



**UNIVERSITI PUTRA MALAYSIA**

**A CASE STUDY: KOLEJ YPM KUALA LUMPUR**

**SABURIAH MAMAT**

**GSM 1997 13**

TESIS

A CASE STUDY : KOLEJ YPM KUALA LUMPUR

BY  
SABURIAH MAMAT  
45088

FOR  
HAJI YAAKOB BIN IBRAHIM  
A Case Study Submitted in Partial Fulfilment of the  
Requirement for the Degree of Master of Business  
Administration in the Faculty of Economics and Management  
University Putra Malaysia, Serdang Selangor Darul Ehsan.

August 1997



I hereby certified that, I have read this case study entitled "Kolej YPM Kuala Lumpur", by Sabariah Mamat (45088), and in my opinion it is satisfactory in terms of the scope, quality, and presentation as partial fulfilment of the requirement for the Degree of Master of Business Administration

SUPERVISOR

HAJI YAAKOB BIN IBRAHIM



**PENGAKUAN**

Saya akui karya ini adalah hasil kerja saya sendiri kecuali nukilan-nukilan dan ringkasan-ringkasan yang tiap-tiap satuny saya jelaskan sumbernya

Date 4 Ogos 1997



(Saburiah Mamat)

I certify that this project is my original work, except for those quoted directly from the references indicated

Date 4 August 1997



(Saburiah Mamat)

## ACKNOWLEDGEMENT

First and foremost, I would like to extend my gratitude to Tuan Haji Yaakob bin Ibrahim my supervisor, for the worthless helps and guidance in making this case study a success. Thank you also to the Professors, Lecturers, and staff members of UPM especially in the Department of Economics and Management who had helped me with the knowledge and motivation for this final case study.

Special thanks also I extend to my MBA colleagues for their co-operation and support. I also would like to thank my friends at work for giving me courage and their aids in making this case study a successful one.

Last but not least, I pray that my son, my sisters and my family members for their support, encouragement, and sacrifice to give me way to complete this case.

Thank You very much and May Allah Bless all of Us. Amin

Saburiah Mamat

MBA

Faculty of Economics and Management

August 1997

8 0 Treatment of staff	19
9 0 Patterns of Decision Making	23
10 Conclusion	27
<b>CHAPTER 2</b>	
1 0 Case Summary	29
2 0 Objective	29
3 0 Analysis	30
3 1 Strengths	31
3 2 Weaknesses	32
3 3 Opportunities	33
3 4 Threats	35
4 0 Possible solutions	37
4 1 Alternatives	38
4 1 1 Thorough on going communication	38
4 1 2 Reward system	42
4 1 3 Management style	43
4 1 4 Bureaucracy	43
4 1 5 Mission and Vision	44
4 1 6 Control	45
4 1 7 Business Process	45

5 0 Recommendation	45
5 1 Improve the communication system	45
5 2 Enhance the managerial skills	46
6 0 Implementation	47
6 1 CEO as a Role Model	47
6 2 Two-way communication	48
6 3 Motivational practices	51
7 0 Post case information	58
8 0 conclusion	59

**List of tables**

1	KYPMKL s earning figures	3
2	Distribution of students by programs	8
3	Estimated cost per year	9
4	YPM pay structure	19

**List of Exhibits**

1	YPM Organisation Structure	4
2	Structure of YPM Institutions	6
3	Programs offered	7
6	KYPMKL Flexible time	10
7	Past Years Achievements	
8	Performance Appraisal	22
10	CEO Contacts	48
11	Two-way communication model	49
12	7 steps of socialisation	53
13	Empowerment process	54



## List of Appendices

1. KYPMKL Staff Turnover	60
2. Salary Structure in Malaysian Cos	61
3. Companies Indirect Benefits	63

## **Abstract**

Human Resource problems have becoming severe at YPM in general and at Kolej YPM Kuala Lumpur in specific. The problems could be costly if corrective measures are not taken at the early stage as people keep coming and going.

