

# ACADEMIC GOVERNANCE AND LEADERSHIP IN MALAYSIA: EXAMINING THE NATIONAL HIGHER EDUCATION STRATEGIC INITIATIVES

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**Abstract:** *Academic governance and leadership are two inter-related concepts that set the tone and direction for the development of higher education at the system as well as institutional levels. This article examines the academic governance and leadership in Malaysian higher education by focusing on two national higher education strategic initiatives: the National Higher Education Strategic Plan 2007-2020 and Malaysia Education Blueprint (Higher Education) 2015-2025. From analysing the two national strategic initiatives, we discuss the ways in which academic governance and leadership have been articulated at the systemic and institutional levels. We find that, centralisation persists despite corporatisation and granting of autonomy status, and leadership has become subjected to external yardsticks of quality, performance and standardised transformation agenda, driven predominantly by the ideology of neoliberalism and New Public Management (NPM). Unpacking these drivers of policy provides a basis for reflecting on the purpose, philosophy and fundamental idea of universities in Malaysia for nation building and societal development.*

**Keywords:** *Malaysia Education Blueprint (Higher Education) 2015-2025, National Higher Education Strategic Plan 2007-2020, governance, leadership, neoliberalism*

## Introduction

An explosion of knowledge and information has catalysed the rise of the new knowledge economy of the 21st century. The development of knowledge is widely argued to be the key domain for economic growth, and enhancing the corpus of intellectual capital has therefore become a matter of national importance. This intellectual capital requires a critical mass of people with characteristics of being creative, innovative and imaginative, and who have mastery of information and knowledge that will stimulate and drive economic growth and national development. Universities and other higher education institutions (HEIs) have a vital responsibility in supporting this economic endeavour through their roles of teaching, research and service. Higher education is being regarded as a sector too crucial to be left solely to the academic community, such that significant intervention from the State is deemed by many to be appropriate to ensure that higher education fulfils its 'potential' and moves in tandem with a country's national development agenda (Brown, Lauder & Ashton, 2011; Wildavsky, 2010). Such a development is driven by the ideology of neoliberalism, as Brown (2015) argues as the governing rationality based on market values and enforced onto every sphere of life including education. This subsequently led to a shift in public service towards adopting the practices of private sector, known as New Public Management (NPM), as a response to upholding market values that manifested on performance, outputs and customer orientation (Larbi, 1999).

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Malaysia is no exception to the above. The *National Higher Education Strategic Plan Beyond 2020* (NHESP) (MOHE, 2007b) and the *Malaysia Education Blueprint (Higher Education) 2015-2025* (MEBHE) (MOE, 2015) are two major national strategic initiatives designed to steer the development of higher education in Malaysia to meet the needs of the nation in the era of a knowledge economy. This paper seeks to explain academic governance and leadership in Malaysia by examining closely the NHESP and the MEBHE.

Governance may be said to refer to the structures and processes by which HEIs are individually and collectively governed. A distinction is often drawn between the internal and external governance of HEIs to differentiate respectively between the institutional and system-wide levels of governance (Fielden, 2008; Kaplin & Lee, 2014). Leadership is assumed to refer to the actions and decisions of actors who have been assigned key leadership roles in a higher education system. Within individual HEIs, these actors include particularly the members of governing boards, the members of the vice-chancellor's executive group, and the members of academic senates. These actors are collectively involved in what Gallagher (2001, p. 49) described as leadership, that is, in "seeing opportunities and setting strategic directions, and investing in and drawing on people's capabilities to develop organisational purposes and values."

