

Factors Influencing Operational Excellence In Higher Learning Institutions

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Abstract

Operational excellence is a concept that emphasizes continuous improvement, efficiency, and effectiveness in an organization's operations. While it is often associated with businesses and manufacturing, it is also highly relevant for Higher Learning Institutions such as universities and colleges. Operational excellence in the context of higher education refers to the ability of institutions to consistently deliver high-quality educational services and outcomes while optimizing their resources and processes. Therefore, this paper formulates a framework postulating the factors influencing operational excellence in Higher Learning Institutions in Malaysia. Eventually, the findings will offer empirical support for the theories and concepts being explored in the operational excellence research to be used specifically in the context of higher education institutions.

Keywords: Operational excellence, Higher Learning Institutions, Leadership, Operations strategy, Involvement culture, Conceptual paper

1. Introduction

Operational excellence is not just a buzzword; it is a strategic approach that can help Higher Learning Institutions thrive in this competitive environment (Li & Sun, 2023). Achieving operational excellence in Higher Learning Institutions has become a necessity to ensure success and meet the evolving needs of students, faculty, and staff. By implementing operational excellence practices, Higher Learning Institutions can enhance service delivery, increase efficiency, improve student retention rates, and create a conducive learning environment (Al-kharabsheh, 2020). Moreover, operational excellence can also contribute to cost savings and resource optimization in Higher Learning Institutions (Al-kharabsheh, 2020). One of the key benefits of operational excellence in Higher Learning Institutions is improved service delivery (Kuswanto & Anderson, 2021). By focusing on operational excellence, Higher Learning Institutions can streamline their processes and ensure that students, faculty, and staff receive the highest quality of service. This can lead to increased student satisfaction, loyalty, and retention rates (Li & Sun, 2023 & Valdez, Luna, Diaz, Corral & Tayobong, 2020). Furthermore, operational excellence can help Higher Learning Institutions better understand the trade-offs involved in allocating resources and making strategic

decisions (Al-kharabsheh, 2020). This holistic approach allows for a more sustainable and effective use of resources, ultimately leading to better outcomes for both the institution and its stakeholders. Implementing operational excellence practices in Higher Learning Institutions is not without its challenges. However, with careful planning and commitment from all stakeholders, these challenges can be overcome. To begin with, it is important to carefully assess the specific needs and goals of the institution. This will help identify the areas where operational excellence practices can have the greatest impact (Fitriani & Muljono, 2019). Additionally, it is crucial to establish a culture of continuous improvement and accountability throughout the institution. This includes ensuring that all staff members understand and embrace the importance of operational excellence and are actively involved in its implementation. Furthermore, it is essential to invest in the necessary resources, such as training programs and technology infrastructure, to support the implementation of operational excellence practices.

2. Statement of the problem

In today's highly competitive landscape of higher learning, achieving operational excellence is crucial. Higher Learning Institutions face numerous challenges, including rising costs, changing demographics, and increased competition (Phillips & Snodgrass, 2022). Due to the current economic crisis and competitiveness in the university sector, Higher Learning Institutions are receiving less funding from their respective Higher Learning Financing Bodies. These institutions must find ways to ensure competitiveness and efficiency amidst this challenging environment. Higher Learning Institutions are no longer operating in a business-as-usual environment. Operating in a disrupted business environment is the new 'normal' rather than just a passing trend (Abu-Rumman, 2021). This new normal is the result of a range of factors including rapid advancements in technology, globalization, changing demographics, and the preferences of adult learners. As a result, Higher Learning Institutions are faced with the need to adapt and find innovative ways to stay ahead. One of the key strategies that Higher Learning Institutions can utilize to achieve operational excellence and address these challenges is the concept of operational excellence. Operational excellence in higher learning refers to a systematic approach to improving processes, enhancing efficiency, and delivering value to students, faculty, and staff (Li & Sun, 2023). Therefore, this study aims to investigate the factors affecting operational excellence in Higher Learning Institutions.

