

Private Higher Education in Malaysia

Are we heading towards a crisis?

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Part 1: Overview

- The Education Blueprint: Higher Education 2015-25, (HEB) launched on 7th April 2015 sets out another vision for the development of Higher Education in Malaysia
- Surprisingly the HEB focuses almost exclusively on Public Higher Education Institutions (IPTA) and largely overlooks Private Higher Education Institutions (IPTs)
- But the private sector accounts for nearly half of higher education students and more than half of academic appointments in Malaysia
- It is also expected to grow at 5.6% p.a. under the HEB and to overtake the public sector in terms of numbers and resources by 2025

Part 1: Overview

- Within this context this research project aims to examine IPTS in Malaysia across three broad dimensions:
 1. Economic resources and financing;
 2. Industry structure, institutional form and ownership and;
 3. Approaches and outcomes in quality, teaching and research.
- What we are ultimately concerned about is the quality of higher education. How does the financial health of the IPTS relate to the quality of higher education?
- Our research is based on public domain information for 2013, the last year that full accounts are available and is drawn from various sources including the Ministry of Education (MOE), Companies Commission of Malaysia (SSM), university websites and other public domain sources

Private Higher Education: Stylized Facts

- There are around 41 Malaysian Private Universities; 8 Foreign Branch Campuses and 27 University Colleges - with more to come¹
- Private Higher Education Institutions were home to 484,963 (42%) of the 1,156,293 enrolled students in Malaysian ITPs in 2013 and 46% of students enrolled in universities²
- 10.8% of their students are from overseas which is 8.4% of the overall population and 64.6% of the foreign student cohort²
- They account for 51.5% of academic appointments in Malaysia²
- They have assets of RM10.1 billion; liabilities of RM6.2 billion and reserves of RM3.9 billion³
- Revenues are RM4.2 billion per year and profits before tax are RM206.5 million³
- Dividends are paid to shareholders amounting to RM 225.7 million³

1: Our reference year is 2013, 2: Figures are from Kementerian Pendidikan Malaysia: Perangkaan Pendidikan Negara: Sektor Pengajian Tinggi 2013 (Ministry of Education: National Education Statistics: Higher Education Sector 2013); 3: Figures from Suruhanjaya Syarikat Malaysia (SSM) company profiles

Private Higher Education: Stylized Facts

- Outcome (as opposed to output) indicators are varied
- We have very-little or incomplete data on:
 - Ranking SETARA '13 (Teaching/Management)
 - Ranking MyRA '11 (Research)
 - Ranking International (QS Asia)
 - Employment/Unemployment
 - Graduate Salaries (HEB: About 45% of recent university graduates earned below RM1,500 per month in 2013) ¹
 - English Language Proficiency (HEB: 55.8% of employers said poor English was the main barrier to employment)²
 - International Comparisons of Outcomes

1. Kementerian Pendidikan Malaysia (2014): Malaysian Education Blueprint: Higher Education, April 2015; 2. Kementerian Pendidikan Tinggi Malaysia (2012): National Graduate Employability Blueprint, 2012-17, page 9, reported in the HEB

Private Higher Education: Stylized Facts – Rankings (Malaysia)

SETARA '13	IPTS	IPTA
TIER 5	76%	85%
TIER 4	24%	15%
	IPTS	IPTA
TIER 5	51%	81%
TIER 4	16%	14%
No Rating	33%	5%

Data Source: KPT Malaysian Qualifications Agency (MQA) Rating System for Higher Education Institutions in Malaysia for 2013 (SETARA '13)

MyRA '11	IPTS	IPTA
6 STARS	0%	19%
5 STARS	2%	10%
4 STARS	0%	0%
3 STARS	4%	14%
2 STARS	8%	33%
1 STAR	8%	24%
No Rating	78%	0%

Data Source: KPT Malaysia Research Assessment Instrument (MyRA) 2011

- The most recent SETARA rating showed no “TIER 6 - Outstanding” Malaysian Universities at all
- Of those IPTS taking part, 76% are “TIER 5 – Excellent” and 24% are “TIER 4 – Good”
- But of all IPTS only 51% are considered “Excellent” and 33% have no rating
- The most recent MyRA rating shows 78% of IPTS have no rating at all
- Those that took part are mainly 1 or 2 STARS (4 in each category)
- 3 were 3 STAR and one (Universiti Teknologi Petronas) was 5 STARS