The paper addresses the ways in which governance and leadership have been articulated in the NHESP and the MEBHE, and seeks to examine the extent to which strategies articulated in these national initiatives will influence the future development of governance and leadership in Malaysia's higher education system. The discussion here mainly focuses on public universities, even though private HEIs account for almost one-half of the enrolment in Malaysia's higher education system. The imbalance here reflects simply the almost exclusive focus on public universities in the two national documents (Morshidi & Wan, 2015). Arguably, being publicly funded, these universities must be accountable to the funder and thus need to be guided by government's strategic plans

### **National Higher Education Setting**

Malaysia has a population of 32 million. It is a multi-ethnic society comprised of ethnic Malays and members of indigenous peoples (67%), ethnic Chinese (25%) and ethnic Indians (7%). There are also other minority ethnic groups (1%). The level of GDP per capita in 2019 was US\$11,383, and the World Bank classifies the economy as 'upper middle income' (World Bank, 2020). Malaysia's higher education system currently includes 20 public universities, 58 private universities (including ten branch campuses of foreign universities), 33 private university colleges, 36 public polytechnics, 99 public community colleges and 345 private colleges. There are 1.3 million higher education students in Malaysia, and 50% of whom are enrolled in public HEIs (DOHE, 2019; MOE, 2019). The gross enrolment rate (GER) for tertiary education has also increased significantly from a mere 4 percent in 1980 to 48 percent in 2018. However, the most remarkable increment was between 1995 and 1998 where GER jumped from 11 percent to 22 percent within three years and this increment can be attributed to the legalisation of private higher education institutions following the introduction of Private Higher Educational Act 1996 (Act 555).

In January 1959, an autonomous division of the University of Malaya was established in Kuala Lumpur – the other division was based in Singapore. A year later, the two territories (Malaya and Singapore) expressed a desire to change the status of these autonomous divisions by enabling each to become a national university. In 1962, a new national university, also named the University of Malaya, was thus established in Kuala Lumpur. It enrolled only a few thousand students and focused primarily on the training of professionals and bureaucrats for the newly independent nation. It was self-governing and enjoyed the benefits of being fully-funded by the State. Its vice-chancellors, at least up until 1968, were mainly British expatriates, and, internally, the University was governed collegially in the British tradition of the court, the council, the academic senate and the faculties (Lee, 2004; Selvaratnam, 1985). Until 1969, the University of Malaya was the only university in the country. By the end of 1971, three more public universities had been established.

The nature of the university-state relationship began to change in the late 1960s and early 1970s, particularly following the serious race riots of May 1969, but also as a result of the growth of student activism that peaked with the establishment of the University of Malaya Students' Union in 1974. Following the May 1969 riots, the Government introduced a New Economic Policy intended to eradicate poverty and restructure the economic imbalances that existed among the various ethnic groups in Malaya. Higher education was identified as requiring a policy of affirmative action involving an ethnic-based student admissions quota intended to boost opportunities for university participation by young ethnic Malay people. In addition, because universities were identified as likely seedbeds of political activism, a University and University Colleges Act (UUCA), gazetted in 1971, required that they should be governed directly by the Ministry of Education, which would also exercise responsibility for the appointment of their leadership. This approach was reinforced in amendments to the Act in 1974. Up until the mid-1990s, therefore, public universities were firmly 'steered' by the Government, with a particular emphasis placed on nation-building and compensation for national socio-economic imbalances. This period took a heavy toll on institutional autonomy and academic freedom. Section 15(5)(A) of the UUCA, as amended in 1974, proscribed, for example, student membership of political parties. This restriction was not lifted until October 2011, when it was ruled to be unconstitutional by the Malaysian Appeals Court.

In the mid-1990s, another shift occurred in the nature of the university-state relationship. The two major changes were the 'proposed' corporatisation of public universities and introduction of the Private HEIs Act (PHEIA) 1996 (Act 555). These changes were introduced in the context of a public policy commitment to privatising public utilities and national industries in the wake of the Asian economic crisis of the late-1980s. Five public universities were corporatized in 1998 with a view to enabling them to engage in market-related activities, including the establishment of companies able to acquire and hold investments. Importantly, corporatisation changed their internal governance culture, with boards of directors introduced to replace university councils, and with academic senates limited in size to only 40 members (Lee, 2004). Full corporatisation was, however, never entirely permitted, with university governance and leadership remaining heavily dependent on the Ministry of Education. The Private HEIs Act (PHEIA) of 1996 marked the official beginning of a private higher education sector in Malaysia. The Act gave approved private higher education providers permission to confer degrees and to become a recognised part of the Malaysian higher education system.