3. Literature reviews

3.1 Operational excellence in Higher Learning Institutions

Operational excellence is a framework that focuses on continuously improving processes, eliminating waste, and achieving superior performance in organizations. Operational excellence in higher learning institutions is not just about managing day-to-day operations efficiently. In the realm of higher learning institutions, operational excellence is essential for optimizing resources, enhancing productivity, and delivering high-quality education and services (Al-kharabsheh, 2020). Additionally, operational excellence in Higher Learning Institutions refers to the consistent and efficient delivery of educational services and administrative functions, resulting in high performance and satisfaction among students, faculty, staff, and other stakeholders (Ashour & Mahlhal, 2021). It is about optimizing the various aspects of academic and administrative operations to enhance the overall student experience, increase institutional effectiveness, and support the mission of the institution. Moreover, operational excellence is a comprehensive approach that emphasizes continuous improvement and striving for excellence in all areas of operation (Fitriani & Muljono, 2019). This systematic approach enables institutions to create a culture of continuous improvement, enhance service excellence, and prioritize customer orientation (Mutohar & Trisnatari, 2020). In a study conducted in Jordania, it was found that operational excellence in higher learning institutions is influenced by factors such as operating strategy, leadership, and human resource management practices (Kermani, Beheshtifar, Montazery & Arabpour, 2021). Organizations that prioritize operational excellence in higher learning institutions achieve a high level of maturity and measurable success in four dimensions: progress, corporate alignment, and results (Bumjaid & Malik, 2019). To achieve operational excellence in higher learning institutions, it is essential to have a well-defined operating strategy that aligns with the institution's goals and mission. Leadership plays a critical role in driving and sustaining operational excellence (Oakland, Oakland & Turner, 2020). A strong and effective leadership team can set clear goals, establish a culture of continuous improvement, and provide the necessary resources and support to achieve operational excellence (Abu-Rumman, 2021). Similarly, the involvement culture plays a significant role in shaping the behaviours, attitudes, and values of faculty, staff, and students. An involvement culture that values and prioritizes operational excellence creates an environment where everyone is committed to achieving high standards (Hatmansyah, Wasliman, Insan & Hanafiah, 2021).

3.2 Leadership

Basically, effective leadership is essential in promoting a culture of excellence within the institution (Obliopas, Afable & Rivera 2020). Leadership plays a vital role in shaping the values, norms, and practices of an organization. Effective leaders inspire and motivate faculty, staff, and students to strive for excellence in their work and to continuously improve. They provide clear direction, communicate expectations effectively, and empower individuals to take ownership of their roles and responsibilities. They should also provide guidance and support to faculty and staff, ensuring that they have the necessary resources and training to excel in their roles (Tan, Lim, Ong, Goh & Kadir, 2022). Additionally, effective leadership in administrative services is vital to creating efficient procedures and mitigating the risk of failure (Antony & Thomson, 2020 & Sulaiman, Aniswita, Gistituati & Rusdinal, 2022). In an ever-changing global landscape, leaders in Higher Learning Institutions must navigate challenges related to globalization and internationalization. They need to find effective leadership approaches that can adapt to these challenges and lead their institutions toward success (Asiimwe, 2021). Leadership that effectively promotes a culture of excellence is one of the key factors contributing to operational excellence in Higher Learning Institutions (Zainuddin, Mukhtar, Shukri & Manan, 2022).

3.3 Operations strategy

The implementation of an effective operations strategy is essential for Higher Learning Institutions to achieve operational excellence. Higher Learning Institutions operate in a competitive marketplace, where they need to attract and retain students, deliver quality educational services, and stay ahead of their competitors (Kermani et al., 2021). To achieve these objectives, Higher Learning Institutions must carefully investigate and formulate an appropriate strategy. This strategy should focus on gaining a competitive advantage over other institutions and ensuring the organization's long-term success. By aligning the operations strategy with the institution's overall mission and goals, higher learning institutions can effectively allocate resources, streamline processes, and optimize their operations to support student success (Puspita & Sugiyono, 2021). The operations strategy should also consider the needs and demands of both current and prospective students, as well as the broader market trends in higher education (Henkel & Haley, 2020). By conducting market research and staying up-to-date with industry trends, institutions can identify areas for improvement and develop strategies to meet the evolving needs of their students and stakeholders (Kowang et al., 2020 & Basińska, Leja, & Szuflița-Żurawska, 2019).

