BUSINESS PROCESS REENGINEERING IN MALAYSIAN HIGHER EDUCATION INSTITUTIONS

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ABSTRACT

The aim of this paper is to explore and analyze how public higher education institutions in Malaysia could approach change from a transactional organizational perspective to become more transformational. By using a modification model from Business Process Reengineering, this paper utilizes the improvement model as in its role as a management tool to institute change. It specifically examines the implications of adopting the model within the higher level education system in Malaysia. With increasing competition among higher education institutions to become the best education providers, Malaysia must reengineer its conventional educational model into a market-driven organizational approach. Through the examination of the policy for higher education institutions have discovered that the management style has room for improvement and that to improve educational standards Malaysian higher level educational institutions need to change their governance structure and organization.

KEYWORDS: Business Process Reengineering, Organization performance, Higher education institution, Policies, Transformational

INTRODUCTION

Since 2000 higher education institutions, particularly public universities in Malaysia have sought transformation to become more dynamic and responsive institutions that can meet global challenges and build an international presence. With the interest to becoming ‘center[s] of excellence’ and a regional education hub for South East Asia, public universities have developed a mission and adopted strategic planning to achieve their vision and objectives. To make sure it is achievable the Ministry of Higher Education has developed two master plans or blue prints; The National Higher Education Strategic Plan and National Higher Education Action Plan 2007-2010. Being owned and funded by the Malaysian government, public higher education institutions must ensure that their strategic objectives are in line with those of the Ministry (Malaysia Government, 2007).

In general, Malaysian higher education institutions are segregates by the type of organization, either public institutions or private institutions, and also by the level of academics, which they offer under the jurisdiction of the Ministry of Higher Education. The Ministry of Higher Education also provides complete funding such as financial, human resources and technical supports, to all public higher education institutions through budget allocations as well as lump sum funding for development and
capital expenditures. Because of their financial contributions, the ministry maintains authorities in the universities decision-making processes and direction. University autonomy in Malaysia should be contextually and politically defined since the Malaysian higher education system is under close state control and strict supervision (Regel, Salmi, Watkins, Tan, Dawkins, Sorayan, et. al., 2007).

The challenges facing the Malaysian higher education system in realizing its policy and objective acquire reforms from education provider to business oriented. Using Business Process Reengineering (BPR) is one of the approaches to transfer the current educational system to a management based system as seen in the corporate world. BPR is the drastic redesign of a business process used to gain dramatic improvements in performance measures such as cost, quality, service, and speed. By doing this, the higher education institutions in Malaysia will process a dramatic change. According to Doomun and Jungum (2008), BPR is not about fine-tuning or marginal changes, rather it is for determined organizations willing to make substantial changes to achieve major performance improvements.

BUSINESS PROCESS REENGINEERING (BPR)

Many studies show that BPR is one of the components that can be used to improve organization and enhance performance (Sohail & Daud, 2006; Ahmad, Francis, & Zairi, 2007; Doomun & Jungum, 2008). BPR takes into account one of the current major drivers of change within organizations, which is helping the organization to become more competitive and customer-oriented in a challenging environment. BPR’s concept of reengineering traces its beginning back to management theories development. It is consider one of the ‘tools’ use by the management to make improvements. According to Sohail and Daud, (2006) BPR seeks to fulfill specific objectives and can lead to breakthrough improvements. BPR is also often associated with significant cultural and technologies changes.

SUCCESS FACTORS OF BPR

Even though BPR has many factors that influence success, to be successfully implemented in higher education institutions setting, many authors (Ahmad, Francis, & Zairi, 2007; Ascarri, Rock, Dutta, 1995; Peppard & Fitzgerald, 1997) identify four main factors to using the BPR model, which are culture, process, structure and technology. Various combinations of these elements of BPR lead to transformational change and fundamental growth of whole organizations. BPRS’s main elements were being successfully utilized to bring about internal change within certain organization before being package for wider audience like higher learning institutions (Thomas, 1997). Although each component is individually important, all of the factors must be well blend and supported and linked to a higher education background.

CULTURE

The most crucial part in BPR is culture, whereby the organization must shift the culture from strictly providing an education to becoming more business oriented. In order to do this, educational institutions must develop the work ethics of the corporate world. Organization must become more
competitive and challenge their employees’ capabilities and skills. There needs to be a drive to develop new skill sets in all employees enabling them to become key players and drivers toward internalization and globalization.

**PROCESSES**

In higher education contexts, process involves services provided to stakeholders. The scope of works varies from the management to teaching delivery. In their day-to-day work, employees tend to follow the standard procedures simply following their general orders and not thinking on how they might improve the flow process. Much of the time bureaucracy is the infrastructure of the organization which makes the process time longer. BPR approach affects the cost and effectiveness. Management should develop alternatives process to solve problems while seeking to consider the critical path of the process and how it will affect the whole organization.

**STRUCTURE**

In higher education institutions, structure means organization development. The organization should break down the functioning hierarchies that divide them and instead transfer power to include more cross-functional departments that unify the organization. The structure and work scope also need to be clearly stated. Management should avoid grey areas and overlaps in work function. It is a good practice to periodically analyze and revise and restructure depending on the needs of the ever changing organization.

**TECHNOLOGY**

Technology usage especially, information and communication technology in higher education institutions, has had a huge impact on management. Change in technology requires new ways of thinking and it also impacts how institutions of all kinds manage their employees. The technology movement requires employees to monitor their own work, reduce errors and contribute suggestion for making organizations more competitive (Gilley & Maycunich, 2000).

