



UNIVERSITI PUTRA MALAYSIA

**MALAYSIA FRANCE INSTITUTE AND ADVANCE TECHNOLOGY:
A CASE STUDY**

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51358

A case dissertation presented to Malaysia Graduate School of Management, Faculty of Economics and Management, Universiti Putra Malaysia, in partial fulfillment of the requirement for the degree of Master of Business Administration (MBA)

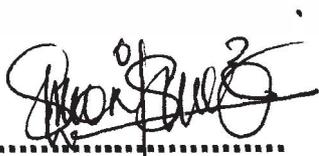
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MALAYSIA FRANCE INSTITUTE AND ADVANCE TECHNOLOGY: A CASE

STUDY

Abstract

This case is about Malaysia French Institute (MFI) who at best experienced some difficulties in transferring French Technology in Malaysian market. Reference to the implementation process, MFI practiced French management Style and fully depend on French technology and specialist to offer training courses. Problem arose due to the adaptability and suitability of French methods in operating business activities. Adjustment had been done to suit the local employees whenever the management foresees the need of improvement. Involvement of this changes incur large amount of expenses, even exceeded the revenue generated. Under these circumstances, MFI have a lot of areas to improve. The areas involved as hereunder:

- i. Requirement of suitable organization structure in basic management function.
- ii. Specification of jobs function to each level of employees.
- iii. Developments of market planning to capture larger market share.
- iv. Appropriate planning on future expansion.

Establishments of MFI in the industrial sectors need wider scope for business activities. Diversification of MFI to offer various courses to the industrial sectors will be desirable in market development. In order to be known as a market leader, fundamentals of MFI's management skills should served as important elements in organizing the company.

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PART 1

CASE WRITING

Chapter 1

INTRODUCTION

In answering the nation's move toward achieving Vision 2020 and with rapid development in modern technology, and thus, there is high demand for technologist with skills and high level of adaptation in actual working environment. Market demand is expected to be greater in future, in accordance to this, MFI was incorporated to furnish industrial needs by producing more technologists (liaison between the engineers and skilled workforce).

At best, Malaysia France Institute (MFI) delivers courses reflecting the French technology, workshops are equipped with French state of the art machines, lecturing staff was trained under French method. The important aspects of the curriculum as hereunder:

- i. The basic engineering and technology
- ii. Supervision and management skills
- iii. Communication skills
- iv. General knowledge for the development of competent technologist who more alert to the market development.



Courses offered to the industrial sector and school leavers were separately organized, short and full time courses were introduced. The management believe the entire strategy provide major source of revenue to the company and able to capture larger market share.

Due to the organizational policy, the Managing Director and French experts were only trained the Malaysian counterparts for three (3) years. MFI facing the reorganization, whereby local management team will take over and implementing the French system in term of general administration and technology transfer. The capabilities and/or ability of local management team in handling and preserve French system is unable to predict.



Chapter 2

THE COMPANY BACKGROUND

In 1987, a France company, named Bocard penetrated their business activities in Malaysia. Bocard concentrates business activities in pipeline structure, reforming pipe structure and steelworks, and was the only giant company capturing major projects in Malaysia. When the company operated their business activities in Malaysia, they found the Malaysian labor market lacking intermediate skills between the general worker level and engineer level. A group of students from institute Kemahiran MARA (Majlis Amanah Rakyat) had been chosen to train under the company's supervision. The consequences showed the needs of local workers to this training, and attracted Malaysian governments' interest. As the suggestion to set-up a professional training ground, both central governments from France and Malaysia agreed to joint venture, with means to conduct courses and train workers to meet market demand.

In 1993, French government recognized Malaysia as a developing country and as a policy¹ was restricted to provide financial support to the Malaysian Government. Under this emergent situation MFI was established (signature of MFI contract between France and Malaysia Government) before the affectivity

¹ French government only provide financial support to third world country



date of French financial aids restriction. All preparations to set up MFI are in hurry, sources of the MFI's fund mainly contributed from France and Malaysian Government.

