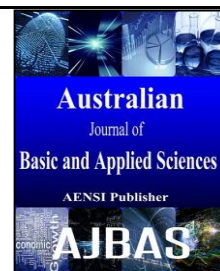




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### Performance Sustainability of Public Higher Education Institutions in Malaysia

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#### ABSTRACT

**Background:** Since the last few decades, higher-education institutions (HEIs) around the world has gone through academic uprising and demand and thus, they began to consider sustainability as a key element in education for sustainable development. Malaysia too has seriously considered the importance of sustaining the performance of its public and private HEIs to ensure their long lasting competitiveness in the global market. **Objective:** This paper discusses the issues pertaining to performance sustainability of higher education institutions in Malaysia by focusing on two public universities i.e. Research University (RU) and Non Research University (NRU). **Results:** Both RU and NRU seem to face similar issues regarding performance sustainability. Based on the interviews, there are six major issues that have been surfaced continuously in the both universities, namely management, financial, operation, marketing, leadership and communication. **Conclusion:** Even though the RU seems to have a better privilege of having more research grants than the NRU, both universities however, experience similar critical issues to be concerned of namely management, financial, operation, marketing, leadership and communication. These six factors are influencing the performance sustainability of both the RU and non RU. It will be a wise move for the universities to think in terms of both short and long term strategies to improve their performance sustainability.

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#### INTRODUCTION

It has been the main objective of higher-education institutions to teach and to conduct research for centuries. Higher education is also one of the most unchallengeable of institution but over the past 50 years, higher-education institution has gone through an academic uprising in which the outcome was the revolution to be unique in scope and diversity. The cause of this can be contributed to several factors, including internationalization; trans-border education; e-learning and distance learning which directly affected the institutions and the people involved in it (Altbach, Reisberg & Rumbley, 2009).

Malaysia has identified tertiary education policy as an important national agenda. In the span of 15 years that is from 1991 to 2005, students studying in institutions of higher learning across the globe rose from 68 to 137.9 million students (UNESCO Institute for Statistics – UIS, 2007). This remarkable jump signaled a global consensus that higher education is a major driver in each nation's economic competitiveness hence has consciously made high-

quality higher education more essential than perceived as the last half a century.

The widespread recognition that tertiary education is a major driver of economic competitiveness in an increasingly knowledge-driven global economy has made high quality tertiary education more important than ever before. The urgency for countries is immediately raise higher-level employment skills, sustain a globally competitive research base and improve knowledge dissemination to the benefit of their society. Having said this, it is also important to note that higher education institutions exist within political, cultural and social context which shape policy and practices that governs the institution (Hammond, 2003). Additionally, tertiary education plays a major role in the social and economic development of a nation through the following missions: (i) the formation of human capital-primarily through teaching; (ii) the building of knowledge bases -primarily through research and knowledge development; (iii) the dissemination and use of knowledge-primarily through interactions with knowledge users; (iv) the

maintenance of knowledge-inter generational storage and transmission of knowledge (Santiago, Tremblay, Basri & Arnal, 2008)

It is also important to realize that the costs of offering, operating, and maintaining services for students, in addition to an education, are growing astronomically, which brings to the application of leanness, sustainability and cost containment in higher education. It is the vision of every nation to provide their citizens with the best education possible but then again, to provide access to tertiary education has massive cost implications on governments, especially in developing countries. Nonetheless, the Malaysian government's emphasis upon the development of the higher-education sector is based on the need to establish a world-class university system; to make Malaysia a regional education hub; and to transform Malaysia into a knowledge-based economy. The fact remains that tertiary education costs are strongly tied to international markets compared to primary and secondary education as at the tertiary level it is important to attract qualified academic staff as to prevent the risk of academic 'brain drain' if lower salaries are offered to the academics. Saying so, it has to be acknowledged that the significance of implementing sustainability and cost containment strategy in institutions of higher education is unavoidable across the globe. Thus, this paper discusses the issues pertaining to performance sustainability of higher-education institutions in Malaysia.

#### **Literature review:**

The main challenge in this century is to transform sustainable development from abstract to reality for all the people in the planet (United Nations, 2001). Education for sustainable development (ESD) has been one of the top main concerns in national policy documents and has been among the universal agenda since the Earth Summit in Rio in 1992. It was again brought to the forefront of international attention at the United Nations (UN, 2002) World Summit on Sustainable Development in Johannesburg 2002 (Anderberg, Nordén, & Hansson, 2009).