A further shift occurred in 2004 with the establishment of a Ministry of Higher Education. One of its first initiatives was to commission a review concerning the future direction of higher education in Malaysia (MOHE, 2006). The review committee's recommendations were instrumental in the development of the NHESP, launched in 2007 alongside a national action plan for the period up to 2020 and beyond. The NHESP, which was the first comprehensive strategic plan for Malaysia's higher education system, identified seven areas of strategic priority, referred to as 'thrusts'. These included: widening access and increasing equity; improving the quality of teaching and learning; enhancing research and innovation; strengthening HEIs; intensifying internationalisation; creating a culture of lifelong learning; and reinforcing the delivery systems of Ministry of Higher Education. The Plan envisaged four phases of implementation up to and beyond 2020.

Based on the argument that the development of education from primary to tertiary education must be seamless, in 2013, the Ministry of Higher Education was once again merged with the Ministry of Education. In addition, there were other justifications for a re-merger: "spurring the transformation of education to be on par with international standards by 2020; progress toward one administrative roof for the whole system; harmonization of education strategic plans; improved strategic management of the education system" (Sack and Jalloun, 2017, p. 21). These have resulted in considerable uncertainty for the public higher education sector in particular. The Ministry of Education was too huge to be run efficiently, and there was a tendency for issues related to the education sector to overwhelm top management meetings. The Ministry of Education moved to align higher education within the framework of a Malaysia Education Blueprint that had been issued by the Ministry regarding preschool to school education up to 2025. In 2015, the Ministry produced the

MEBHE, which identified ten areas of 'shift' to be achieved by the higher education system in Malaysia by 2025. These included: holistic, entrepreneurial and balanced graduates; talent excellence; nation of lifelong learners; quality technical vocational education and training (TVET) graduates; financial sustainability; empowered governance; innovation ecosystem; global prominence; globalised online learning; and transformed higher education delivery. Shortly after, the Ministry of Higher Education was re-established. Yet, between 2018 and 2020, higher education was merged with Ministry of Education, and in the latest Cabinet reshuffle in March 2020, the Ministry of Higher Education was re-established for the third time. Education in Malaysia is highly centralised with government playing a central role, especially at the primary, secondary and higher education. Thus, changes in the setup of the ministries inevitably have significant impact to the governance and leadership at the system and institutional levels.

### **System-Level Governance**

Public universities in Malaysia are legally defined as federal statutory bodies (FSBs), that is, semi-government entities having limited autonomy in decision making and subject to close monitoring and control by a ministry (Asimiran & Hussin, 2012). The General Circular issued in 1998 about FSBs stipulates that the Minister has the authority and responsibility to monitor the statutory body, and to appoint members of the board of directors and the chief executive officer (PMD, 1998). In the case of public universities, the chief executive officer is the vice-chancellor (or rector). Supervision by the Ministry occurs through the Department of Higher Education and is implemented by means of representation on each public university's board of directors.

There are three additional supervisory mechanisms of note (Morshidi, Azman & Wan, 2017). The first concerns global university rankings, whereby fluctuations in rankings are inferred as indicating improvement or decline to the performance of a university. The second concerns quality assurance, which is a responsibility of the Malaysian Qualifications Agency, a body that is under the purview of the Ministry of Higher Education. In this regard, the supervisory mechanism is intended to ensure that all academic programmes are comparable and have clear learning outcomes. The third concerns various accountability instruments, such as the Malaysian Research Assessment Instrument, which function internal performance indicators for the higher education system. These accountability instruments, and, to a lesser extent, performance in global university rankings, have some level of influence on State financial allocations to public universities.