Higher Education: Stylized Facts – Ranking International (QS Asia)

Institution	2013	2014
UNIVERSITI MALAYA	33	32
UNIVERSITI KEBANGSAAN MALAYSIA	57	56
UNIVERSITI SAINS MALAYSIA	61	57
UNIVERSITI TEKNOLOGI MALAYSIA	68	66
UNIVERSITI PUTRA MALAYSIA	72	76
UNIVERSITI ISLAM ANTARABANGSA MALAYSIA	151-160	145
UNIVERSITI TEKNOLOGI PETRONAS	201-250	191-200
MULTIMEDIA UNIVERSITY	201-250	201-250
UNIVERSITI MALAYSIA SARAWAK	181-190	201-250
UNIVERSITI TEKNOLOGI MARA	201-250	201-250
UNIVERSITI UTARA MALAYSIA	201-250	201-250
UNIVERSITI MALAYSIA PERLIS	201-250	201-250
UNIVERSITI MALAYSIA SABAH	301+	201-250
LIMKOKWING UNIVERSITY OF CREATIVE TECHNOLOGY	251-300	251-300
UNIVERSITI MALAYSIA PAHANG	251-300	251-300
UNIVERSITI MALAYSIA TERENGGANU	251-300	251-300
UNIVERSITI TENAGA NASIONAL	201-250	251-300
UNIVERSITI TUN HUSSEIN ONN MALAYSIA	251-300	251-300

Data Source: QS University Rankings: Asia, 2014

Higher Education: Stylized Facts - Employment

Employment	ITPA	ITPS	POLY	KK	TVET	Total
Employed	48,763	34,351	13,886	3,764	522	101,286
Unemployed	27,249	18,332	7,034	471	196	53,282
Further Studies	24,219	11,982	4,837	1,062	343	42,443
Skill Training	1,477	869	538	25	2	2,911
Waiting for Placement	9,416	2,808	645	28	11	12,908
Total	111,124	68,342	26,940	5,350	1,074	212,830
Employed	44%	50%	52%	70%	49%	48%
Unemployed	25%	27%	26%	9%	18%	25%
Further Studies	22%	18%	18%	20%	32%	20%
Skill Training	1%	1%	2%	0%	0%	1%
Waiting for Placement	8%	4%	2%	1%	1%	6%

Data Source: Kementerian Pendidikan Malaysia: Perangkaan Pendidikan Negara: Sektor Pengajian Tinggi 2013 (Ministry of Education: National Education Statistics: Higher Education Sector 2013). POLY: Polytechnic; KK: Kolej Komuniti (Community College); TVET: Technical & Vocational Education & Training. Many heads of IPTS dispute the Ministry statistics and point to their own data which shows much higher employment rates.

Higher Education: Stylized Facts – Cases of Stress IPTS

- **Allianz University College of Medical Sciences** closed at the end of 2014 with a reallocation of more than 2000 students and loss of around 500 staff.¹
- **Al-Bukari International University**, had announced in January 2014 that it would close in June 2014 with arrangements to reallocate around 600 students to other IPTS. This was later withdrawn and a new collaboration model was announced.²
- Masterskill Education Group Berhad, owner of **ASIA Metropolitan University**, saw its share price fall from RM4.24 in August 2010 to a low of RM0.30 in May 2014 and RM0.68 in April 2015. Changes in shareholders and management have been announced recently.³

1. ‘Students paying the price for AUCMS fiasco,’ The Star, Tuesday May 20, 2014; ‘Bid to solve medical college woes,’ The Sun Daily, 30 October 2014

2. ‘Albukhary International University Withdraws Decision To Cease Operations – Idris,’ Bernama, 24 April 2014

3. ‘Masterskill announces several boardroom appointments,’ Investor.com, 9 April 2015

Higher Education: Stylized Facts – Cases of Stress IPTS

- UMNO-linked **Universiti Tun Abdul Razak (UNIRAZAK)** also reported financial stress in its 2013 SSM filing. It sold its building assets in 2014. Complaints about graduate employability from the education degree programme in Sarawak, which the university managers have denied, have led to calls for closure from a BN Minister.⁴
- Gerakan-linked **Wawasan Open University** in Penang reported a cumulative deficit of RM87.9 million in 2013, just RM2.5 million below its share capital.⁵
- Government-linked **Perdana University** announced an end of its relationship with Johns Hopkins University due to alleged non-payment of fees. PU has signed a new collaboration agreement with University of California: San Diego (UCSD) in 2015.⁶