French technical advisor had been assign a French technical body, namely Association de Formation Professionnelle de l'Industrie rhodanienne (AFPI) to guide and support MFI.

MFI started its business activities at the end of 1995. Buildings, technical equipment, and management systems was set up partially. Five French experts and a group of French staff trained Malaysian workers who later formed as MFI management team. In January 1996, the first batch of full time students was admitted, registered in different vocational courses. The syllabus contents in technical and general subjects are all based on the French format. The respective lecturer set up syllabus reference to the French's technical content. All technical tools in training purposes are fully imported from France. However, in order to preserve quality course of studies, the French syllabus must first be recognized by Malaysian Ministry of Education.

As the company performs their daily activities, MFI management to employees dismay had been changed from time to time. Transfer of French technologies and management skills were fully restructured to suit local employees. By early 1998, all academic departments are not yet in full operations. The ratio between lecturers and student is one is to four (1:4), in the technical department and the ratio is one is to twenty (1:20) in general subject department.

The management acknowledges the institute needs more students, to generate more income. Development of short courses for the first time were fully emphasized by the management. This program had been expanding from an initial number of short courses to a more varied number of training courses. However due to the attractive outcome of the implemented short courses, MFI further developed other services, such as customized courses, consultancy services, and industrial projects. These additional business activities have proven beneficial to the company.

Chapter 3

THE ORGANIZATIONS' MISSION

MFI missions statement are: -

- i. To answer industrial needs in producing qualified technologists by means of professional training.
- ii. To deliver a recognized professional diploma in industrial technology.

The core of this mission is not only to offer a recognized professional diploma as in paper value, but to produce professional skilled workers by means of vocational and technical training.

Indirectly, MFI creates works opportunities in the industrial sector and absorbs the French management system in the local industry. MFI's diploma holders are expected to be effective and efficient, providing the missing gap (middle) between the level of skilled workers and engineer. With the support of several technical course offered, MFIs' mission should serve to benefit most of the industrial sector and Malaysian school leavers.

To achieve the MFI mission, the organization concentrate on short courses, that offer an immediate result to the qualifications of the students. The two common goals set by the company in actual practise are:

- i. To study and implement the concept of 'sandwich courses' (referred to as special diploma courses in Air Conditioning and refrigeration. This course offer specific training where the students will spend their time equally in MFI and a related company.) in Malaysia.
- ii. To develop 'customized courses' (referred to as the courses where MFI cater to the specific industry needs) in accordance to the industry requirements.

Upon experiencing the improvement of MFI staff in short courses would further provide greater confidence, exposure, and knowledge in the industrial sector. This means coordination between short and full time courses should provide greater acceptance and respectability from the market.

Accompanying MFI Mission Statements and Objectives was its philosophy that stressed the company belief in total commitment and hard work to achieve

excellence in company's development. MFI strive to provide quality in effective training, education, development and services.



Chapter 4

THE MANAGEMENT TEAM PROFILE

The Advisory Board Members

i. Mr. Jacques Gruselle

Is Managing Director of MFI the reorganization. Mr. Jacques has ten (10) years experience in managing higher learning institution, and has a Master degree in Business Administration, and at present acting as head of advisors of MFI board members. Mr. Jacques is a key person in implementing and forming MFI's organization. All management style and approaches, courses offered and MFI's performance, was the result achieved through the coordination of Mr. Jacques by and between Malaysian and French government. Mr. Jacques is highly revered as the chief advisor to the current Managing Director of MFI.

ii. Mr. Calo Sciandra

Mr. Calo Sciandra is the Head of Curriculum assigned to Implement all curriculum activities, design courses to be offered by the institution and managing allocation for all lecturers in every department. Mr. Calo is the second most important man in MFI after Mr. Jacques. His knowledge in management and experiences in organizing curriculum for the technical field is extensive, Mr. Calo support the current Head of curriculum to maintain French education system in MFI. His advice to the department is to concentrate more on full time courses required by the industries sector.