Public universities must also conform to a plethora of public service circulars, directives, rules and regulations. These include: human resource directives issued by the Public Service Department; finance and financial allocation directives issued by the Ministry of Finance, the Treasury, and the Economic Planning Unit in the Prime Minister's Department; research grant requirements issued by the Ministry of Higher Education, and by the Ministry of Science, Technology and Innovation; audit requirements issued by the National Audit Department; and, indirectly, the conditions applied to student loans, as determined by the National Higher Education Fund Corporation.

A National Higher Education Council, established in 1997, is the main policy-making body for the higher education sector. This Council is chaired by the Minister of Education and includes top policymakers from key ministries, together with representatives from public and private universities and from expert groups. This body became dormant over the period since 2011 because the Ministry of Higher Education found it to be more expedient to meet directly with key stakeholders for the purposes of addressing policy and strategic matters.

Private universities, which are subject to the Companies Act of 1965, are required under Act 555 to be supervised by the Department of Higher Education in the Ministry of Higher Education. The Minister empowers the Registrar-General to approve their establishment and to approve structural changes such as mergers, partnerships or the creation of new branches. The Registrar-General may also take punitive action, such as by closing them down or by not allowing them to recruit students. The Registrar-General also has the authority to approve the use of languages of

instruction, as well as study courses offered and study course requirements. Private universities may also be subject to the rules and regulations imposed by external parties, particularly if they are franchising universities conducting programmes on behalf of or in collaboration with an established university. Like public universities, all courses offered by private universities must be accredited by the Malaysian Qualifications Agency. The volume of public service circulars, directives, rules and regulations that public universities must address rarely affects private universities.

### **Institutional Governance and Leadership**

Typically in public universities, and since the corporatisation exercise in 1997, the highest governing body is the board of directors. The board's duties include oversight of the university's finances and safeguarding the mission of the university. In addition, the board is expected to nominate, oversee and support the vice-chancellor (MOHE, 2015). The board is made up of representatives of key ministries (forming a majority), academics and industry representatives. Within public universities, a senate is the highest authority on academic matters and is led by the vice-chancellor. The senate typically includes the senior academic leaders and a number professors, with the number of professors varying from one university to another. The General Circular of 1998 stipulates that the Minister has authority to appoint members of the board of directors and the vice-chancellor of a public university (PMD, 1998). The Minister's power in this regard has existed since the amendment of the UUCA in 1975. The Minister is also empowered to appoint deputy vice-chancellors in public universities. By 2018, all 20 public universities have been granted institutional autonomy in the form of freedom from various bureaucratic requirements, but this freedom has not included permission for boards of directors to appoint vice-chancellors (Wan & Abdul Razak, 2015).

The MEBHE proposed a separation of the academic responsibilities from the administrative and management responsibilities of vice-chancellors of public universities. This proposal reflected clearly a neoliberal preference for having 'managed professionals' (Slaughter & Rhoades, 2000), a trend that typically increases the number of non-academic, managerial and professional staff members in universities at the expense of the number of academic staff members. As Smyth (2017) illustrated, this trend reinforced the influence of neoliberalism in reconfiguring the governance under the pretext of 'excellence' in terms of rankings and quality assurance. Requiring the vice-chancellor to focus on administrative and management functions, and to delegate academic and research responsibilities to a deputy, implies a hierarchy of university that would result, ironically, in the core academic functions of a university becoming secondary in nature to the administrative and managerial functions.

