

CRITERIA FOR MODELS OF TERTIARY EDUCATION VENTURES IN MALAYSIA

Jeffrey C L Chiang¹

Faculty of Engineering and the Built Environment, SEGi University, Malaysia.
(Email: jeffreychiang@segi.edu.my)

Sheila Chuen Cheng²

School of Foundation, Asia e-University, Malaysia.
(Email: sheila.cheng@aeu.edu.my)

Received date: 23-12-2019

Revised date: 30-12-2019

Accepted date: 31-12-2019

Published date: 31-12-2019

To cite this document: Chiang, J. C. L., & Cheng, S. C. (2019). Criteria for Models of Tertiary Education Ventures in Malaysia. *International Journal of Education, Psychology and Counseling*, 4 (33), 251-262.

DOI: 10.35631/IJEPC.4330020

Abstract: *In the past few decades of nation development, Malaysia has seen the tertiary education system being revolutionalised from having a handful of public universities to expand into hundreds of private universities and colleges, operating side by side with the well-established public universities. Although the public and private universities, coined as institutions of higher learning (IHLs), have different models of operation and financial management, the focus of this paper is on the how to select criteria for best business models to establish and to run a private university or college in Malaysia. The most common model found among all viable models is one that has an established relationship with either a local or foreign institution. The objective of this study is to explore alternate viable education business start-ups which can contribute to the rapid development of Malaysia as an education hub which not only attracts local students but also the international students. This study adopts a qualitative approach with a focus on multiple causes, which are Universiti Tunku Abdul Rahman, Monash University Sunway and Taylors University. The selected cases shared a common feature in their business model which is sustainable and exist for several decades. The preliminary findings show that those business model ventures which mirror established institutions stand to gain as a successful start-up, whereas the unorthodox models used tend to be more flexible, lean and able to face and adapt to changing circumstances in the market swings in education demands.*

Keywords: *Education, Business, Venture, Models, Qualitative*

Introduction

In the words of a well-known academic-turned-politician (Dzulkifli Abd Razak, 2019), he called for an overhaul of the education system in Malaysia, in particular the private higher educational institutions or PHEIs.

Dzulkifli (2019) stated that despite the Private Higher Education Institutions Act (Act 555) being introduced in 1996 to regulate PHEIs (including international branch campuses of well-known universities from abroad), there are still apparent “imperfections” therein. Those weaknesses in PHEIs which he has identified can be categorized into the following:

- (1) PHEIs are based on a for-profit business model, and as such treat the students as customers, or even worse as products moving along an assembly line. The bottom line is their priority and not so much on the process of education in graduating cohorts of students.
- (2) Due to PHEIs placing emphasis on profitability of their education business, hence they are more concerned about “quality” to attract customers, not so much on quality of real education or the proper content of study curriculum or the quality of lecturers and educators.
- (3) Besides their priority in projecting quality image in attracting students, PHEIs will also focus on ranking of their university in comparison with their competitors – after all the higher is their ranking, then they are likely to boost students enrolment.
- (4) Some PHEIs may not be overly concerned with their ranking, but they will nevertheless place more emphasis on branding and an aggressive marketing strategy to outdo their competitors.
- (5) There are other PHEIs who may even go overboard in not adhering to guidelines set by Malaysia Quality Assurance (MQA) agency, such as recruiting unqualified students, or not providing appropriate teaching curriculum and facilities to their customers, in their quest to reduce spending costs.

On the other hand, the authors felt that PHEIs also did play a substantial role in rejuvenating the education industry by giving the opportunity for many students who could not afford to further their undergraduate studies overseas and unable to be admitted into quota-driven local public universities. The few major big established PHEIs players started off their ventures in humble beginnings and after a few decades of operating in the industry, they are now on par and some have even exceeded the performance of some established public universities.

In this paper, besides looking into the above points, the authors will study the business models adopted by most of the PHEIs in Malaysia. From there, the various criterion on how the owners of the PHEIs have come to adopt certain business venture models which suit their needs and aspirations will be scrutinised. The methodology adopted is based on qualitative analytical approach on multiple case studies. The selected cases are chosen based on their operational size, historical establishment, performance in providing quality education over an extended period of time.

