

# Balanced Scorecard for Sustainability of Malaysian Higher Education Institutions: Myth or Facts?

Hairuddin bin Mohd Ali <sup>a</sup>, Lasisi Abass Ayodele <sup>b</sup>

Kulliyyah of Education, International Islamic University Malaysia.

\*[hairuddin@iium.edu.my](mailto:hairuddin@iium.edu.my)

# Background scenario

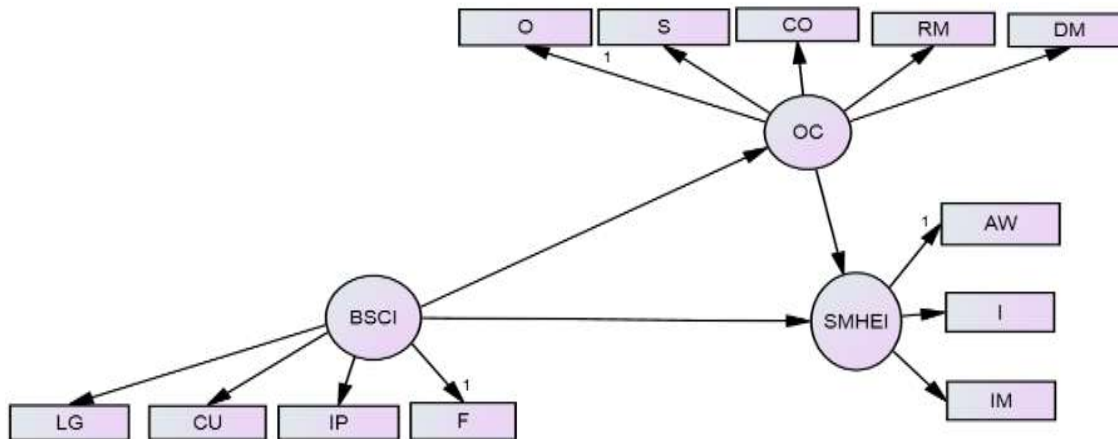
- Competitions among the higher education institutions are stiff locally and globally.
- The politicians taking advantage of this for their political mileage.
- The business fraternity find ways to create new business:  
Quacquarelli Symonds (QS) world university ranking, Academic Ranking of World Universities (ARWU) and Times Higher Education (THE).
- Are the HEIs going to be “what will be, will be”?



# What PROBLEM did this study intended to solve?

- Concerns about future sustainability of each higher education institutions.
- To sustain, every university needs to compete and join the league table (QS, THE & ARWU etc).
- Declining in “quality” from the perception of the customers and stakeholders will endanger the future sustainability.
- Fail? Very high implications: politically, economically, socially and technology.

# CONCEPTUALLY how the study suggested to solve the problem?



- BSCI: Balanced scorecard initiatives (IV).
- SMHEI: Sustainability of Malaysian Higher Education Institutions (DV).
- OC: Organizational culture (MV).

## CONCEPTUALLY how the study suggested to solve the problem?

- Organizational culture: 5 factors - *orientation (O), supervision (S), communication (CO), and decision making (DM) and reward management (RM)*.
- creates SHEI model based on: *Awareness (AW), Integration (I) and Improvement (IM)* about sustainability.
- BSCI comprised of Learning & Growth (LG), Customers (CU), internal processes (IP) & Financial perspective (F).
- 3 constructs with 12 sub-constructs.

- creates SHEI model based on: *Awareness (AW)*, *Integration (I)* and *Improvement (IM)* about sustainability.

- BSCI comprised of Learning & Growth (LG), Customers (CU), internal processes (IP) & Financial perspective (F).

- 3 constructs with 12 sub-constructs.



# Construct the RESEARCH Questions...

- Does BSCI significantly and directly influence SMHEI?
- Does OC significantly mediates the influence of BSCI on SMHEI?
- Does the hypothesized model of the study is valid and reliable?

