

The Challenges Facing University Leadership in the New Asian Context for Education

Paul Chan*

HELP University, Malaysia

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Abstract: The focus of this paper is to review the changed role of the university in the context of challenges from globalization, technology changes, government responsibility, workplace requirements and the demands of various stakeholders, including students, employers, professional bodies and the community.

In light of the above, the traditional role of the university and the way it delivers its value propositions has to be adapted. A number of critical questions arise: What is or should be the new role of universities? What are their responsibility areas? What is leadership required? How do universities use the new technologies? What are the new learning environments and teaching approaches? What is the role of government, professional bodies, and corporations in this new nexus. Above all, what should students expect from investing in a university education? And how should universities interact with the community and interested stakeholders like the media and NGOs. There are other critical issues: funding for growth and research, governance, standards, student employability and mobility?

Managing a university thus requires a new leadership who is sensitive to these challenges and which has the capability to solve complex problems. We shall illustrate the above using our own experiences at HELP University and from other universities.

The purpose of this paper is to review the Asian context for innovative management of higher education and the critical challenges facing university leadership in their strategic decision. Various perspectives, including how HELP University design its strategic views, are used to illustrate different issues.

Asia is experiencing a renaissance in terms of geo-political developments, socio-economic aspirations, technological and information

innovation that would impact the lives of more than 3 billion people.

Before the British industrial revolution Asia contribute about 58 per cent of the global GDP. However, in 1952 this fell to only 15 per cent. This reflects the loss of competitiveness and the rising power of the Western nations. The figure rose to 27 per cent by 2010. It is the aspiration of the Asian countries to increase this to 54 per cent by 2050, The Asian Millennium. In effect this means that about 1 billion Asian people will move into the middle income class. But will this happen?

*Email: paul@help.edu.my

If it does, then education and training will be one of the central driving forces.

Asia has about 3 billion plus people. There are about 600 million middle income classes. ASEAN has 600 million, and 200 million middle income class. With the change in the population policy of China this number will increase substantially. The China Dream envisages 500 million middle income class.

This requires a reset of the education-training ecology for Asia. The challenges are daunting. The demand-supply equation for education in general and specific competencies in particular, has to be reviewed and the various gaps must be realigned.

When we survey the landscape of Asia for defining collaboration among various government and private sector efforts in defining Asia for Cooperation in education and training we discover a mosaic of unconnected pixels.

For the decision maker to identify strategies for Asia he/she is confronted with a plethora of diversity. Unlike the nations of Western Europe which, in general, have shared heritage Asia is diverse, expansive and heterogeneous. It has half of the world's absolute poor and vast income and wealth inequalities. At the same time, the aspirations and spirit of the people are strong: they want improvements in their livelihoods and they want access to education and training. In recent years, various segments of the Indian population have experienced breakthroughs via the information and IT sector. The surge in demand for IT and information based skills has helped to increase socio-economic mobility of Indians of all castes and class at the global level.

If there is one landscape in the world that is changing fast it is in Asia. Each of the following countries is feverishly strategizing transformation in their political economies according to their needs and aspirations.

Below is a summary of some of the major changes happening to some major players in Asia? It is vital to understand what they do so

that the basis of decision making in education initiatives is not out of

In Malaysia the Government is using the 11th Malaysia Plan and the Education Blue Print as the main thrust for development and transformation. Indonesia has witnessed a maturing of its path toward democratic reforms and liberalization although there are consistency challenges at the operational level.

Singapore is exemplary in its innovative drive to be a lead country in some future-oriented industries.

Myanmar has just completed its election and the new government will definitely struggle to create an agenda for change. This, with Cambodia and Vietnam, are the economies that need to build the foundational structure for education and training. The need for manpower training is urgent. Vietnam, for example, is introducing reforms in its education as it continues to plug into the global network. The Philippines and Thailand have large populations and strong economic potential. India is liberalizing and has taken a strong global initiative to woo investors in education. South Korea is now engaged in the global student mobility project and is learning to construct new international cooperative programs with other Asian countries. In contrast, North Korea is still closed.

Japan is still a closed economy for education and its bureaucratic approach will have to change in light of the Trans Pacific Partnership Agreement which covers service liberalization.