Current Status in Private Higher Education Providers in Malaysia

Stakeholders’ Expectations

There are hundreds of private universities and colleges in Malaysia. Every university and programme in Malaysia is different and each student prefers a different programme that fit their education and career goals. As of November 2018, there are 20 public universities and 47

private universities in Malaysia. Besides that, there are 34 university colleges and 10 foreign university branch campuses too (StudyMalaysia.com, 2018). In comparison of student enrolment, the breakdown between public and private higher education institutions in Malaysia are as follows: 618,000 in public HEIs, and 524,000 in private HEIs (Malaysia Education Blueprint 2015-2025). This shows that the private higher education is a major player in the education of university graduates coming out into the workforce now.

There are numerous other private colleges operating with or without licences from the Education Ministry, and their existence give the credence that when a business is doing well, others who are entrepreneurs or in business would want to join in the bandwagon too.

Many school leaving students and their parents place importance and priority in securing the right education for a brighter future and a better career prospects. Hence the decision on which university to study is one of the important decisions they will make in their life. The decision might be influenced by many criteria such as the reputation of the university, the entry requirement of the course against achieved academic results, career goals, tuition fees, facilities, friends and family influence, and many more.

Besides the customers (in the form of students and parents), the other main stakeholders in the running of a PHEI are the lecturers, industry players and the management or owners of the PHEI itself. These stakeholders want the university to be doing well, churning out good employable graduates, and to the owners, good credit in fee paying as well. The Malaysian Quality Agency (MQA) is the Government agency that governs the quality of education programme delivery in the local universities, both public and private – so they are also one of the stakeholders.

Malaysia has evolved from a production-based to knowledge-based economy in order to stay relevant and compete in the global marketplace. Thus, this paper will give some insights into the current trends in Malaysian higher education and how these affect education policies and practices as well as the performances of the PHEIs. Three aspects will be covered in the qualitative comparative analysis of the business models adopted by three selected case studies of PHEIs. They are: from start-ups and development, financing aspects, and years of realization. From this comparison, we can assess the success level of different entrepreneurship models adopted for private tertiary education, which will form the mainstays in pursuing successes envisaged in the Malaysia's Education Blueprint 2015-2015.

Selected Case Studies

The following private universities will be the selected case examples for our study into the business side of operation as well as the entrepreneurship in bringing about success in their operational performances. And these performances shall be measured by their achieved student enrolment numbers and university ranking, where applicable. These selected cases cover a range of non-profit, profit and foreign-local joint venture.

Case 1: Universiti Tunku Abdul Rahman, (abbreviated UTAR), is a non-profit, private university in Malaysia known for graduating several notable alumni in the Malaysian Chinese community. The institution was established in June 2002 through the UTAR Education Foundation, a non-for-profit organization. The university consists of 9 faculties, 3 academic institutes, 3 academic centres and 32 research centres. It is ranked top 100 in the Times Higher Education Asia University Rankings 2018 and top 600 in the Times Higher Education World University Rankings 2020, placing it 2nd in Malaysia only after University of Malaya. UTAR

is one of the Premier Digital Tech University that recognized by Malaysia Digital Economy Corporation (MDEC). (<https://utar.edu.my/>)

UTAR admitted 411 students in June 2002 for its first intake. As of 2016, the university has grown to an enrolment of 20,490 students. At the start, the university offered only eight honours degree programmes but now offers more than 110 programmes, including foundation, undergraduate as well as postgraduate degree programmes. (<https://utar.edu.my/History-of-UTAR.php>)

Case 2: Monash University is one of the top-ranking universities in Australia, it was ranked at #59 overall by QS World Rankings 2018/2019. The Malaysia campus, located in the central of Sunway township, was opened in 1998. It was the first foreign university in Malaysia. Monash University also has a branch university in Italy, South Africa and a research academy in India. Monash University Malaysia is currently home to approximately 7,000 undergraduate and postgraduate students. Monash University Malaysia is famous in Business, MBBS and Engineering subjects. Living up to its name, the university also received accreditation from the Australian Medical Council (AMC) for the MBBS programme. It is the first program fully accredited by the AMC that taught outside of Australia and New Zealand (<https://www.monash.edu.my/about>).