This case study is meant to analyse the internal problem of the College which were due to the miscommunication, lack of managerial skill among the managers and the strategic planning of the college. Because of that, people who were not happy left the college even after having giving service for 3-5 years. Why can't they be loyal to the college and stay for their life time?

Using the issue of turnover and satisfaction among the employees, the recommendation given to solve the problem were : Improve the communication process and enhance the managerial skill among the managers.

## Abstrak

Masalah sumber manusia di YPM amnya dan di Kolej Yayasan Pelajaran MARA khasnya, semakin menular Masalah ini akan menjadi lebih serius sekiranya langkah-langkah awal tidak di ambil, staf datang dan pergi berluluasa sekali.

Kes ini bertujuan di analisa punca dan sebab dalaman yang di kenal pasti sebagai miskominikasi, kurangnya kemahiran dan kepakaran diperingkat pengurusan dan perancangan strategik di peringkat kolej Oleh sebab itu, staf yang tidak berpuas hati telah pun meninggalkan kolej walau pun telah berkhidmat selama 3-5 tahun Di mankah tahap 'loyalti ' mereka?

Berdasarkan isu 'turnover' dan 'dissatisfaction' di kalangan staf, cadangan-cadangan dibentuk Antara lain meningkatkan sistem komunikasi dan memantapkan lagi kemahiran mengurus di peringkat pengurusan

CHAPTER 1  
THE CASE

## KOLEJ YPM KUALA LUMPUR

### 1. INTRODUCTION

Mr KS was the Director of KYPMKL who had given service for 3 years. He was analysing the College's profit and loss statement for the final year ended September 1996 in his room. He was pleased with the increased of the profit before tax by 36.8% over the same financial year ended 30 September 1995.

At the same time the employees turnover rate among the KYPMKL staff also increased by 17%. Mr KS was unhappy with this figure and he buzzed the Deputy Director Academic, Mr MZ.

Mr MZ: Good morning.

Mr KS: Good morning. Can you explain to me why three senior lecturers tendered their resignations at the same time when we are in critical situation?

Mr MZ: I'm sorry Mr KS, I have not seen them for their explanations, but only these letters were given to my secretary. I agree that this time of the year is a critical time for us to cope with lack of lecturers.



Mr KS: I do not want you to come up with excuses and reasons. There must be something wrong some where.

Mr MZ. Grass is always greener out there. There must be some pulling and pushing factors that made people resigned, and there is nothing much that we can do.

Mr KS: Come on Mr MZ, we are operating a business. Our main objective is to maintain our valuable assets: the academic staff especially those who have given service for 3-5 years. How do you expect me to justify this matter to the Board Of Director's meeting next week. Even if there is the issue of 'pinching staff' you have to do something to find out about the staff leaving our college, something might be wrong somewhere.

Immediately after the discussion, Mr MZ left Mr KS' office. He was given the task to improve the situation for the current year. The proposal was to be submitted to Mr KS by the following week.

**Table : 1 KYPMKL's earning figures - RM '000**

Programs	1995/96	1994/95	
ABC	121,435	110,364	+10.0%
A-Level	516,277	443,682	+16.4%
BCHEM	507,547	430,963	+17.8%
ITM	6,159	6,463	-4.7%
Less Expenses	(410,202)	(876,621)	
	741,216	114,851	+71.1%