The appointment process for vice-chancellors has also become deficient under provisions in the UUCA, as Morshidi, Abdul Razak and Azman (2012), and Dzulkifli (2015), have pointed out. Even with the establishment of a search committee to make recommendations to the Minister, as stipulated in the UUCA (as revised in 2009), there remains a lack of transparency in the search process. Members of the search committees do not always represent faithfully the range of stakeholder interests, and at times, there have been marked mismatches between institutional missions and characteristics of the appointees to leadership positions. For instance, to become globally reputable, public universities in Malaysia need an appointment process for vice-chancellors that will result in the appointment of leaders who are "visionary, able to celebrate diversity and have an international outlook" (Morshidi et al., 2012, p. 512).

The matter of leadership was identified as one of the 'shifts' identified in the MEBHE, where it was proposed that the talent pool for HEI leadership needed strengthening. The Higher Education Leadership Academy, established by the Ministry of Higher Education in response to the NHESP, has been given the task of profiling individual candidates for leadership positions and maintaining an up-to-date database on these candidates. The Academy is also conducting training courses on leadership and related matters. Granting more institutional autonomy to selected public universities has highlighted a major role for boards of directors to develop leadership succession plans (MOHE, 2011a).

All the same, shortfalls remain in the existing process of appointing leaders for public universities. First, while boards of directors are being expected to plan for leadership succession, search committees making recommendations to the Minister may not be privy to the strategic interests, needs and requirements of the universities to which leaders will be appointed (Morshidi et al., 2012). In other words, the search process may not fully take into account any succession plans developed institutionally. Furthermore, contrary to normal practice in many international settings, there are no terms of reference or composition requirements for search committees in for university leaders in Malaysia, which means that they may be very unrepresentative.

There seems also to be a lack of expectation that search committees should extend beyond existing public universities when looking for future university leaders. At an international level, leading national universities compete globally for the best and most qualified candidates to lead their institutions, irrespective of the person's gender, nationality, religious beliefs or race. The MEBHE could well have made some reference to this need in Malaysia's context. University leaders appointed from an international field of candidates might, however, be more inclined to insist on less external interferences in their university.

The situation is different in private universities, where the chief executive officer is appointed by the board of directors, subject to approval by the Registrar-General of Institutions of Private Higher Education located in the Ministry of Higher Education, and where there is no requirement for the establishment of academic senates. Many of these institutions were established by privatised national corporations, government-linked companies and political parties (Lim & Williams, 2015; Tierney, 2010), and so their boards of directors are commonly comprised of individuals from these corporations, companies or political parties. Interestingly, many of the more successful private universities in Malaysia have been led and managed by former vice-chancellors or deputy vice-chancellors from the public sector. That being the case, the main factor contributing to leadership weaknesses in the public sector may be systemic in origin, rather than necessarily being the result of deficiencies in the appointees. Clearly, though, the private sector has a big advantage in matters of leadership because of its capacity to decide matters independently.

### **Local, Regional and Global Drivers**

Recent developments in the governance and leadership of public universities in Malaysia may well be influenced by regional and global trends and circumstances, but by far the most obvious driver is the Government's commitment to economic neoliberalism, particularly in the form of NPM (see Larbi, 1999). A commitment to neoliberalism may be traced back to the late 1990s when corporatisation of public universities first became popular. More recently, it is evident in a preoccupation with public sector efficiency and effectiveness, and with flexibility, measurement and outputs (Besosa, 2007; Larbi, 1999). This situation has given rise to some deep tensions and is seen by some to be at odds with the underlying philosophy of the Malaysian education system, as expresses in the National Education Philosophy (Dzulkifli, 2015). According to this Philosophy, important goals for the education system include: to 'produce individuals who are intellectually, spiritually, emotionally and physically balanced and harmonic', and to 'produce Malaysian citizens who are knowledgeable and competent' and 'who are responsible and capable of achieving high level of personal well-being as well as being able to contribute to the harmony and betterment of the family, society and nation at large'. Also considered by some to be at risk is the notion of higher education as a process involving the dispassionate pursuit of knowledge and philosophical reflection, and as having a special role assigned to universities to unify, safeguard and transmit knowledge in the interests of the nation state (Readings, 1996). These aims are intangible in nature and cannot be simply measured by means of reference to efficiency and outputs