Case 3: Taylor's University is one of the premier universities founded in 1969. Taylors offers a range of programs from pre-university, diploma to undergraduate degree. Besides, Taylors has one of the biggest independent centre for Cambridge A Level (CAL), South Australian Matriculation (SAM) and Canadian Pre-University Programme (CPU) pre-university programs in Malaysia. The American Degree Transfer Program (ADP) is also well-known that allows students to apply university in the United States. Taylor's University is a member of the Taylor's Education Group which comprises Taylor's College, Garden International School, Taylor's International School, Australian International School Malaysia, Nexus International School Malaysia, Nexus International School Singapore. (<https://university.taylors.edu.my/en.html>).

Table 1: Summary of The Three Selected Cases

| | Universiti Tunku Abdul Rahman, (UTAR) | Taylor's University | Monash University (The Malaysia campus) |
|------------------------|--|-------------------------------|--|
| Nature of organisation | Non-profit | Profit-oriented | Joint-venture |
| Year of establishment | 2002 | 1969 | 1998 |
| Facilities | 9 Faculties, 3 Academic institutes, 3 Academic centres and 32 Research centres. | 16 Schools and four Faculties | 8 Schools |
| Programmes | 110 | >80 | 43 |
| Student population | Over 26,000 https://www.topuniversities.com/universities/universiti-tunku-abdul-rahman-utar/undergrad | 15,000 – 19,999 | Approximately 6,000 (Malaysia campus) https://studymalaysia.com/where/profile.php?code=monash |

| | | | |
|---------|----------------|----------------|--------------|
| Ranking | 511-520 (2020) | 511-520 (2020) | #75th (2020) |
|---------|----------------|----------------|--------------|

Source: (UniRank at <https://www.4icu.org/reviews/14632.htm>; <https://www.studymalaysia.com/education/top-stories/qs-world-university-rankings-2020>)

Methodology Adopted to Study Business Models of Private Higher Education Providers

A combination of qualitative and quantitative approach was adopted in making a study and assessment of how well the business models were working for the three case studies under consideration. The starting point is the first criteria, on how the three business models begin and flourish, from their inceptions. Their start-ups are closely studied and revealed, and from the models selected, their features are analysed qualitatively. The next point of study is the financing model used. Businesses may have different modus operandi, but they cannot dissociate themselves from the capitalization requires to spark the business and to inject capital financing continually in order to survive over the years to an eventual successful outcome. The third and last aspect of methodology used on the three business models is to view its capability to last over the duration from inception to the present moment.

In any business models analysed, including for education industry, the three key criteria for successful entrepreneurship are opportunity, capitalization and time allowance to succeed. Hence, the methodology adopted for this study are in place.

Business Models Adopted By Private Higher Education Providers in Malaysia

Taylor's University (Taylors)

In terms of historical background and milestones travelled, Taylor's University (or Taylors in short) is one of the longest established PHEIs in Malaysia, exactly 50 years since its humble beginning in 1969. Its first campus was located at a building in Jalan Pantai, Kuala Lumpur offering Victorian Higher School Certificate from Australia, for a student population of 345. (<http://www.malaysiacentral.com/education-directory/taylors-university-lakeside-campus-in-subang-jaya-selangor-malaysia/>)

This is very typical of a small business venture into education by a sole or a group of entrepreneurs, putting in capitals to start off without knowing what the future holds in 50 years' time. For all the owner knows, the business venture may fail after a few years of operation. The advantage that Taylors has over its other competitors is they have a franchised certificate programme from Australia, and this gave them the edge over their competitors. For many years after their establishment, their brand name Taylors was associated with quality pre-university education from Australia, and they soon have many tie-ups with various reputable universities in Australia. This became the springboard for Taylors as a feeder point to send Malaysian students seeking further studies in Australia, especially in New South Wales and Victoria. These are students who could not make the cut to enter into highly competitive local universities in Malaysia – due to the quota system in place, in terms of racial composition and choices of field of study. Needless to say, the parents of these students could afford to pay a higher tuition fee and living expenses in Australia for their children to obtain more well-recognised degrees which will give them better opportunity in employment after graduation.