According to Velazquez *et al.* (2004) education, research, outreach and partnership, and sustainability on campus, are the four strategies used in higher-education institutions globally for accomplishment of sustainability. The Global Higher Education for Sustainability Partnership initiative seeks to make sustainability a fundamental part of college and university curricula around the world (UNESCO, 2001). UNESCO (2003) has contributed majorly in the implementation of ESD objectives by means of the Framework for a Draft International Implementation Scheme, where a new vision of education is expressed that will hopefully lead to profound changes to higher education. Few decades ago, thousands of people, at all levels, in higher-

education institutions around the world began to consider sustainability as a key element in education for sustainable development (Velazquez, Munguia, & Sanchez, 2005). However, Sustainable development has slowly permeated in universities not only through courses. All sustainable initiatives have had their ups and downs. Programs such as Tuft Clean (Creighton, 1998), the HE 21 Project (ACU, 1999) and many others that were in their time very successful now have ceased to be. Others have survived and moved on to new phases of existence. It was very expected. The study which was carried out by Velazquez, *et al.* (2005) on the factors that obstruct the implementation of the sustainability initiatives in higher-education institutions revealed that the adequate conditions for the successful implementation of sustainability programs did not exist. There are many obstacles preventing the success of sustainability initiatives on campuses around the world. Among those obstacles listed by the author are; lacked of awareness, interest, and involvement, conservative organizational structure, lack of funding, lack of support from university administrators, lack of time, lack of data access, lack of training, lack of opportune communication, and information, resistance to change, etc. Until the lack of sustainability policies or the existence of policies with zero enforcement on many campuses is no longer a problem. Cultural awareness seems to be one of the best strategies for implementing sustainability initiatives (Velazquez, *et al.*, 2005). It is equally noteworthy that the hesitancy to discuss obstacles in journal papers, conferences, or others communications means is a common practice among people responsible for documenting sustainability initiatives. The motive could be the insecurity to keep their initiatives working due to reprisals from superiors.

Furthermore, the review of literature has indicated the urgent need to recognize and develop alternative, multidisciplinary theories, research strategies and interventions for Global Learning Sustainability Development at the universities, curriculum and individual levels (Anderberg *et al.*, 2009). Irritation is expressed by several authors over the fact that many measures have remained on a purely rhetoric level, that many efforts are ineffective, and that universities do not appear to take their responsibilities seriously. Following the three types of competencies presented by Rost (2004) and an integration of a global perspective on more principle-led curriculum formulated by Irving *et al.* (2005), this competencies-driven curriculum offers one way to move from the dominance of rhetoric level to practice. However, the steps that have been implemented so far concern mostly on how a global perspective could be integrated into the curricula, rather than the question of how students learn in a global context. Knowledge on how teaching and learning are best developed in a global context would

therefore need to be developed. The pioneer research projects on learning in the global context, reported by Hansson and Norde'n (2007) are just an example of such processes, and additional research is clearly called for in this area. Universities, professionals and students need to take greater responsibility. How knowledge, values and abilities are formed and developed from the global learner's perspective. Therefore, remains an open and fundamental question. (Anderberg *et al.*, 2009).

In a nutshell, this literature review has revealed that the existence of scholastic attention upon the education for sustainability development (ESD) although those studies usually focus on good aspects of sustainability on campus while paying little or no attention to describe the issues hampering their evolution. A myriad of challenges are facing ESD which calls for more scholastic studies to offer solution. Development of knowledge, values and abilities based on the global perspectives needs attention too. The onus is also on universities, professionals and students.

#### **Methodology:**

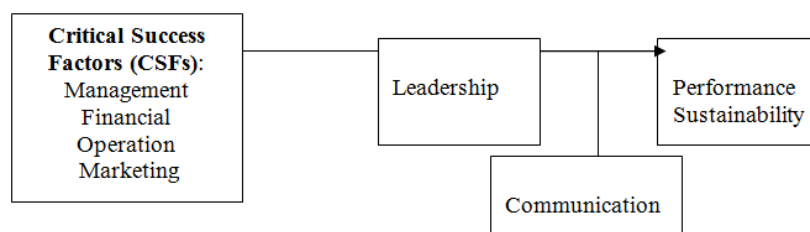
To explore the details of the major issues that influence performance sustainability of the Malaysia's HEIs, the data collection was done using by secondary data and interviews. Interviews were used as the mode of data collection as the issues that is being dealt here is rather sensitive. A structured interview technique was applied when collecting data from the respondents as it provides the ability for the interviewer to be a participant observer who enables the interviewer to be closer to the subjects and to see the world from their perspective (Hair, Money, Samouel and Page, 2007). Besides that, the field of sustainability does not have a single, rigid methodology, and the uses of interpretive methods are welcomed (Carroll, 1994). Therefore, it was deemed to be the best approach to do a qualitative research in this study as the respondents were all from different level of hierarchy in the organization.

The two public HEIs namely, a Research University (RU) and a Non-Research University (NRU) were selected as the cases. To obtain an in-

depth understanding of the performance sustainability issues plaguing the institutions, 12 high-ranking officers from the major departments of the universities, i.e. registrar, bursar, operation, academic affair, centers of excellences and colleges/school were chosen as the interviewees. Overall, the process of data collections took about two months to complete to derive to the findings as discuss below.