China offers great promises. Its 13th 5th Year Plan is transformational in many ways as it steadfastly aimed to restructure all aspects of its socioeconomic dynamics. Its two-child policy means that the demand for early childhood education and education in general will be a boost to the education and training industry. Its One Belt One Road global framework is energizing enthusiastic changes and developments in Asia. It is already

exporting its education to the world, especially in ASEAM. The massive changes in China, including the urbanization of millions of rural people, new transport and information infrastructure, institutional reforms for State enterprises, new role for universities and polytechnics that have a strong vocational and technological thrust.

All the above countries are, incidentally, separately involved in the ASEAN Economic Community, APEC and TPPA. These are the regional platforms that create new opportunities for education and training.

Thus the demand and supply of various types of education is affected by the changing circumstances at the technological socio-economic factors at the national, corporate and workplace level. Worldwide, there is a democratization of access to education. The new idea about development means that all humans are entitled to education. Capability and capacity building for individuals and nations means that education is now an inherent right for every individual, and governments must thus offer this as part of the moral responsibility of the state. At the same time, there are also new players, especially universities, that now emerge as part of the disintermediation of the value chain. There is also the growing mobility of workers who need education of various types. At the same time, the use of digital technology has also influenced how education is supplied to the customers.

The following are the critical drivers of education demand in Asia:

- Demographics, politics and socio-economics
- Increasing options of supply and access
- Global employability, global mobility, global migration
- Options and choice
- Workplace requirements, work-integrated learning,
- Business-integrated learning
- Multinationals' talent Needs

- SMEs and Entrepreneurship
- National competitiveness
- Social status of technical and professional education
- Business-Training Provider-Government triangulation
- Capital deepening and its impact
- Technological change and the focus on total factor productivity
- Need for improved governance and Institutional Capability
- The rise of the middle income class and new lifestyle
- Climate change and new ecology that requires new skills
- Communications revolution
- Urbanization and Regional Migration
- Rise of the Culture industry
- Regional Groupings and Service Liberalization
- Vocational skills: modernizing and professionalizing
- Hunger for more relevant higher degrees as only 15 per cent of Asian population has a degree
- Teacher upgrading and reskilling to support the growth of the education and training sector

Education has now become a legitimate industry. It is part of the service economy and is featured in all bilateral and multilateral agreements, for example among the members of the Asian Economic Community.

Thus, in Asia education many governments have factored education as an import substitution for foreign exchange earning saving and an export industry for earning foreign exchange. It is a major industry and some governments have assigned targets for the education sector to earn 5 percent of GDP from exporting education. Because of this, since the early 1980s several ASEAN governments like Malaysia and Singapore have aimed to become

regional hubs for education. This becomes a growth industry with multiplier effects on the rest of the national and regional economies. In Singapore there is systematic planning for early childhood

Education, vocational and technical training, tertiary education and continuing professional development education as a cluster industry. With this new platform there are new externalities created to attract diverse players as providers of a wide range of auxiliary education services to support the core tertiary education sector. Innovative methods are used to bundle and repackage degrees and diplomas for the public and corporate in-house training. Various hybrid type of education emerges with a permutation of recognition and validation is now the norm. This has created a new education map for innovative and entrepreneurial ways of teaching and learning. In no part is this due to deregulation and privatization of the education sector. This is partly the consequence of lack of government funding, the disenchantment of the quality of public universities, and the demand for new skills that traditional universities cannot provide. Synergizing and innovating is the new norm in the search for speeding education to the market. It also means that there is also a search for scaling the supply of education which the nineteenth education classroom model cannot provide. Hence the rise of digital education and also the emergence of MOOC (massive open online courses).

In many countries the complaint is that the quality of the graduates does not meet the competency requirements of industries and the workplace. There is a growing skill gap. What this means is that universities are producing graduates who are not employable because their education is somewhat irrelevant. For many countries this is a serious problem. For example, in China about 7 million students graduate from universities. About 90 percent cannot be employed overseas and are not globally mobile.