3.4 Involvement culture

One of the factors that contributes to operational excellence in Higher Learning Institutions is the involvement culture (Obliopas et al., 2020). To add, according to El-Hoby and Ibrahim (2017), involvement culture plays a crucial role in achieving operational excellence in Higher Learning Institutions. The involvement culture plays a significant role in shaping the behaviours, attitudes, and values of faculty, staff, and students. An involvement culture that values and prioritizes operational excellence creates an environment where everyone is committed to achieving high standards (Hatmansyah et al., 2021). Furthermore, the creation of a culture that encourages and fosters involvement is of utmost importance in Higher Learning Institutions. This culture promotes active participation from all members, including students, faculty, and staff, which ultimately leads to enhanced individual and organizational performance (Dawson, Meadows, Kustra, Hansen, 2019). One important aspect of culture that significantly contributes to operational excellence is employee participation in decision-making (Zhao & Jie, 2018). Employee participation in decision-making not only supports individual and organizational performance but also enhances knowledge transfer within the institution. It has been found that employee participation plays a significant role in supporting knowledge transfer within the institution (Sulaiman, Aniswita, Gistituati, & Rusdinal, 2022). Besides, cultivating a culture of excellence within the institution is a crucial factor in achieving operational excellence. A culture of excellence entails creating an environment where high standards are expected and valued. It involves promoting a mindset of continuous improvement, innovation, and accountability.

4. Conceptual framework

Based on the literatures reviewed, the conceptual framework is developed and illustrated in Fig. 4.1 as below:

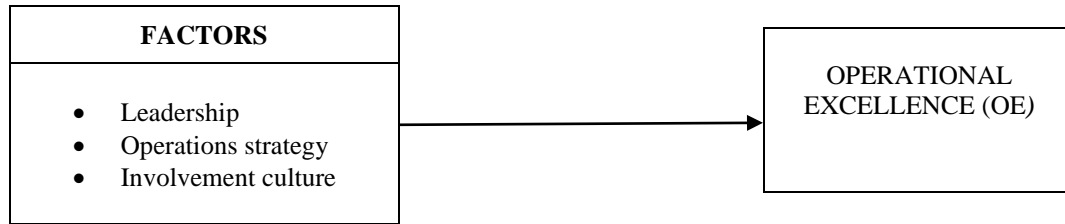


Fig. 4.1: Factors Influencing Operational Excellence in Higher Learning Institutions

On the basic review of the previous literatures and development of conceptual framework, 3 hypotheses are developed as below:

H1: There is a relationship between leadership and operational excellence in Higher Learning Institutions

H2: There is a relationship between operational strategy and operational excellence in Higher Learning Institutions

H3: There is a relationship between involvement of culture and operational excellence in Higher Learning Institutions

5. Discussions

5.1 Higher Learning Institutions

The findings of this study will become the major subject in Higher Learning Institutions that operational excellence is influenced by several elements such as leadership, operations strategy, and engagement culture. Efficiency will be improved by taking these elements into account while discussing in Higher Learning Institutions. Efficiency is essential for Higher Learning Institutions as it allows for the optimal use of resources, such as time, personnel, and finances. By streamlining processes and eliminating unnecessary steps or redundancies, operational excellence helps Higher Learning Institutions allocate their resources effectively to achieve their desired outcomes. Ultimately, operational excellence benefited for Higher Learning Institutions because it allows them to provide better education, manage resources more effectively, and adapt to changing circumstances. By prioritizing operational excellence, these institutions can better fulfil their missions, attract students and faculty, and thrive in a competitive and dynamic educational environment. Furthermore, operational excellence in Higher Learning Institutions can also enhance the institution's reputation. By consistently delivering high-quality services and experiences, Higher Learning Institutions can build a positive reputation among students, parents, and the broader community.

5.2 Stakeholders in Higher Learning Institutions

Moreover, the findings of this study in Higher Learning Institutions will directly affects the quality of education, financial stability, and reputation of the institution, which in turn benefits students, faculty, staff, alumni, donors, and the broader community. For example, students who have positive experiences are more likely to stay engaged and motivated, leading to higher retention rates. Additionally, it helps ensure the institution fulfils its mission and remains competitive in the ever-evolving landscape of higher education.

5.3 Theoretical contributions

Furthermore, the finding of this study should enrich the existing theories by providing additional evidence on the factors influencing operational excellence in Higher Learning Institutions can contribute to various theoretical frameworks and educational theories, enhancing the overall effectiveness and impact of these institutions. Ultimately, the findings will provide empirical support to the concepts and theories that are currently discussed in the operational excellence to be applied specifically in the context of Higher Learning Institutions to align their operations with educational theories, providing a more holistic and student-centric learning experience.

6. Conclusion

Operational excellence in Higher Learning Institutions is an ongoing journey, and institutions must adapt to changing circumstances and evolving educational needs. It requires a collaborative and systematic approach involving leadership, faculty, staff, and students working together to achieve the institution's mission while continuously improving the efficiency and effectiveness of its operations. Implementing operational excellence practices is essential for Higher Learning Institutions to navigate the challenges they face and stay competitive in today's globalized and rapidly changing landscape.

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