## 2. YPM BACKGROUND

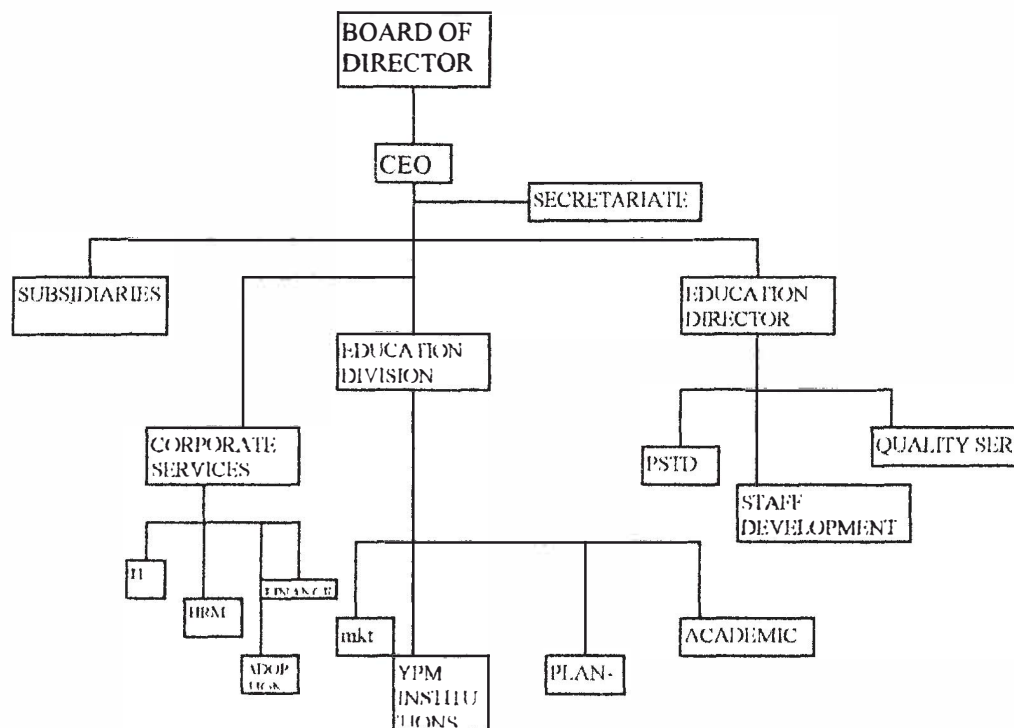
Yayasan Pelajaran MARA (YPM), or MARA Education Foundation was a subsidiary of MARA. Since it was founded in 1969, it had been providing education opportunities both for further education locally or abroad. YPM aimed to provide and improve the educational opportunities and facilities for qualified students in Malaysia. Thus YPM's objectives were:

- ❑ to provide facilities for training and education
- ❑ to provide the expertise for training and education
- ❑ to provide financial assistance to eligible students

Towards achieving its aims and objectives, YPM established its colleges. It owned five colleges namely: Kolej Yayasan Pelajaran Mara Kuala Lumpur, Kolej Yayasan Pelajaran Mara Kuantan, Kolej Yayasan Pelajaran Mara Bangi, Kolej Yayasan Pelajaran Mara Trolak , Kolej Yayasan Pelajaran Mara Kota Bharu.

Its mission was to aid and develop the Malays through education, so that the race would lead various fields in their career.

#### Exhibit 1 : YPM Organisation Structure





## 2.1 KYPMKL

KYPMKL prepared students for tertiary education in universities in the United Kingdom. It started with about 100 students on its first GCE-A-Level program. The first Year degree program began the following year in collaboration with the Northern Consortium of the United Kingdom (NCUK). In 1993 this was replaced by the British Consortium for Higher Education in Malaysia (BCHEM). As the college has grown in reputation and size, more programs had been added. In 1997 there were 4000 students doing A-Level, First year BCHEM Degree, Professional Accountancy (ACCA/CIMA), Diploma courses and Distant Learning.

KYPMKL's operations were supported by major sponsors in Malaysia such as MARA, JPA, PETRONAS Bank Negara and Yayasan Johore among others by sending more students each year.