A more critical challenge is the skills gap between the present skill set of graduates and the future needs of the workplace. Increasingly, there is an urgency to understand what the future looks like. If we do not know the future scenarios of societies then how can we produce the right type of workforce for the future workplace. Already, even in China, there is a trend toward more innovative manufacturing and digital driven production. For example, more robots would be used to replace low cost workers. More innovative digital devices will be used to replace or shorten processes or deliver more value added using lesser resources than traditional business models; e.g. Uber disrupting the traditional taxi service with a more value adding model. This means that universities need to produce graduates who can adapt to the future contexts which are increasingly becoming the new norm.

But are the gaps to be filled? Universities with their traditional role of research and conventional education may not be able to adjust so easily or readily. This requires a mind-set transformation on the part of university leadership.

However, the universities must make the adjustment using incremental, transformative or disruptive changes.

For a long time university education has been managed from the viewpoint of the academic community or the government as it is the main funder and sponsor of universities. However, providers of education, both private and public must now answer to the views of many stakeholders.

This includes the students and parents, the employers, regulators, competitors, the community. Each of these stakeholders has a different perception of the role and responsibilities of the university in modern time. The university leadership, to begin with, must understand the perceptions of students who come from diverse backgrounds, with different career agenda, and different future aspirations.

1. In general the following are what students consider as value adding in their study experience:

2. Relevant awards: certificates, diplomas and degrees from a quality institution

3. Certain outcomes that give them the prerequisite competencies in a profession, leadership and character formation

4. Employability and social status

5. Global mobility

6. A university experience that has fun, fulfillment and an endearing relationship with his fellow students, the faculty and the alma mater in general

7. Affordability but with minimal standards and quality

8. Global recognition

Ultimately our goals is to ensure that our students have the necessary

1. 21st century learning skills, which are conceptual, creative, and critical thinking and communication, and collaboration.

2. Literacy skills that involve information, media and technology.

3. Life skills that concern flexibility, initiative, social and leadership.

How does the leadership of the HELP Education Group looks at the various challenges and opportunities?

The HELP Group was started in 1986 with US 5,000 dollars. The founders started with the conviction that they should provide access to tertiary education to disadvantaged Malaysians because of politics and socioeconomic reasons. With 5 staff and 30 students doing the external program of the University of London it has steadily grown into an international university. It now has 12,000 students worldwide offering its own degrees and partners' programs. HELP has pioneered innovative models of education and business partnership models in various parts of Asia. Figure 1 summarizes the scope and spectrum of activities of HELP's education value chain.

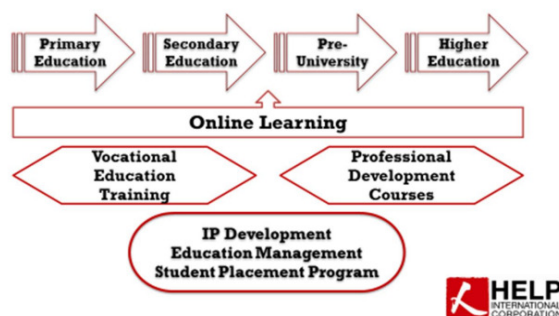


Figure 1. HELP Education Value Chain

As a social business enterprise its mission is: to HELP people succeed in life and to live a life of significance through education. The HELP leadership has conceptualized its own philosophy and practice of doing education business. They are guided by the 4As and 4Ss. Whether to introduce a new product enter a new

market, or establishing an alliance with a foreign partner the following questions are asked:

Are certain programs available to the customers (students)? If not, should HELP make them available?

Are the programs accessible? If not, how do we price or package them to the prospective students? Or offer them using the online or blended model.

Are they affordable? Should we offer financial assistance without breaking the bottom line? What model should we use to enter low income markets?

Are what we offer appropriate? It is vital that whatever we offer to the students must facilitate their future success. In this case, do we adopt and inside out or outside in approach, or a user-in approach?

At the same time we ask questions about the 4Ss:

Do we practice best or benchmarked academic standards and ethical governance? There are many private universities that have sprung up which are strictly commercial business houses. Various unscrupulous practices are carried out to recruit foreign students who are not authentic students but are migrant workers. How do we ensure that the profit motive does not negatively impact the moral responsibility of a university?

What about the issue of scalability? What delivery model helps us to expand numbers without affecting quality and standards. This is a question of reach versus richness in the

delivery model? Should we do it online or blended? Which is suitable for which segment of the market?