iii. Mr. Raymond Guicheteau

Mr. Raymond is the head of EEIT and ACRT departments (Electrical Equipment and Installation Technology and Air Conditioning and Refrigeration Technology). During his tenure, these departments are considered as the best in MFI. Mr. Raymond has strong knowledge in instrumental technologies and experiences in offering related courses to industries. The courses offered to the industries had been recognized and found out applicable to the



specific needs of the industry sector. Mr. Raymond even managed to provide potential employment to the full time students.

iv. Mr. Gerard Ollier

Mr. Gerard had an advanced diploma in mechanical technology Head of ASMT (Automation System and Machine Technology) department as well as MBMT (Machine Building and Maintenance Technology) department. He is an experienced expert in the ASMT department. Although with minimal qualifications, he is able to manage the department successfully in the areas of technical tools and courses offered.

The Present Management Team

(Refer to Appendix 1 – The Organization Structure)

i. Mr. Rosly Bin Ahmad

Mr. Rosly is the present Managing Director of MFI. Before he joined MFI's management team, he was the curriculum officer in MARA. Mr. Rosly offers has than five (5) years of experience in organizing curriculum programs. The most beneficial experience of Mr. Rosly in managing MFI was his success in coordinating the IKTM (Institute Kemahiran Technologies MARA) program. These programs are similar with MFI's courses, whereby both offer suitable programs for the industrial sector. Although Mr. Rosly is the Managing Director, he still refers to the Advisory Board Members regarding managing MFI in the required French system.

ii. Madam Nik Eliza Binti Nik Omar

Madam Nik Eliza is the key person incharge of general administration in MFI. She holds the qualification of Certified

Chartered Accountant, with many years of experience both as an accountant and senior auditor for a private company. In MFI, Madam Nik Eliza oversee sections such as Accounting, Finance, Maintenance, Purchasing, logistics, personnel and human resource section. Although hardworking, Madam Nik Eliza is barely able to cope with her areas of responsibilities

iii. Mr. Mazliham Bin Mohd Su'ud

Mr. Mazliham is one of the pioneer member of MFI's management team. He has a strong relationship with French experts and able to cope with the French education system in a very short duration. He started his career as Deputy Head of Department in the EEIT and ACRT department. Within one (1) year, he was promoted to be the Deputy Head of Curriculum and assistant to Mr. Calo in organizing the Curriculum program. With his qualification as Master in Electronics, Electrotechnics and Automation, and his experiences as a test engineer, Mr. Mazliham excel in his scope of work and was subsequently promoted to be the Head of Studies.

iv. Mr. Jamel Bin Othman

Is an Electrical Engineer, as well as research officer and vibration analyst, Mr. Jamel is currently Head of Department in ASMT department. When MFI started its operation, Mr. Jamel was assistant to Mr. Gerard. He is responsible to evaluate all the skills and knowledge required for each courses offered and the necessary technical tools for learning purposes. After two (2) years in MFI, Mr. Jamel is the person most qualified to manage the department's operation.

v. Mr. Kamil Bin Mohd Said

Is the Head of Welding Department and Metal Fabrication, he is also a teacher in Technical Learning institution, Mr. Kamil is an expert in MFT (Metal Fabrication Technology) and WT (Welding Technology) departments. Before MFI reorganization, Mr. Kamil is the Deputy Head of Department in WT and MFT departments.

Mr Kamil perform his scope of responsibilities excellently, although without the guidance from French expert. (Absent of

French experts in this department was due to the accident occur, and who are now in France for medication purposes). Although without the supervision from French expert, Mr. Kamil manage to operate the department according to the French system. His has built up good relationship with industry sector, and provided him the advantage to design appropriate course content.

vi. Mr. Mohd Azhar Bin Abdul Rahman

Mr. Azhar started his career as a technical lecturer but due to his outstanding performance in the institution, management promoted him to Deputy Head of EEIT department. His tasks is to assist Mr. Raymond to coordinate all syllabus and classes, in addition to management of the technical tools. His experiences as product developer, test engineer, information and equipment engineer, Mr. Azhar involved himself to assist French experts as for technical tools set-up in EEIT department.