### 2.1.1 KYPMKL VISION

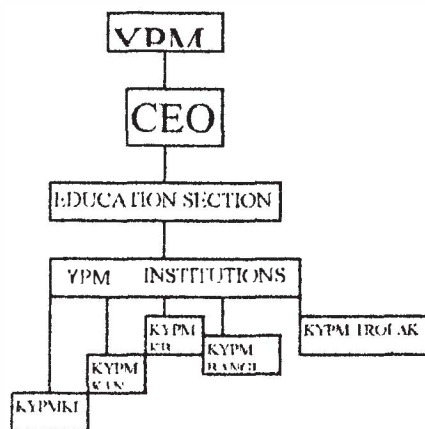
The primary aim of this college was to equip students with a broad-based education that focuses on the mastery of the subjects related to their fields of study as well as enhancing their

command of the English Language. The Integrated Education Program emphasised the moulding of a well rounded person by providing the physical, spiritual and emotional aspect of personal development. The Advisory program consolidated it by providing the students with mentors to help and guide them in all aspects of lives at college.

### 2.1.2 ORGANISATION STRUCTURE

KYPMKL was governed by a Board of Directors (BOD) which comprised a Chairman and thirteen other board members. The appointment of the BOD was at the discretion of the Majlis MARA and the Director should hold office for a period of two years with eligibility for reappointment. The BOD was responsible to MARA and the day-to-day administration was under the Secretary General Manager.

#### Exhibit : 2 Structure of YPM Institutions

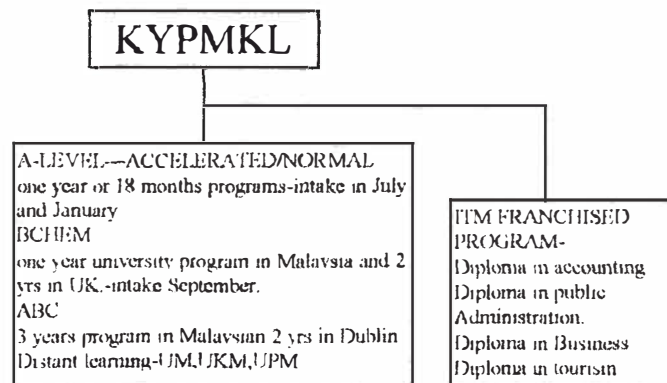


As a whole, KYPMKL staff consisted of two major teams: the academic staff (lecturers) and the non-academic staff who were from the administration and supporting group. Eighty five percent (85%) of the teaching staff was female.

### 3.0 PROGRAMS OFFERED

Providing education was the major source of income for the organisation. KYPMKL was trying its very best to improve the quality of education to realise its mission that was to develop the Bumiputra through education where they would become leaders in various career advancement.

#### Exhibit: 3 Programs Offered



### 3.1 A-LEVEL PROGRAM

KYPMKL offered preparatory courses for A-Level examinations, leading towards university entrance in Commonwealth countries. Intensive English Language courses were also available.

### 3.2 BRITISH CONSORTIUM FOR HIGHER EDUCATION IN MALAYSIA(BCHEM)

KYPMKL also linked students with a wide choice of universities and polytechnics in the United Kingdom. After completing the first year, students continued their studies in the UK. Students at KYPMKL were tutored by local and expatriate faculty. The management has agreed to offer the second year BCHEM starting September 1997. The first year students would continue their education in KYPMKL for another year.

**Table 2: Distribution of students by Programs**

Programs	1996	1997
A-Level	652	760
BCHEM	226	227
ABC	--	339
ITM	32	48

### 3.3 ACCOUNTING AND BUSINESS COLLEGE DUBLIN (ABC)

KYPMKL was collaborating with ABC to produce professionally qualified accountants. This program comprised: Stage 1: a recognised 2-year certificate in Accounting (NCEA), Stage 2: a Diploma in Accounting (CIMA/ACCA). After completing stage 1 and stage 2, students would have to continue their studies in Dublin at degree and professional level respectively.

### 3.4 ITM FRANCHISED PROGRAMS

Aside from foreign programs KYPMKL offered preparatory Accounting program (Pre Accounting) and Diploma in Accounting, Business Studies as well as Public Administration which were franchised with ITM. ITM has agreed to conduct more programs at Degree and certificate levels.