An important question is about sustainability. Can the university sustain itself in a very competitive environment? For public universities the contest for fund is intense. How commercial should they become to ensure they can finance their research and the expenses? Private universities are in a more challenging position as they jostle in the market for market share and revenue. Can private universities sustain their viability and contribute with quality? The leadership must be very adaptive to navigate in this tough environment.

Lastly, speed is vital for survival and success in a turbulent market. But academics and universities are not business savvy in making strategic decisions that can be speedily executed. Universities are bureaucratic machines and they are further constrained by rules and regulations from both government and professional bodies. As such, there is always a lead lag problem from product ideation to market delivery.

Over the years the HELP leadership has to unlearn and learn new capabilities and develop an adaptive culture that is principle based.

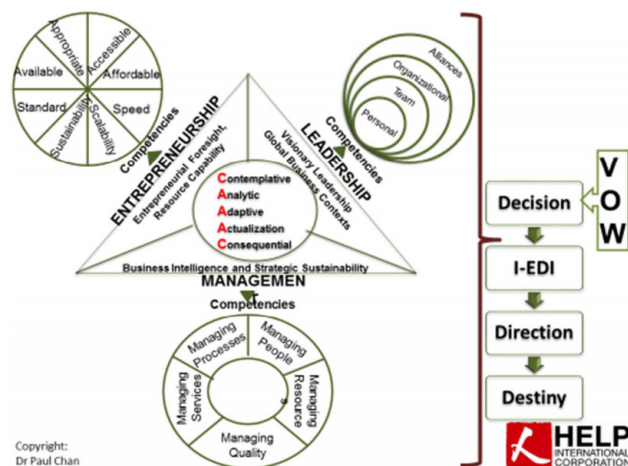


Figure 2. The ELM Framework.

In order to build an agile organization, I created the ELM framework to guide us from startup to what it is today. ELM stands for entrepreneurship, leadership and management. At every stage of an organization the various components of ELM differs and this must be understood so that we know how to understand the internal side of HELP in order to align to the external market. The ELM framework is shown in Figure 2.

The three aspects of ELM guides us to evolve our core mindset competencies so that we are agile and adaptable. An important practice of the ELM framework is I-EDI. This means that HELP leadership focuses on how to innovate (I) expansion (E or growth), differentiation (D), and internationalization (I). This is a continual process of watching the market, scanning scenarios, and niching opportunities. If we do not have the mindset-competency of ELM to constantly innovate EDI then the organization will perish as it cannot compete in the market. It is always critical that we always understand the context, the customer, the competitor, our capability, calibration (measure of success) and the consequences of doing things right or wrong. All this exerts a constant force to review and renew our university leadership.

HELP leadership is mindful that whatever we do we must ensure that we create values, opportunities, and wealth. In Chinese wealth is 'Chai', which means intellectual knowledge and financial wealth.

To prevail in the market and to grow and sustain the success of the HELP Group during the last 30 years is a constant striving in mindset transformation and renewal of leadership that is based on competency and, more importantly, values. It has to be value based leadership that is other centered. That is, we exist to serve and to help people who need us in education. Our legacy is to create successful people who can enable others to success with significance.

Whether the university leadership can finally become an outstanding player in the market depends on various critical success factors:

1. The choice it makes among many options
2. The constraints it faces
3. Its own leadership capability to change
4. Its own capacity to grow
5. Understanding the context
6. The consequences of its decisions.

University leadership must fully understand and appreciate the above when it does its strategic planning and the roadmap for execution.

For instance, we can view Asia as a confusing map of diversity and chaos or one of great potential. What we see depends on our entrepreneurial leadership. For some, Asia is a highly regulated place for business. The education sector was at one time an unoccupied area. When it becomes a de facto industry every Asian government introduces regulations to control entry and to improve competitive standards.

At the same time, many Asian governments are liberalizing their economies to attract foreign investment and to create regional education hubs. Malaysia and Singapore are pioneers in this direction with different degree of success and speed towards their goals.

