District Education Office, District Education Council, School Supervisors, Higher Education Institutions for Educators and Education, Business and Industry, and Institutions Education Quality Assurance.

The fundamental principles of the good school governance practices have begun to help schools make the right decisions on the



resources management. It is believed that the good school governance supports the participation of all teachers and staff in the decision-making processes that directly affect their works. In many cases, this means the participation in budgeting, teacher selection, scheduling, curriculum, and other programs (Ismara et al., 2020).

Most previous study had focused on measuring instruments for good governance (Pomeranz & Stedman, 2020), examining good governance issues in secondary schools (Nimota & Kadir, 2019) and describing different systems of school governance and school management examined (Kowalczyk & Jakubczak, 2014). The novelty of the current study is to find a model that describes the implementation of good school governance in improving the decisions quality of the vocational school principals.

Based on the present findings, the implications are:

- 1) Implementing good school governance as measured by the dimensions of transparency, accountability, responsibility, autonomy, fairness, and participation is quite good, however, the dimensions of participation are not good enough. The low participation implies a lack of stakeholder in supporting the implementation of school governance.
- 2) Implementing good school governance has a positive and significant effect on the quality of principal decision-making. It means that the higher application of school governance principles will have implications on the decision quality for improving the vocational school performance.

However, limitations in human and financial resources affect on the good school governance implementation in the vocational schools. The challenge in managing educational institutions today is the availability of human resources quality. If the school principals do

not have human relations skills, technical skills, and conceptual skills, the good school government practices will be ineffective. The leadership skill is one of the essential factors in implementing the principles of good school governance. Another is the availability of a budget. It is a crucial indicator for realizing the degree of education quality. The financial limitations in good governance, of course, affect on some areas such as compensation, training, salaries, allowances, facilities, and infrastructure.

The present study recommends the policymakers to distinct the different mechanisms and measures of good school governance for vocational schools and corporates. The vocational schools have to improve good school governance by increasing the participation level.

Conclusion

This study concludes that good school governance was constructed on the principles of transparency, accountability, responsibility, autonomy, fairness, and participation. It is supported by empirical evidence that good school governance has positively impacted the quality of the principal's decision-making. In addition, the research has affirmed that the good school governance facilitates the participation of teachers and educational staff in the decision-making process. Furthermore, the good school governance improves decision-making quality through the empowerment of teachers, the delegation of authority, and the encouragement of shared decision-making.

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