The then known Taylor's College whose owners have such entrepreneur skills, foresight and intent to persevere in this business, moved into its second campus in PJ New Town in 1985, with an expanded student population of over 1000. Four years later in 1989, the Subang Jaya Campus was launched and two new pre-university programmes were introduced: the Canadian

Pre-University Programme (CPU) and South Australian Matriculation (SAM). This was the beginning of the mushrooming of many private colleges and institutions in Malaysia capitalizing on the education market hunger for tertiary education among the hundreds of thousands of high school leavers. Taylors as one of the early pioneers, stood to gain based on their business acumen and entrepreneurship skills. (<http://www.malaysiacentral.com/education-directory/taylors-university-lakeside-campus-in-subang-jaya-selangor-malaysia/>)

By 1990, more programmes were introduced, including the American Degree Programme; Architecture, Quantity Surveying and Construction; Business, Accounting, Marketing and Finance; Cambridge A Level; Computer Science, Software Engineering and IT; Engineering; Hospitality, Tourism and Culinary Arts; and the Taylor's Business Foundation. (<http://www.malaysiacentral.com/education-directory/taylors-university-lakeside-campus-in-subang-jaya-selangor-malaysia/>)

In 2001, the fourth campus in Wisma Subang housing the Taylor's Business School was launched. The following year, Taylor's College Petaling Jaya (TCPJ) became the fifth campus at Leisure Commerce Square, and Taylor's School of Hospitality and Tourism was relocated from Kuala Lumpur to this new campus. TCPJ also housed the School of Communication, School of Architecture, Building and Design, and Taylor's School of Computing. In 2004, the sixth campus was launched in Subang Square housing the American Degree Programme.

More expansion came with the launch of the seventh campus in Sri Hartamas (TCSH) in 2008. This campus was able to accommodate 800 students and ran the Cambridge A Level programme, South Australian Matriculation programme and International Baccalaureate Diploma Programme. (<http://www.malaysiacentral.com/education-directory/taylors-university-lakeside-campus-in-subang-jaya-selangor-malaysia/>)

Work commenced on the RM450 million Taylor's University Lakeside Campus in Subang Jaya in early 2007 and was completed in 2010. (<http://www.malaysiacentral.com/education-directory/taylors-university-lakeside-campus-in-subang-jaya-selangor-malaysia/>)

In January 2018, Taylor's College was moved to the Lakeside Campus, and that is their present campus now.

The above typified the business thinking and willingness to take the risk by owners of Taylors. Over the years they have expanded their private business venture, by heavy capital investments and prudent spending. And they have strategized themselves well by having a distinct competitive edge at the beginning and over the years they have re-modeled themselves to keep up with the trends as well as their competitors in the market, which are many.

Monash University Sunway Campus

In the early 1990s, Monash University established a partnership with Sunway University. Under this arrangement, Malaysian students would enrol and spend their first year in Malaysia, before transferring to one of Monash's Australian campuses to complete their degree. This is the concept of twinning and credit transfer for students to further their education abroad, if the partner university is overseas. (<https://www.monash.edu.my/>)

Demand increased for these places rapidly and the potential to expand the program was clear. Monash itself had ambitions to develop a comprehensive international campus from the

beginning. However, this proposal was complicated for the Malaysian Government, which was hesitant to allow a foreign university to establish itself in Malaysia. Nonetheless, as the strength of Monash in Malaysia grew, the case for a Monash campus became increasingly persuasive. This was way before the concept of international university branch campus took root in Malaysia.

In early 1996, it was reported that the Australian Prime Minister had been involved in the signing of a memorandum of understanding to establish the campus. (THE, 1996). On 23 February 1998, the Malaysian Government formally invited Monash to develop a comprehensive campus, making it the first foreign university in Malaysia. In July of that year, Monash University's newly founded Malaysia campus opened its doors to its first intake of 261 students. Since then, the campus has expanded rapidly. It developed postgraduate courses within a few years, and began to expand its research capacity.

By 2007, it had 3,300 students, and had established a new, purpose-built, fully independent campus. The University has stated that it intends the campus to eventually hold around 10,000 students and that it will develop its research strengths to make it a research hub of South-East Asia.

The business model adopted by Monash University is very different from Taylors in that they are already a well-established university entity in Australia. The Monash University is their branch campus, but has many linkages and shareholdings with the Sunway Group which owns the neighbouring Sunway College then, but is now upgraded to Sunway University as recognized by the Ministry of Education.

The university and its Malaysian shareholding partners were able to establish the branch campus successfully, by leveraging on its famous branding in Australia, touting the high quality of tertiary education offered. The business model adopted is that of a high end product which can command a premium fee for students of well-to-do background, or having established sponsors or scholarships to finance their education for the duration of their study at Monash University branch campus in Sunway.