The NHESP's main references to governance and leadership were in the context of strengthening the internal governance of public universities by strengthening their leadership. This aspiration was seen to include: identifying and defining the required leadership roles of HEIs, institutionalising

the right processes in areas of selection, development, evaluation and renewal of leadership, and developing a talent pipeline (MOHE, 2007a). Reference was also made to the desirability of a change in the mode of ministerial guidance of public universities, from one based on regulation to one based on facilitation. Subsequently, in the action plan, a Higher Education Leadership Academy was established, and the Ministry of Higher Education also developed a Code of University Good Governance, a University Good Governance Index, and a Guide for Preparing and Conducting an Audit to Determine Readiness for Autonomy (see MOHE, 2007a & 2011b). During the granting of the status for the first time in 2012, the Minister of Higher Education explained would mean that these universities would no longer be burdened by bureaucratic rules and processes. Furthermore, the supervisory role of the Ministry for these universities would be handed back to the board of directors of each of the institutions concerned (Priya, 2012). Some universities have taken advantage of this new level of autonomy, as, for example, in the case of the Universiti Sains Malaysia and the Universiti Malaya which they admitted students directly rather than as part of the Ministry's centralised admissions process. The direct admission by the two universities were discontinued in 2017 and are currently part of the centralised process. In general, however, there remains a lack of understanding about how the new level of autonomy might be applied.

More recently, the MEBHE has introduced the notion of 'empowered governance', with two strategies identified. The first is concerned with redefining stakeholder roles and decision rights – including the need to redefine the role of the Ministry in relation to public HEIs, and the need to revise the governance structures and decision-making rights of all HEIs. The second is concerned with balancing institutional autonomy and accountability – including the need to define new performance contracts, to strengthen the quality assurance framework, and to develop best practice frameworks for institutional governance (MOE, 2015). It remains too early to comment on the impact of these strategies and the associated initiatives, but the strategies indicate a move in the direction of strengthening the influence of neoliberalism. In the meantime, public universities, and the higher education system more broadly, remain firmly under the grip of the UUCA, with no sign evident of any plan by the State to retreat from this position. Also of note is that the MEBHE has been almost solely concerned with the public sector, with little attention given to the circumstances of the private sector.

Three aspects of the present situation that clearly illustrate the influence of neoliberalism on the governance of higher education may be highlighted. The first concerns the prominence being given to accountability, especially in the MEBHE, where 'empowered governance' is explained in terms of balancing autonomy with accountability. Accountability has been tied to performance contracts, another characteristic of NPM (see Larbi, 1999), and, in turn, performance contracts outline key performance indicators (KPIs). These indicators are measurable performance targets used to drive industrial productivity and are different conceptually from key intangible performances (KIPs), which are largely immeasurable and where the 'softer' dimensions of governance and leadership generally fall. KIPs address characteristics like passion, sincerity, ethics and the like, which are of vital importance in providing a lasting working foundation for a higher education institution. Fundamentally, the question is one of whether to use the conventional measurable (quantitative) items and/or immeasurable (qualitative) items to examine higher education and the functioning of universities. In choosing the measurable and ignoring the immeasurable, Cole (2009) argues such practice as mainly a 'lazy' way of understanding and approaching quality. There are many important elements of a university that cannot be measured in concrete terms, for instance, engagement with society and humanity, where this is increasingly becoming relevant as the 'third mission' of universities, especially in the context of education for sustainable development. Hence, there is a need to strike a balance between measurable/tangible and immeasurable/intangible indicators, which we argue has much to do with the deeper articulation of accountability and quality in the plans; more so, when skewed by the paucity of meaning and depth beyond just numbers, percentages and figures as dictated by neoliberal philosophy. Therefore the mere focus on 'countable' measures, such as number of publications, amount of research grants, or percentage of students graduated, may

not paint an accurate picture of the quality of a university in terms of its impact and contribution to knowledge, society and humanity. Such a focus lacks the 'soul' of what the ethos of education stands for, and, in other words, it fails in the realm of 'human governance' as embodied and lived in the human person.