#### **Findings and discussion:**

Despite being categorized as RU and Non RU, both institutions seem to have faced similar issued regarding performance sustainability. Based on the interviews, there are six major issues that have been surfaced continuously in the both HEIs, namely management, financial, operation, marketing, communication and leadership. Management is circulating within the area of human resource, asset and general management practice in the HEIs, Secondly, financial is related to managing the finance and expenditure matters in all the departments, centers and colleges. Thirdly, marketing encompasses the activities related to recruitment strategies of new students, and advertising and promotion strategies to strengthen the universities' brand image and market position. Fourthly, operation covers all aspects of maintenance, procurement, servicing and controlling the operating tools, equipment and assets. Thus, a complete standard operating procedures (SOP) is required to maneuver each task. Fifthly, leadership reflects the importance of an effective leader cum manager in each department, college or centers to oversee and monitor the performance of each staff and also the work place. Hence, every single department's role and activities can be supervised effectively to improve and retain the internal and external customers. Finally, communication refers to the need to have an effective communication system at all levels that is capable of disseminating information and news, the fastest and most reliable. Therefore, based on the findings, a framework is derived as follows:



**Fig. 1:** Proposed Framework

#### **Discussion:**

The critical success factors can influence the performance sustainability of the higher education

institutions regardless the categories of the institutions, i.e. Research University or Non Research University. Specifically, the more effective

the management, financial, operation and marketing strategies are, the higher the performance sustainability of the institutions will be. Managing human resource requires an effective interpersonal skill, especially when it involves a change of mindset among the staff, and the leader could be exposed to a certain level of resistance to change among the subordinates, which subsequently affect the students' performance and satisfaction. In addition, managing asset and non-asset calls for the ability to control the asset's optimum utilization level. Financial is also critical since at present, the RU is funded by government grants and although the university has the freedom to spend the grants or their own resources, there still are restrictions in their spending. This restriction can be due to government intervention, for instance, funding from the government is slow to come. Therefore, to control their expenditure, the university could start by looking at areas where they could decrease on their expenditure i.e. operation and traveling. On the contrary, the non RU is not receiving any special research grant from the government thus making them having fewer funds to embark on more research and development. The management has to be more meticulous in spending the available funds, there are, and have to keep on looking for the grants from various sources. In helping the university to control its expenditure, every department, center or college/school needs to conduct a reliable forecast of revenues and budgets to avoid any unnecessary spending. In terms of operation, the universities have to oversee and control the utility usage level and the maintenance of the assets in the campus. The tasks must be immediately handled with a proper system (SOP) and proactive action is essential in most cases. Marketing activities revolve around the application of recruitment strategies to attract students, particularly the international post graduate students who generate higher income for the universities. The marketing strategies could either be passive (just wait for the students to come after browsing the university's website and ads), active (university's representative will go abroad to recruit the students) or non active (hire a third part to recruit the students) strategies. In addition, the universities also have to design strategies to strengthen their brand image and market position to compete with other higher institutions, public and private universities. Relating to leadership, Gudz (2004) has mentioned the importance of the role of leadership in sustainability of universities. Furthermore, as stated by Quinn and Dalton (2009), setting direction, articulating goals, visions or setting objectives are associated with introducing sustainability into the workplaces by their leaders. The Vice Chancellor of both institutions should be a visionary leader who able to share his vision and mission with other every individual in the institution. In this study, leadership is treated as a mediator in the relationship between

the four critical success factors since its role is needed to smoothing the execution of the four CSFs' related strategies. Finally, the role of communication is also important in ensuring the vision, mission and directive actions of the leader will reach to the staff and later to students efficiently. Thus, as a moderator, communication should be both a bottom-up and top-down process so that transmission of policy to action can be implemented more effectively. In many instances, effective decision making comes from the top, and communication is vital for effective decision making. Pertaining to this issue, Quinn and Dalton (2009) mentioned that to critically change towards a sustainable university, a leader's introduction and discussion of sustainability principles, the reconstruction on the organization's distribution of budget, decision making together with a strategic production process, are needed for an effective and continued success for the university.

### **Conclusion:**

Sustainability is not an overnight effort. It takes time to develop the vision of sustainability and to implement it. The universities have to embark on this vision, and it is hoped that the mission and vision of the university will be embraced by every single staff of the university which will subsequently follow by the students. Even though the RU seems to have a better privilege of having more research grants than the NRU, both universities, however, experience similar critical issues to be concerned of namely management, financial, operation, marketing, leadership and communication. These six factors are influencing the performance sustainability of both the RU and non RU. It will be a wise move for the universities to think in terms of both short and long-term strategies to improve their performance sustainability. At present, the funding for public higher-education institutions is from the government but what will happen in the next 10 years is uncertain. The economic crises that are affecting the whole world might be a factor for the government to stop all funding for the public universities whereby then public HEI would be forced to look both internally and externally for sustainable solutions and greater resource diversification.

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