Funding support from the Sunway Group was crucial in conjunction with investment from Monash Australia in kind, in particular the usage of Australian academics and well-established degree programmes already in place. The Sunway Group principally financed the infrastructure and facility. The marketing and publicity campaigns for students are jointly well managed by both sides.

It was a successful partnership by both sides that have managed to give rise to the first international branch campus for an Australian University in Malaysia. In the years since then, various other universities from Australia, UK, China and India have followed suit adopting similar models used by Monash University. Its present student population now is more than double of what they had in 2007, at more than 6,500.

Universiti Tunku Abdul Rahman (UTAR)

In July 2001, the Malaysian Chinese Association (MCA), a prominent organization in the Malaysian Chinese community as well as a component political party which is part of the Coalition Government of Malaysia, received an invitation from the Malaysian Ministry of Education to establish a university. Tun Dr. Ling Liong Sik, the then President of the MCA, chaired a committee that drew up a framework for the establishment of the university.

Another committee was formed to compile the necessary documents to receive approval from the local authorities. The second committee was led by the then Principal of Tunku Abdul Rahman College (TARC), a tertiary education institution also established by the MCA, and it included the Head of the School of Business Studies of the University College, who became the founding Dean of the UTAR Faculty of Accountancy and Management.

The university also established the Faculty of Arts and Social Science, and the Faculty of Information Communication and Technology. Tun Dr. Ling Liong Sik was appointed Council Chairman of UTAR and the then Principal of TARC became the first President and CEO of UTAR.

In June 2002, UTAR opened its doors to the pioneer batch students on its first campus located in Section 13 of Petaling Jaya, on a premises previously owned by the publisher of a local daily called The Star newspaper.

Through the three newly established faculties, the university offered its first eight honours degree programmes. At that time, the Faculty of Accountancy and Management hosted more than 6,000 students and was described as the largest business faculty in a Malaysian private university. However, due to space constraints and the popularity of the courses, the intake was required to cut-off at a remarkably high intake requirements and many were disappointed having their application rejected. This ultimately resulted in market-driven high calibre graduates strongly demanded by the industry.

An official ceremony was held to launch UTAR on 13 August 2002 at the main hall of the Tunku Abdul Rahman College (TARC). Attending the ceremony was the fourth Prime Minister of Malaysia, Tun Dr. Mahathir bin Mohamad. The prime minister also officiated the university groundbreaking event at its new campus at Kampar, in the state of Perak.

Over the years since then, various other Faculties were established such as Faculty of Science, Faculty of Engineering and Green Technology, Faculty of Medicine and Health Sciences, Institute of Chinese Studies, and many more. The University is essentially financed and operated by a Board of Trustees appointed by the Board of Governors.

The university also has extensive academic partnerships with other Malaysian institutions and dozens of universities in United States, United Kingdom, Canada, Australia, Germany, France, Russia, Singapore, China, Hong Kong, Taiwan, South Korea, Spain, Poland and many others.

The business model adopted by UTAR is very similar to that of its sister college TARC, now upgraded to Tunku Abdul Rahman University College (TARUC). They are run not really for profit but to bring benefits to the Chinese community which has been sidelined in enrolment into public universities due to the established quota system adopted nationally.

They relied extensively on donations in cash and in kind from individuals and members of the public, in particular successful Chinese business tycoons and other well-known charity organisations, both nationally and internationally. The fact that there are many successful graduates from UTAR contributing to the national economy and development makes this business venture and model a very successful enterprise albeit not intended to generating huge income and profits.

Comparative Analysis of Business Models Adopted

From Start-ups

From the start-up point of view, it can be seen that Taylors has a humbler beginning from years back (1969) as a small education business venture operation, whereas Monash Branch Campus has a relative smooth beginning based on an initial success through prior joint collaboration with a huge business entity the Sunway Group. UTAR falls somewhere in between, in that a group of community leaders came together and propose the establishment of the entity – with generous funding and donations from various individuals and groups.

From here we can observe there are three major groupings in entrepreneurship in the setting up of private universities based on how they started off and eventually experiencing successes.

Taylors represents those private universities with small set-up and limited financial resources, such as INTI, SEGi, UCSI, HELP, APU, and others. Then over the years they build on their incremental successes, and plough back their earnings to finance an expanded business venture.

Monash is the first among many other branch campuses of international universities from overseas, such as Swinburne Sarawak, Curtin Miri, Nottingham in Semenyih, Herriot-Watt in Cyberjaya, Manipal in Nilai and Xiamen in Salak Tinggi, Sepang.