4. “Dud degrees leave graduates in a fix,” Borneo Post, February 7, 2015; “UNIRAZAK defends legitimacy of its degree courses,” Borneo Post, February 10, 2015

5. Wawasan Open University Annual Report 2013

6. “US-Malaysia medical school collaboration collapses,” University World News, 19 August 2014; “Kamalanathan: We'll do what's best for Perdana University medical students,” The Star, 18 August 2014; “Can Perdana University survive the new partnership?” The Malaysian Insider, 16 March 2015

IPTS: Stylised Financials

RM millions	Total	Ave	Min	Max
Authorised Equity	7,151.2	105.2	0.0	2,000.0
Issued Equity	3,404.0	49.3	0.0	650.0
Shareholders	313.0	5.0	1.0	54.0
Non-Current Assets	6,853.8	103.8	0.0	1,336.3
Current Assets	3,210.4	48.6	0.0	371.0
N-C Liabilities	1,628.4	24.7	0.0	217.9
Current Liabilities	2,926.5	44.3	0.0	474.4
Share Capital	2,311.6	35.0	0.0	650.0
Reserves	3,182.4	48.2	-378.3	1,266.7
Min Interests	25.2	0.4	-2.5	12.1
Revenue	4,238.6	64.2	0.0	582.0
PBT	206.5	3.1	-63.6	100.5
PAT	42.1	0.6	-63.6	75.0
Dividend	-225.7	-3.4	-32.0	0.0
Min Interests	-0.7	0.0	-1.1	0.7

Data Source: SSM Company Profiles, 2013 for 36 Universities; 8 Foreign Branch Campuses and 21 University Colleges

- Authorised equity is large at around RM7.1 billion in total and RM105 million on average
- But only around half has been paid up
- IPTS have assets of RM10.1 billion; liabilities of RM6.2 billion and reserves of RM3.9 billion
- Revenues are RM4.2 billion per year and profits before tax are RM206.5 million
- Average profits are low
- Dividends are paid to shareholders amounting to RM 225.7 million

IPTS: Solvency Ratios

	Current Ratio Company	Current Ratio Market	Total Debt/Equity	STerm Debt/Equity	LTerm Debt/Equity
Criterion	<1	<2.05	>1	>1	>1
Universities	16	25	20	17	15
Foreign Branches	4	5	5	3	1
University College	8	14	13	11	7
Universities	45.7%	71.4%	60.6%	51.5%	45.5%
Foreign Branches	50.0%	62.5%	62.5%	37.5%	12.5%
University College	42.1%	73.7%	72.2%	61.1%	38.9%
All Universities	46.5%	69.8%	61.0%	48.8%	39.0%
All PHEIs	45.2%	71.0%	64.4%	52.5%	39.0%

Data Source: SSM Company Profiles, 2013 for 36 Universities; 8 Foreign Branch Campuses and 21 University Colleges

Current Ratio: Current Assets/Current Liabilities; Current Ratio Company refers to the company ratio relative to balance; Current Ratio Market refers to the company ratio relative to the market average of 2.05 times . Equity refers to paid-up/issued share capital.

- Around 46% of IPTS have insufficient assets to cover their current liabilities
- More than 71% are below the average of all institutions, which hold twice as many current assets as liabilities to cover risk
- 64% have debts exceeding their paid up capital and these are mostly due in the short term
- Around 120,000 students are affected

ITPS: Solvency Ratios

	Total Liabs/ Total Assets	Total Debt/ Total Assets	Reserves
Criterion	>1	>1	Negative
Universities	5	12	12
Foreign Branches	3	6	6
University Colleges	4	5	5
Universities	13.9%	33.3%	33.3%
Foreign Branches	37.5%	75.0%	75.0%
University Colleges	19.0%	23.8%	23.8%
All Universities	18.2%	40.9%	40.9%
All PHEIs	18.5%	35.4%	35.4%

Data Source: SSM Company Profiles, 2013 for 36 Universities; 8 Foreign Branch Campuses and 21 University Colleges

Total Liabilities: Current plus Non-current Liabilities; Total Debt: Total Liabilities plus Equity; Total Assets: Current plus Non-current Assets; Reserves: Total Assets minus Total Debts