# THE METHODS to solve the problem...

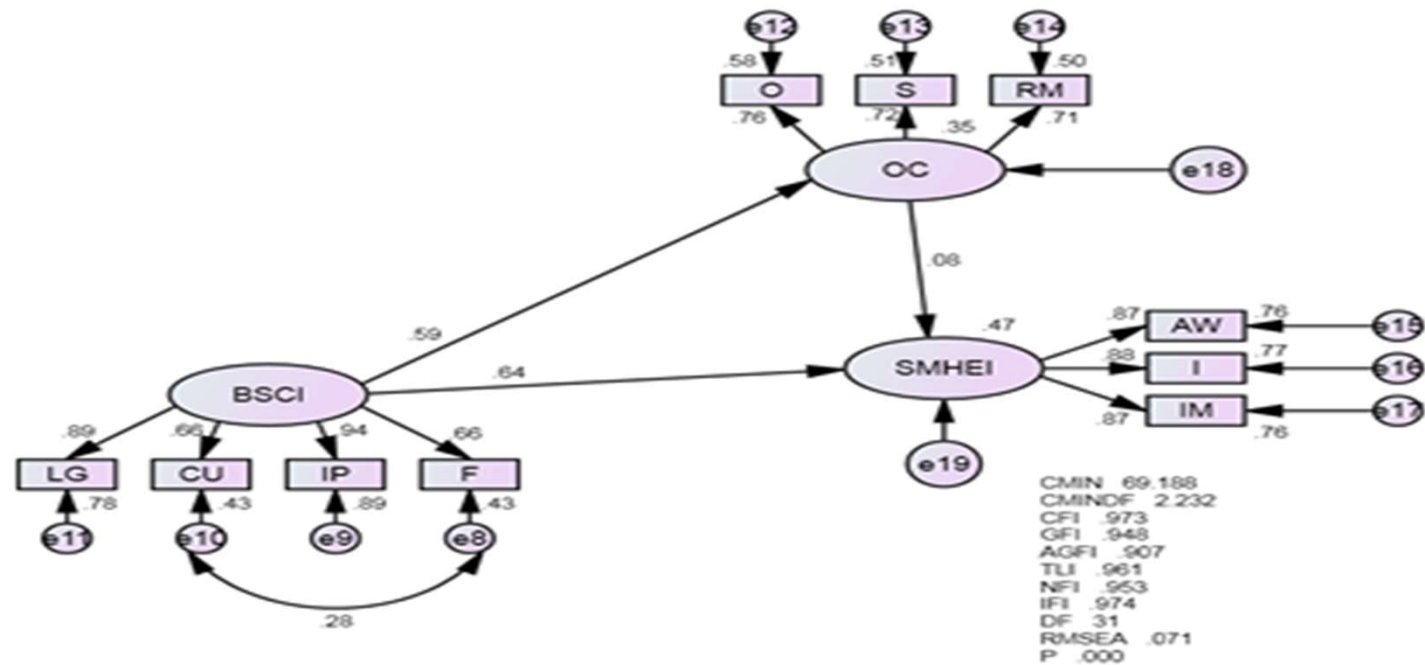
- Research design: Quantitative
- Sampling: 272 top academic administrators of 8 selected university in Malaysia.
- Instrumentation: Survey questionnaire was developed (adopt & adapt) from the literature.
- Testing of the survey questionnaire done.
- Pursue the data collection.
- Carry out data screening process for data normality.
- Handle the data carefully.
- Analyze the data.

# RESULTS of the study...

	RESEARCH QUESTIONS	RESULTS	EVIDENCE
1. RQ1	Does BSCI significantly and directly influence SMHEI?	YES	Standardized regression weight = .64
3. RQ2	Does OC significantly mediates the influence of BSCI on SMHEI?	NO	Standardized regression weight = .06 (<0.3 : Kline, 2011)
4. RQ3	Does the hypothesized model is valid and reliable?	YES	CMIN/DF=2.232 (<5)* CFI = .973, GFI = .948, AGFI = .907, TLI = .961, NFI = .974 RMSEA = .071 (<.08)* P = 0.000 (<.05)



# RESULTS of the study...



# DISCUSSION & CONCLUSION

- In SMHEI context, the study revealed that if there is more attention given to efficient uses of BSCI, there will be increases in SMHEI (Waheed, 2011). Finding was in line with the findings of previous study where the students were satisfied to improvement in places of learning and strategic vision, and quality among MHEI in general (Fernandez, 2010) Waheed, B., Khan, F. I. and Veitch, B. (2011), (Nur Anisha, 2012; Morshidi, 2010).
- Draw back: The result has established that insignificant relationship existed between the BSCI and SMHEI through OC (Kline, 2011) perhaps due to ineffectiveness of BSCI implementation because of certain unknown culture!
- The implication of the study serves theoretical implication as it enriches the further studies in administration theoretically through the implementation of quantitative and multivariate analysis while managerial implication mounted on the level of performance and improvement among administrators in MHEI.

- Draw back: The result has established that insignificant relationship existed between the BSCI and SMHEI through OC (Kline, 2011) perhaps due to ineffectiveness of BSCI implementation because of certain unknown culture!

- The implication of the study serves theoretical implication as it enriches the further studies in administration theoretically through the implementation of quantitative and multivariate analysis while managerial implication mounted on the level of performance and improvement among administrators in MHEI.

# Q & A

○ Questions?

○ THANK YOU FOR LISTENING.