In so far as the initiative of strengthening the existing Rating System for Malaysian HEIs (SETARA) is concerned, which has been outlined in the MEBHE, the approach further illustrates the emphasis on measurable/tangibles. Conceptually it is no difference in the use of metrics to measure and benchmark, as adopted by many global university rankings, to express quality or world-class. The fact is that global university rankings is another legacy of neoliberalism in higher education, which is a misleading way to show quality by 'comparing' universities purely through a number game – limited category at that (Hazelkorn, 2015). Therefore, by relying mainly on metrics and measurable indicators in constructing ratings and rankings may lead us a superficial understanding of, if not undermining, our universities in terms of quality of contributions and impact, and the over-reliance on measurable/tangibles articulated in the MEBHE through instruments such as SETARA continue to have huge bearing of neoliberalism and accountability on the state of governance and leadership of the university.

The second aspect relates to the effort to develop best practices for institutional governance, whereby it is clear that the MEBHE proposes to develop a comprehensive framework for enhancing the effectiveness of institutional governance. This proposal further illustrates that the NPM and neoliberal influence are apparent since the guideline suggested for developing the framework is to be adopted from corporate and private management models, including the Malaysian Code on Corporate Governance developed by the Securities Commission of Malaysia and/or the Government-Linked Company (GLC) Transformation Programme Green Book by the Putrajaya Committee on GLC High Performance. In other words, the corporate governance mechanism of a profit-driven institution will be utilised as a template for assessing the performance of a public university that exists with an entirely different *raison d'être* and therefore warrants a different approach

Furthermore, the initiative to be partial to corporate and private management models signals an intention by the State through the Ministry of Higher Education to intensify the culture of audit, another legacy of NPM. While some forms of internal and external audit based on business and corporate cultures could be adopted or adapted for universities as an acceptable form of check-and-balance, there is a need to keep sight of the ideal of the university as an institution with a long tradition and a capacity to develop its own successful forms of checks-and-balances. A collegial system for electing leaders democratically, peer review processes for determining quality publications and for academic promotion, opportunities for intellectual discourse through public lectures, fairness through the use of external and independent thesis examiners, the *viva voce* process of doctoral education that is open to public, are among the long list of practices that continue to exist in academe and that are seen to be essential forms of check-and-balance. The value of fundamental research cannot be instantly evaluated through products and commercialisation, and so using for evaluation purposes corporate and business concepts based on income generation will result a mismatch of expectations about the need for and value of fundamental academic research.

The third aspect, however, suggests potential benefits for public universities in Malaysia which are limited by bureaucracy. This aspect concerns the decentralisation of management, which, according to Larbi (1999, p. 17) is yet another of the strands of NPM. Public universities by virtue of its establishment are classified as federal statutory bodies and academic and support staff have the status of civil servants, which means that public universities in Malaysia tend to be highly bureaucratic (MOHE, 2006). The many, and often superfluous, bureaucratic impositions on public universities, together with the many corporate managerial regulations imposed internally by university offices, result in a hybrid of bureaucratic and corporate culture (Azman, Morshidi & Muhammad, 2011). This culture has caused public universities to lag behind their private counterpart in matter of governance and leadership. Hence, initiatives to unshackle the bureaucratic processes and reform the civil service mindset by decentralising management are to be welcomed. In this regard, the

MEBHE expressed clearly an intention to grant autonomy to public universities and transform the role of the Ministry from being a tight controller to being a regulator and policymaker. However, if not accompanied by significant change in the structure and status of these institutions, the granting of autonomous status to public universities may not change much (see Asimiran & Hussin, 2012; Fauziah & Ng, 2015; Wan & Abdul Razak, 2015).