UTAR would represent those local universities which have close ties with local communities, and through some endowment funding or small Government grants, usually managed by a Board of Trustees, they are able to operate the university on below par budget but with attractive scholarships in attracting good students to enroll. Another perfect example would be TARUC in its present set-up.

Financing Aspects

In terms of financing, Monash Branch Campus stood at an advantage because it had the financial resources and backing of its own parent university in Melbourne, Australia, in addition to the majority shareholding of the Sunway Group, its Malaysian partner. Even though it started small by squatting within the premises of Sunway College then, eventually the branch campus was moved to its new location across from Sunway College in 2007. The business model was based on the financial might of its parent Australian university, hence it has the flexibility to expand gradually and nearing to its full student capacity now.

As for Taylors, the business venture fortunes reflected the success story of the principals in the Taylors Group from its humble beginning. The growth of the enterprise depended on the flourishing of the Taylors College student enrolment over the years from Pantai to its present university campus the The Lakeside. Financing the business are based on the owners ingenuity in seeking financial backing and investments based solely on the market projection and the economic situation which allows private education to flourish. It years of success has come with an enhanced image and branding of Taylors as a premier private university in the country. Nevertheless, in times of hardship in recent years of economic downturn the Taylor's Group did not shy away from taking austerity measures by relocating its Subang operation to the nearby Lakeside Campus – basically to reduce costs and to streamline usage of resources, both human and capital.

In UTAR, there is silent motto – austerity and cost control are the keys to success and survival, especially in the competitive market of private education provider and delivery. Hence, it

stands to reason that the principal as well as the Board of Trustees are very mindful of financial control and business expansion and resource allocation. Its operation are very similar to a banking institution, where the owners thinking and vision are very conservative and low-risk taking. These are the typical traits of a Chinese business enterprise which tends to avoid untested ventures, but UTAR went all out to seek partnerships locally and overseas to build its image and linkages. These are the strategic moves that will lend to its credibility as well as to shore up its financial strength and resources to face future challenges.

Years of Realization

How long does it take for a new start-up or new business enterprise to recoup its investment?

This is the key question that will distinguish the basic differences in the three case models that we are investigating in this paper.

From the above findings, we can adjudge that Taylors and UTAR were very cost-conscious and tend to take low-risk ventures. While Taylors took close to 10 years to realize its potential to establish a full fledge university, UTAR took a shorter route. The reason being the financial resources at hand in UTAR, and the lending hand of donors and keen friendly investments into UTAR by way of the education-conscious Chinese community willing to help out their own. On the other hand, Taylors as a private entity on its own, it relied on the foresight and courage of its owner to take some calculated risks along a path that paved the way for them to success, although the journey was a longer one.

As for Monash campus, its success was the shortest among the selected three because it had a well-established base to work from due to its long partnership with the Sunway Group in the early 1990s. Nevertheless, it is still a courageous step to be the first international branch campus for an Australian university in Malaysia. Its success paved the way for other international universities to set-up similar branch campuses all over Malaysia.

All of the above case studies into private universities has shown that the landscape of private university as the vehicle of education for school leavers has totally changed the mindset and expectations of all stakeholders principally the students and parents. They stood to benefit by having the opportunity to study locally at affordable costs and having quality education at their doorsteps.

Table 2: Summary of Comparative Analysis of Selected Cases

| | Universiti Tunku Abdul Rahman, (UTAR) | Taylor's University | Monash University (The Malaysia campus) |
|-------------|--|---|---|
| Start-up | Funding and donations from various individuals and groups | Small education business venture | Joint collaboration with a huge business entity |
| Development | Supported by local communities, endowment funding or small Government grants | Built on incremental successes, and ploughed back earnings to finance an expanded business venture. | Supported by main campus from overseas |
| Financing | Student enrolment over the years but with | Student enrolment over the years | Backing of parent university in |

| | | | |
|---------------------|----------------------------|-----------|---|
| | austerity and cost control | | Melbourne, Australia, plus its Malaysian partner – Sunway Group |
| Year of Realization | <10 years | ~10 years | << 10 years |

Conclusion

It is timely that this paper is written to give a realistic picture of how the private universities in Malaysia have been operating – depending on which business model they are depicting. In this paper the authors have chosen three distinctive business models which represent the three basic types of private universities in operation in Malaysia.