- Solvency measured against assets gives a better profile because of high average assets, mostly in buildings
- Less than 20% fall short in the Liability/Asset Ratio
- Around 41% of universities show signs of financial stress based on the Debt/Asset Ratio since this includes equity payments
- The same group have negative reserves, so that their total debts fall short of their total assets

IPTS: Income Ratios

	PBT	PAT	ROA	ROE
Criterion	Negative	Negative	Average	Average
Universities	17	18	-	-
Foreign Branches	3	4	-	-
University Colleges	8	8	-	-
Universities	47.2%	50.0%	-6.6%	84.5%
Foreign Branches	37.5%	50.0%	-20.2%	-12.0%
University Colleges	38.1%	38.1%	-8.0%	-6.0%
All Universities	45.5%	50.0%	-9.1%	65.7%
All IPTS	43.1%	46.2%	-8.7%	44.8%

Data Source: SSM Company Profiles, 2013 for 36 Universities; 8 Foreign Branch Campuses and 21 University Colleges

PBT: Profit Before Tax; PAT: Profit After Tax; ROA: Return-on-Assets; ROE: Return-on-Equity

- Around 46% of all universities and 43% of all IPTS made losses before tax in 2013
- 50% of all universities and 46% of all IPTS made losses after tax in 2013
- Average return on assets (ROA) was negative for those IPTS in the sample
- Average return on equity (ROE) was positive for the universities due to low equity (compared to assets)

ITPS: Stress Tests

	Current Ratio Baseline	Current Ratio Stress	PBT Baseline	PBT Stress
Criterion	<1	<1	Negative	Negative
Universities	16	17	17	23
Foreign Branches	4	4	3	6
University Colleges	8	10	8	16
Universities	45.7%	47.2%	47.2%	63.9%
Foreign Branches	50.0%	50.0%	37.5%	75.0%
University Colleges	42.1%	47.6%	38.1%	76.2%
All Universities	46.5%	47.7%	45.5%	65.9%
All PHEIs	45.2%	47.7%	43.1%	69.2%

Data Source: SSM Company Profiles, 2013 for 36 Universities; 8 Foreign Branch Campuses and 21 University Colleges

Current Ratio: Current Assets/Current Liabilities; PBT: Profit Before Tax

PTPTN: Perbadanan Tabung Pendidikan Tinggi Nasional (PTPTN - The National Higher Education Fund Corporation).

- In November 2014 PTPTN loans were cut by 5% for public universities and 15% for private universities
- PTPTN loans account for around 70% of IPTA income
- We assume a 15% cut in 70% of the revenue (10.5% cut) and calculate the effect *ceteris paribus* on solvency and net income
- Current ratios: around 48% would be harmed
- Income flows: nearly 70% would move into the red.
- Students: around 215,000 (from 120,000) affected

ITP: Average Spending Per Student

Universities	Students	Spend (RM)	Spend (US\$)
All	7,779	35,543	9,606
Non-medicine	9,373	12,435	3,361
Foreign Campuses			
All	2,408	40,129	10,846
Non-medicine	2,721	31,217	6,014
University Colleges			
All	3,955	12,231	3,306
Non-medicine	2,826	8,006	2,164
All Private HEIs			
All	5,939	29,884	8,077
Non-medicine	6,351	16,787	4,537
All Public Universities			
	28,000	20,700	5,650

- Overall spending is biased by high medical degree programmes without which, spending is quite low
- Foreign campuses spend more per capita but have smaller numbers overall
- Malaysia spends very much less than US (US \$26,000, OECD)
- But for public higher education it is almost the same (SHEEO, 2013: US \$5,896, 2014: US\$6,552)

Data Source: SSM Company Profiles, 2013 for 36 Universities; 8 Foreign Branch Campuses and 21 University Colleges. Cost is calculated by the net of revenue and profit-before-tax. Student numbers from Kementerian Pendidikan Malaysia: Perangkaan Pendidikan Negara: Sektor Pengajian Tinggi 2012 (Ministry of Education: National Education Statistics: Higher Education Sector 2012) and public domain sources. Conversion to US\$ at current spot rate. Public university spending from Malaysian Education Blueprint (Higher Education) 2015.