Although each element mentioned has a vital independent impact on organizational functioning there interrelation is critical. Management needs to understand how theses individual elements work in relationship with one another in order to get the greatest positive impact and the access the greatest level of organizational improvement.

**TRANSACTIONAL TO TRANSFORMATIONAL IN HIGHER EDUCATION MANAGEMENT**

The concept of BPR is similar to what Burke (2008) mentioned in his book, the transformation role in the organization. “Mission and Strategy” and “Leadership and Culture” are factors that drive transformation and which have a direct relationship with the external environment dynamics. The current management structures in Malaysia higher institutions are transactional; employees are required do their day to day works without the investment of thinking about or implementing ways to improve. This
cultural perspective, and the transactional model it promotes, carries over into higher education institutions hierarchies. Management needs to shift from the current transactional model to a transformational model. In BPR, proactive leadership drives change while current positions are reassessed in terms of the changing nature of competition, stakeholders and advancing technologies (Davies, 1997). Thus, higher education institutions should develop their own system of management based on best practices to foster organizational improvement. The organizational systems should align their operating procedures with their organizational direction through the adoption of Quality Management Systems (QMS) which can enable the organization to meet its BPR objectives (Ahmad, Francis, & Zairi, 2007).

Another reform needs to be considering is human resource. In higher education employees are the key assets (Ahmad, Francis & Zairi, 2007). Employees drive an organization's excellence. Organizations need to create a culture and work climate that connects with the contribution of all level of employees. Each higher education institutions must therefore create an environment that fosters a culture of excellence to attract the most able and motivate existing staff (Malaysia Government, 2007). The Malaysian organizational culture most often takes the form of a departmental setup with a vertical, or silo, hierarchical type. The culture focuses on the needs of the management teams and included upper level leaders. It neglects the needs and concerns of the subordinate staff and employees creating a disconnected and dissatisfied community. It is obvious that, because of the isolation of power in this poor management style, the burden goes back to management whereby it holds more responsibility and little accountability.

Prior to improving the internal culture, the management of the organization should study the impact of management culture. They cannot adopt and adapt best practice without thinking about the external environment. In many cases, imported systems and practices failed because they did not take into consideration the unique needs and qualities of the Malaysian culture as a whole or the existing internal hierarchies. The cultural shift needs to be driven by the employees and especially by the management. Once the management overcomes the culture issues, the working climate will change. It will happen only if the employees are a part of the change and are committed to the new culture settings.

CHALLENGE

One of the biggest challenges to applying BPR to higher education institutions system is culture. The culture reflect the behavior of organization, in Malaysia it’s the external culture that’s most influence the organizations internal culture. Once the organization overcomes the cultural situation it will be easier to more forward to greater the improvement. The organization needs to empower its employees and make a full commitment to them and their needs and support as part of the improvement objectives. Setting milestone goals within a clear and ample time frame and putting them in writing in the form of a strategic plan is critical. It is also necessary to have a change agent and firm leadership from within inside the organization to create the change. Visionary leadership is more deeply associated with organizational culture whose value favor that favor change (Savolainen, 2002) than with the Malaysian institutions of
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higher learning which are immersed in a culture that highly values consistency and experience through long term service.

As for the top management and leadership teams, the organizations should change and set up a new attitude towards a ‘market-driven’ value structure incorporating aspects of corporate culture into their current systems. The Malaysian government and higher education institutions have a clear idea that higher education is an industry that should be managed and supported by clear strategies and policies (Yonezawa, 2007). It has to transform to more transformational organization and build synergy within inside the organization. Top management of higher education institutions should take a risk to implement the corporate style of management. The corporate style, or entrepreneurial management and commercialization, are highly influential and even dominate the management culture of higher education institutions in other countries (Yonezawa, 2007). The organization vision and mission should be realistic and should be openly shared among the employees and communicated at all levels. The organizations should also work towards financial independence so that they can be less bound to the governments funding regulation.

As for the employees, their contribution needs to come on the levels of improved attitudes and increased workflow. Employees have to see the change agent as an improvement tool to excel the organizations performance. More work and communications across faculty and departmental lines is necessary to build up team synergy and to tighten the organization into a more unified team. Moreover, the organization should develop a career development culture for the employees. The career development culture can become positive and supportive to the organization by improving the quality and ability of its workers while benefiting the employee as well. Employees see career development culture as an incentive to work harder because they improve the forecast for their positions in future. A career development culture includes succession planning and manpower forecasting to project the future requirements for key personnel, as well as the tracking of fast track personnel (Conger, 2002).

CONCLUSIONS

To become ‘centers of excellence’ and a regional hub in South East Asia for higher education is, and needs to be, more than just a plan for the Malaysia higher education institutions. The first step is committing to and believes that change is possible. There needs to be a high level of commitment to improvement, not only on the part of the organizations themselves but also on the parts of the government and the stakeholders. To meets the challenge of globalization and internationalization, Malaysian higher education institutions have to anticipate the future in education and come out with new business models and strategic plans. A new mindset and skill sets must be developed among employees to make sure the employees align and adjust well and help to drive the improvements. More over it is integral to construct and develop new competencies, soft skills and attitudes among employees. To become successful organizations in the era of globalization, it is important for the organization to blend their inner cultures with the outside culture and external environment. Educational organizations need to adopt and adapt management tools effectively by implementing the Business Process Engineering model.
and implementing it with the appropriate attention to the Malaysian culture setting to make it achievable. In the end employees need to believe that change is possible.

REFERENCES