Asia attracts because of its huge population and the growing middle income class. It thus offers diverse niche and mass market opportunities for a variety of education providers, including digital education providers. HELP University leadership does not look at Asia as a homogenous market. If an inside-out approach is used, then different Asian markets are for positioning our existing products. If an outside-in approach is used then we create new products for the new Asian markets. One question we ask is: are some of the market segments we enter satisfy the 4As and 4Ss. Some markets are mature, some

turbulent, some are green fields. For each, we exercise our ELM framework appropriately.

At the international level, how do universities like ISVNU and HELP and others collaborate according to our respective mission, strategic vision and business model?

After having examined all aspects of Asia in terms of the aspiration of prospective students, the changing socio-economic trends, industry requirements the HELP leadership has identified the following areas to focus on:

1. Talent Development and HR Leadership
2. Hospitality, Tourism, Leisure, Event Industry
3. Crime Management and Forensic Studies
4. Education: Special Needs, Early Childhood Education, English
5. Education Leadership and Management
6. Security Management (Police, Army)
7. Logistic, Transport and Urban Management
8. Insurance, Financial, Banking
9. Energy, Sustainability, Environment
10. Retail and Mall Management
11. Health Care Management
12. Hospital Management
13. Food Production and Management
14. Culture and Creative Industry
15. Psychology
16. Risk Management
17. Luxury Goods Management
18. Communication, Marketing and Social Media
19. Oil and Gas
20. Organic Farming

In many of the above growth sectors and industries what are needed are not just the traditional university education. Increasingly, Asian governments give priority to technical and professional education that adds value to national growth and economic resilience.

Such TVET (technical and vocational education and training) are helpful in creating the following value:

- More diverse skills in the national economy
- Renewal of obsolete workforce for more efficient use of the labour force
- Social status higher for works to move into a higher income level
- Minimum wages, reduces income and wealth inequality
- Improves productivity of labour
- Increases mobility: geographic and socio-economic
- A larger talent pool for foreign direct investment
- Facilitates the growth of SMEs and entrepreneurship
- Workforce skills qualifications internationally recognized
- A National Credentialing System; professionalizing the industry
- Outcome: improves access, opportunities, competences, mobility of the general population
- Demographics, politics and socio-economics
- Increasing options of supply and access
- Global employability, global mobility, global migration
- Options and choice
- Workplace requirements, Work-integrated learning,
- Business-integrated learning
- Multinationals' talent Needs
- SMEs and entrepreneurship
- National competitiveness
- Social status of technical and professional education
- Business-Training Provider-Government triangulation

In accepting the challenges for change and improve what would be the road map that university leadership consider?

For some universities they would remain with the status quo. This may be due to inertia or the inability to change. The former is due to a certain mind-set where complacency rules. The latter may be due to lack of funding or entrepreneurial ability. The consequence of the inability to adapt means that it will be made irrelevant by market forces. For some universities, they adapt by tweaking some parts of the internal value chain. This, at best, improves the processes and results in efficiency. But it will not be a major contender in the market place. Some universities will do more with a transformative mind-set. Here, the focus may be on being strong in customer service, product development, or process efficiency. Or a combination of two. But the truly disruptive players will dare to initiate a disruption of the value chain. MOOC is an example of such an attempt.

All nations that are successful in history have a strong culture of quality education and training. This seems very obvious. In practices the vision, alignment and execution of the national education plan of many Asian countries is in a mess. Political leaders pontificate about national visions with much rhetoric, but there are few results to show that they have done something right in education. Singapore is one exception. They have done a remarkable job to create a first class education

system that works. It is now an exemplary model. The consequences of failing in the national education planning and execution results in the following:

- Loss of national competitiveness
- Little value adding from education to the economy
- Weak support for the innovative industries
- Does not help to contribute to increase the GDP
- Does not help labour mobility and the rise of the social economic and middle income class
- Does not contribute to higher productive employment and full employment
- Does not help to solve poverty and reduce income inequality
- Does not help to move higher in the technology value chain
- Does not help to make universities and colleges more relevant to their nation

One of the recommendations I suggest for this Conference is to set up an Education Expert Group involving interested parties to explore opportunities in the education sector in Vietnam and elsewhere. It is time that Vietnam should invite foreign students to spend time to learn about this growing economy and contributes to its internationalization effort. It is also timely to do this in view of the ASEAN Economic Community agenda.