US Data: State Higher Education Executive Officers: State Higher Education Finance 2014 (www.sheeo.org); Organisation for Economic Cooperation and Development's *Education at a Glance* report, 2014

IPTS: Myth of “Not-for-Profit”

Type	Uni	FC	UC	All
Limited By Guarantee	4	0	3	7
Limited By Shares (Private)	29	8	18	55
Limited By Shares (Public)	5	0	2	7
Other (Trusts)	3	0	0	3
Not For Profit	7	0	3	10
For Profit	34	8	20	62
Not For Profit	17%	0%	13%	14%
For Profit	83%	100%	87%	86%
Dividends	Uni	FC	UC	All
Number Paying	12	1	2	15
Total Dividends (RM)	175.4m	20.0m	30.0m	225.7m
Average Dividends (RM)	14.6m	20.0m	15.2m	15.0m
% Paying Dividend	35%	13%	10%	24%
% Loss Making	44%	50%	40%	48%
% Not For Profit	17%	0%	13%	14%
% No Dividend	4%	38%	37%	14%

Data Source: SSM Company Profiles, 2013

- Many IPTS VCs claim that their institutions are “Not-for-Profit”
- In fact 86% of IPTS are “For-Profit” companies – only 14% are actually “Not-for-Profit”
- SSM data shows that 15 IPTS (24%) paid dividends (of RM226 million) in 2013
- 48% were “For-Profit” but made losses – hence no dividends
- 14% made a profit but retained it internally

IPTS: Top Team Demographics

	VCs	DVCs	Total
Gender			
Men	88%	80%	84%
Women	12%	20%	16%
Race			
Malay	61%	53%	57%
Chinese	17%	25%	21%
Indian	5%	15%	10%
Foreign	17%	8%	12%
Age			
40s	3%	16%	9%
50s	32%	34%	32%
60s	56%	47%	50%
Background			
International	65%	68%	66%
Public University	76%	70%	70%

Data Source: IPTS websites and other public domain sources. Data for 36 Private Universities only. Foreign Branch Campuses and University Colleges are excluded due to lack of data

Financial Distress: Malay VC: 58% in some form of financial distress; Chinese VC: 67%; Indian VC: 50% and Foreign VC: 78%. Foreign Branch Campus: 75% in some form of distress.

Age data does not sum to 100% due to absent information.

- VCs and DVCs are mostly male
- The ethnic distribution appears over-weighted by foreigners
- VCs and their deputies are old, with half in their 60s and 82% in the 50-60 year old range
- Although many have international degrees (66%) only a few (14%) have international management experience
- Top Teams in IPTS come mainly from the public sector, with little commercial experience
- Even those from overseas are mainly from public universities
- 78% of those run by foreigners are in some form of financial distress

IPTS: Faculty by Highest Degree

	ITPA	IPTS	POLY	KK
PhD	11,838	3,249	43	3
Master	17,066	10,106	2,302	505
Bachelor	3,346	8,551	4,367	1,819
Diploma	132	1,269	544	486
Other	134	1,301	0	3
Total Faculty	32,516	24,476	7,256	2,816
PhD	36.4%	13.3%	0.6%	0.1%
Master	52.5%	41.3%	31.7%	17.9%
Bachelor	10.3%	34.9%	60.2%	64.6%
Diploma	0.4%	5.2%	7.5%	17.3%
Other	0.4%	5.3%	0.0%	0.1%

Data Source: Kementerian Pendidikan Malaysia: Perangkaan Pendidikan Negara: Sektor Pengajian Tinggi 2013 (Ministry of Education: National Education Statistics: Higher Education Sector 2013). POLY: Polytechnic; KK: Kolej Komuniti (Community College)

- There is a national target to raise the PhD percentage to 75% for IPTA by 2020
- Only around 13.3% of academics in IPTS had PhDs in 2013
- 76.2% had Masters or Bachelors degrees and 10.5% had below Bachelors qualifications
- Lower qualifications are associated with lower salaries, part-time appointments, short-tenure contracts and piece-work
- The low level of research in IPTS is also associated with non-doctoral appointments

IPTS: Programme Concentration

Enroll- ment	IPTA	IPTS	POLY	KK	TOTAL	IPTS Courses
EDU	9%	8%	0%	0%	8%	3%
A&H	9%	7%	3%	6%	7%	3%
SS,B&L	35%	34%	24%	4%	33%	28%
S,M&C	14%	13%	8%	15%	13%	21%
E&C	22%	14%	59%	54%	22%	24%
A&V	2%	1%	0%	2%	2%	0.2%
Health	6%	11%	0%	0%	8%	8%
Services	3%	5%	6%	18%	5%	4%
General	0%	8%	0%	0%	3%	9%
TOTAL	100%	100%	100%	100%	100%	100%

Data Sources: Enrollment Statistics from: Kementerian Pendidikan Malaysia: Perangkaan Pendidikan Negara: Sektor Pengajian Tinggi 2013 (Ministry of Education: National Education Statistics: Higher Education Sector 2013).