The UTAR model came about from a political party but it could be from any group or association of like-minded people who wanted to establish a university to benefit a section of the community. The formation and funding of this model institution are based on the willingness of individuals, groups or body corporates in to provide donations and charities, to establish an endowment fund managed by a Board of Trustees. It became very successful, financially and academically due to its ability to attract well-qualified and outstanding students. And these students became graduates who in turn contributed tremendously to the society as well as to their alma mater.

The Taylors model is a typical entrepreneur start-up from a small beginning, and then progressed over a long period of constant growth, garnering successes and branding along the way and now commands a position as one of the top private university in the country. The willingness to take calculated risks and a measure of austerity measures to tide over economic downturns have enable this institution to be one of the success story in private education business in Malaysia.

On the other hand, the establishment of Monash University Branch Campus is a follow-on progression from the successful partnership with the well-known conglomerate Sunway Group. This joint venture enterprise has no problem in terms of funding and resources to make it a success. But, nevertheless, it is still a calculated risk in seeking approval from the Malaysian Government to form this first overseas university branch campus in Malaysia.

In final conclusion, private university education may take various forms but they would normally fall under the above three broad categories. Their differing paths to eventual success tell us that private university if managed properly and well, will definitely be a major contribution to the nation in terms of providing viable and affordable higher education options to students and parents coming from different segments of the society.

References

- Abdul Razak, Dzulkifli_ (June 3, 2018). Overhaul both public and private universities. *New Straits Times* <https://www.nst.com.my/opinion/columnists/2018/06/376043/overhaul-both-public-and-private-universities>
- Ahmad Dahlan, A. R., Ahmad Mukhtar, A., Ahmad@Alias, N. A. and Awang, S. N. (2017). Malaysian University of the Future: A Conceptual Business Model. *International Journal of Computer Science and Information Technology Research*. Vol. 5, Issue 2, pp: (150-166), Month: April - June 2017. ISSN 2348-120X (online). Available at: www.researchpublish.com

- Grapragasem, Selvaraj; Krishnan, Anbalagan & Mansor, Azlin Norhaini (2014). Current Trends in Malaysian Higher Education and the Effect on Education Policy and Practice: An Overview. *International Journal of Higher Education*, Vol. 3, No. 1; 2014. www.sciedu.ca/ijhe. doi:10.5430/ijhe.v3n1p85
- Laws of Malaysia, *Private Higher Education Institutions Act (Act 555) 1996 – Including all amendments up to 1 January 2006*, The Commissioner of Law Revision, Malaysia, reprint 2006, 70p.
- MalaysiaCentral.com *Taylor's University Lakeside Campus in Subang Jaya, Selangor, Malaysia*. <http://www.malaysiacentral.com/education-directory/taylors-university-lakeside-campus-in-subang-jaya-selangor-malaysia/>
- Ministry of Education Malaysia 2013. *Malaysia Education Blueprint 2013 – 2015 (Preschool to Post-Secondary Education)*. Kementerian Pendidikan Malaysia.
- Ministry of Education Malaysia 2015. *Malaysia Education Blueprint 2015 – 2025 (Higher Education)*. Kementerian Pendidikan Malaysia
- Monash University- Malaysia campus. <https://www.monash.edu.my/>
- Norhayati Mohamed (2015). Challenges in Implementation. *Malaysia Education Blueprint 2015-2025 (Higher Education)*. Programme Management Office (PMO), Ministry of Higher Education.
- QS Quacquarelli Symonds Limited 1994 – 2019. Top Universities. *Universiti Tunku Abdul Rahman (UTAR)*. <https://www.topuniversities.com/universities/universiti-tunku-abdul-rahman-utar/undergrad>
- StudyMalaysia.com (July 8, 2019). Student Info & Guide. *QS World University Rankings® 2020*. <https://www.studymalaysia.com/education/top-stories/qs-world-university-rankings-2020>
- Taylor's University. <https://university.taylors.edu.my/en.html>
- THE (January 26, 1996). Australian campus for Malaysia. <https://www.timeshighereducation.com/news/australian-campus-for-malaysia/92334.article>
- Webway E Services Sdn Bhd 1998-2019. *StudyMalaysia.Com* <https://studymalaysia.com/where/profile.php?code=monash>
- Universiti Tunku Abdul Rahman (UTAR). <https://utar.edu.my/>