This situation points to yet another issue, that is, that the notion of autonomy is not fully appreciated and understood by the bureaucrats (Dzulkifli, 2012), leading to the lack of articulation about the relevant strategies in the MEBHE to undertake structural changes in public universities drastic enough to facilitate the institutions to comprehensively exercise the autonomy accorded to them, not just limited to managing human resources or finance. Although there are good intentions on the part of the Ministry of Higher Education in so far as autonomy is concerned, the power and requirements of central agencies such as the Treasury and Public Service Department are paramount. It is therefore important for the Department of Higher Education in the Ministry of Higher Education to argue that any flexibility to be accorded to the public universities as a form of autonomy must continue to ensure that the government of the day is protected and insulated. If this assurance cannot be guaranteed based on the operating procedures drawn up by public universities with the autonomy status (in particular with respect to flexibility in relation to financial autonomy), the Treasury in particular and other governmental agencies will not agree to the proposed changes as part of the autonomy requested by the Department of Higher Education and public universities. Importantly, the idea that the State is the master and public universities are servants, even with autonomy, needs to be re-examined because the granting of autonomy would mean nothing if a master-servant relationship persists. Thus, to date, it is difficult to envision to what extent decentralisation of management and the granting of autonomy can bring into reality an empowered form of governance in public universities.

## Discussion and Conclusion

From an analysis of the NHESP and MEBHE, specifically in terms of what these documents have to say about governance and leadership initiatives for the higher education system, it is clear that neoliberalism is continuing to be influential and NPM is having a particular impact on public universities. This trend presents risks, most notably that the higher education system will develop in ways that loosen its connection with the country's National Education Philosophy.

The NHESP and MEBHE initiatives certainly reflect Malaysia's ambition for a more vibrant higher education sector, but they do not go far enough in empowering universities, especially public universities. Though announcements have been made that the State wishes to adopt a more arms-length relationship with public universities so that they can be more autonomous in shaping their own future, there are no convincing signs of a retreat by the State from playing an interventionist roles in key policymaking, administration and management matters relating to public universities.

If the influence of neoliberalism and NPM in the governance and leadership of public universities, of the higher education system, is not properly understood and addressed, it will continue to raise much concern. While decentralisation of management, as suggested in the MEBHE is a way forward, there are other constructs that need to be disentangled, given that the NPM has been engaging the attention of the civil service for almost half a century. Some of the hostilities have eroded the academic values, cultures and practices, and shaped the university into an disinterested custodian of knowledge. For this to happen, a transformation as advocated by the NHESP and more comprehensively the MEBHE needs to take root. It must be made very clear that universities in Malaysia should chart its own course toward a relevant and engaged institution of learning that embraces whole-heartedly the National Education Philosophy as its starting point and guiding principles. This means that governance and leadership aspect must be aligned to this aspiration, and resisting attempts to transpose the higher education landscape as mere training grounds for skilled workers, journal-paper churning factories, or an efficiently managed organisations with no higher purposes directed towards humanity and the survival of the planetary system.

These are what universities are intended for: to play a significant role to educate responsive global citizens and contribute to the creation and dissemination of relevant knowledge to the community, society and humanity at large. This is reiterated in the 2015 World Education Forum with the theme of “Transforming lives through education” for post-2015 and beyond. The Incheon Declaration that is adopted includes important statements, many unprecedented in such declarations, for example on free and publicly-funded education; the centrality of equity and inclusion; the quality of education including in emergency situations like worn-torn and disaster-ravaged countries; the recognition of civil society participation and engagement, including indigenous knowledge and wisdom; and commitments to sustainability and global citizenship education. These and more are the trajectory for the future. Malaysian higher education system and universities must clearly have the right structures in place, not least in relation to governance and leadership if they are to be relevant and actively participate in “transforming lives through education.”

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