IPTS courses: From Malaysian Quality Agency (MQA) refer to MQA approved courses per institution.

Courses: EDU: Education; A&H: Arts, Humanities; SS,B&L: Social Science, Business & Law; S,M&C: Science, Maths and Computing; E&C: Engineering & Construction: A&V: Agriculture & Veterinary Health: Medicine: Services: Mostly Hospitality

- IPTS enrollment matches that of IPTA closely
- There is a high concentration in Social Science, Business & law (SS,B&L) mostly Business
- IPTS have a high course offering in Science, Maths and Computing (S.M&C) but lower enrollment
- In Engineering & Construction (E&C), enrollment is lower than course offering and below IPTA, Polytechnics and Community Colleges

Part 2: Policy Options for ITPS

- Business-as-Usual (Optimistic)
 - The current issues are “Teething Troubles”
 - The market mechanism will provide solutions
 - Organic growth will strengthen finances
 - Management change will improve performance
- Business-as-Usual (Pessimistic)
 - Persistent underperformance
 - Likely catastrophic collapse
 - Poor outcome indicators become “intergenerational”

ITPS: Policy Options

- Market-based Mergers
 - Likely to be unstructured
 - Delivered by commercial interests
 - Uncertain market-based outcomes
 - Asset valuation of underperformers is “zero”
- Structured Mergers
 - Allows a more formal outcome
 - Horizontal Integration - Comprehensive Universities
 - Vertical Integration – School:College:University
 - Problem to force merger of private entities

ITPS: Policy Options

- Regulation: Governance
 - Increase Transparency with mandatory Annual Reports and Higher Education Performance Metrics
 - Require open recruitment at all levels especially Top-Team
 - Formal Governance Structures based on international best practice
- Regulation: Special Measures
 - Restrictions on PTPTN (MARA, FELDA etc) on poor performers
 - External Management Reviews and “Turnaround Teams”
 - Clear improvement KPIs and licence removal penalties

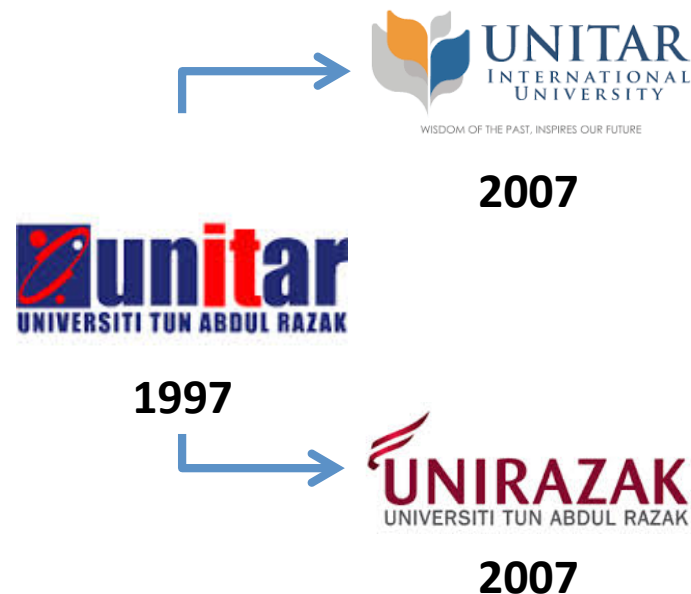
ITPS: Policy Options

- Refinancing: Government (Public-Private-Partnerships)
 - Khazanah Bond similar to proposed bond for schools
 - Financing from other GLICs
 - “Takeover” by GLCs or by public universities
 - Wider support from a new “HE Fund” for direct funding
- Refinancing: Market-based
 - Private Bond / VC Financing
 - Financing from Private Companies
 - “Takeover” through incentivized refinancing programmes

ITPS: Policy Options

- Shared Campus Schemes
 - Iskandar EduCity model
 - Basic infrastructure shared (library, ICT, accommodation, catering, maintenance and security; sports facilities etc)
 - Allows a Public-Private solution
 - Driven by Development Corridors or State Governments
- Shared Management Schemes
 - Establishment of new “HE Management Agencies”
 - Outsourcing and sharing of basic administration functions (such as human resources, accounting, secretarial work, administrative functions and even sharing of staff)
 - Shared admissions is an “UCAS-style” clearing system

A Tale of Two Universities



Ownership: EKUINAS (Private Equity)
Company : Sdn Bhd - For Profit
Board:
 1 Independent Chairman
 5 Non-Independent Directors
 VC/CEO Separate
 CFO Separate
Courses: Diverse
Structure: Education Group (Regional)

Outcomes:
 Assets: Positive
 Current Ratio: Positive
 Reserves: Positive
 PBT: Positive
 PAT: Positive
 Dividend: Positive
 Students: 9,000
 Building: Owned (New)

Ownership: Yayasan PINTAR (Trust)
Company : Sdn Bhd - For Profit
Board:
 1 Independent Chairman
 3 Independent Directors
 VC/CEO Combined
 Bursar (CFO) Separate (2013)
Courses: Specialist (Business)
Structure: Single Entity

Outcomes:
 Assets: Negative
 Current Ratio: Negative
 Reserves: Negative
 PBT: Negative
 PAT: Negative
 Dividend: None
 Students: 800
 Building: Sold (Renting)

RM mill	Capital	NCA	NCL	CA	CL	CR	Res	Rev	PBT	PAT	Div	STU
UIU	20.0	14.5	5.6	51.8	30.3	1.7	10.4	87.8	9.1	6.0	-5.2	9,000
UNIRAZAK	65.0	51.5	36.9	36.6	40.3	0.9	-54.1	46.9	-22.1	-22.1	0.0	800

Part 3: Further Research (Data-based)

- Relationship of outcomes in (1) Solvency; (2) Profitability and (3) Outcome Indicators (if possible) with:
 - Ownership 1 (# shareholders)
 - Ownership 2 (Type: GLC; Trust; Education Group etc)
 - Profit Motive (Profit/non-Profit)
 - Size (Student Numbers) and Fees
 - Financial Size (Assets/Revenue)
 - Top Team (Diversity of Background)
 - Quality of Teaching Staff
 - Courses (Diversity of Course Offering)
 - International (International Owner/Partner)
 - Age (Stage of Development since Establishment)

Future Research (Beyond the Data)

- For high quality education, research is considered important
 - What is the state of research activity in private universities?
 - This is not captured in the statistics, or the in the data in the public domain. A further area of research.
- If the data shows that amount spent on students is insufficient:
 - This opens further research on the teaching and learning process.
 - Is it in the end about the culture of universities as a place of thinking and learning not just to acquire a piece of paper for employment?
 - Is it about freedom of thought, of research, of teaching, of autonomy and independence necessary for quality higher education?
 - Should education and a degree be a commodity that private universities personify and hence the issue of employability?
 - What can be learned from private HEIs in other countries in the West and in North East Asia. In these countries, there are private universities that have excelled as comprehensive universities, of a more philanthropic.

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Disclaimer

This report is prepared for the Penang Institute by Dr Paul Joseph Lim and Dr Geoffrey Williams as part of an ongoing research programme. Valuable input was provided by experts from the Penang Institute. The contents of the draft paper do not necessarily reflect the views and opinions of the State Government of Penang. Circulation of this paper to a wider forum of stakeholders is intended to seek feedback and consensus on the various issues and strategies suggested in the paper. Consultations and research on various topics still in process and stakeholders are invited to send any comments or suggestions to the authors to help improve the paper.

Whilst all reasonable effort has been made to base the ideas and modelling in this report on factual evidence and reasonable assumptions, the authors may have made errors and any legal liability is disclaimed. We apologize for any mistakes, omissions and gaps.

Acknowledgements

This report is financed by the Penang Institute as part of an ongoing research programme and we are grateful for their financial support. Valuable input into the research work was also provided by experts from the Penang Institute. In particular we would like to thank Dr Lim Kim-Hwa, Chief Executive Officer of the Penang Institute and YB Dr Ong Kian Ming, Director of the Penang Institute, Kuala Lumpur Office for useful comments, encouragement and support. Excellent research assistance was provided by Matthew Tan Kiak Hin and Tan Guo Meng during their internships at the Penang Institute.

We would also like to thank participants at a Strategic Information Research and Development (SIRD) workshop in Petaling Jaya for valuable input. Our thanks to Chong Ton Sin and Nine at SIRD for helping to organise the event. All errors and omissions remain the responsibility of the authors.

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