**TABLE: 3 Estimated cost per year**

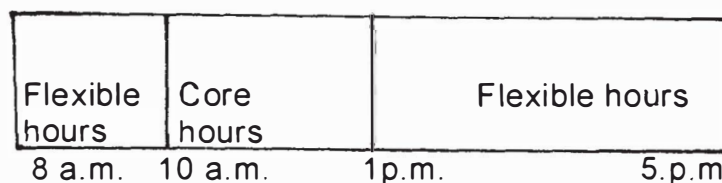
INSTITUTION	TUITION	DORMITORY	STUDENT	MISC	TOTAL
• A-LEVEL					
• -YEAR 1	10,200 00	1,300 00	200 00	318	12,018 00
• -YEAR 2	10,200 00	1,300 00	200 00		11,700.00
• ACC A-LE	15,300 00	1,950 00	300.00	299	17,849.00
• INTENSIV	10,200 00	1,300 00	200 00	240	11,940 00
E A- LEVEL.					
• BCHEM	11,180 00	1,300 00	200 00	279	12,897 00
• ABC	11,580 00	1,300 00	200 00	255	13,335 00
• -YEAR 1-3	11,580 00	1,300 00	200 00	40	13,120 00

#### 4.0 WORKING CONDITION

Since 1994 the academic staff were working under the flexible working hours. The clocking hours were between 8-10 a.m. for a minimum of 30 hours per week with alternate Saturdays. Lecturers taught for between 12 - 18 hours a week in lectures, tutorials, labs, and consultations. Whenever required, lecturers were paid at the rate of RM25 per hour if they were teaching extra hours exceeding 18 hours.

Work activities were designed around individuals. There were distinct departments and employees were expected to minimise formal contact with outside their line of command. Performance evaluations emphasised on individual effort although seniority tended to be the primary factor in the determination of pay raises and promotions.

**Exhibit: 6 KYPMKL Flexible time**



Unlike the teaching staff, the non-academic staff worked in offices from 8.30 to 4.30 p.m. ,six days a week. They were

placed in different sections according to their team. Their job activities were designed around work teams, and team members were encouraged to interact with people across functions. Some of them were placed in rooms shared with two or three other people. These employees were given autonomy in choosing the means by which the goals were attained.

Lecturers' room resembled the stock market trading office. Noise was everywhere from one corner to another. The seating positions were left open where people could see what other people were doing.

They commuted either by public transportation which were buses, taxis, or LRTs or private vehicles. It took about 20 minutes from Kuala Lumpur City.

Since July 1996, the College has occupied its own purpose-renovated 6-floor building in Taman Shamelin Perkasa. There were eight 100-seat lecture halls, twenty-two 50-seat lecture rooms, thirty-nine classrooms and twenty-four tutorial rooms.

There was also the student lounge, a 1000-seat library and five computer laboratories.

## 5.0 PAST ACHIEVEMENTS

Kolej Yayasan Pelajaran Mara Kuala Lumpur was one of the private institution for higher learning in the Klang Valley. Its motto "Excellence is our culture and teamwork is our approach" was respected for the quality of its academic achievements-claimed many parents and claimed many sponsors. This was proven by numerous achievements since 1989, which could be seen in the overall passing rate:

- 1989                    96%
- 1990                    77.9%
- 1991                    80%
- 1992                    82%
- 1993                    88%
- 1994                    78.4%
- 1995                    96.5%
- 1996                    92.5%



## **Exhibit: 7 PAST YEARS ACHIEVEMENT**

(in the appendix)

The most recent achievement was highlighted in the paper (NST 12/3/97) as “MARA Student makes history and receives special award”. It was the achievement of Sharizam who recorded the best ever result in the country, achieved in YPM college. The results also marked the best among students from countries like Hong Kong, Singapore, and Australia. In response to the reporters, the YPM CEO, Dato’ KE said that “it is proven that YPM strive in providing only the best quality education for its students”.

### **6.0 CHAIN OF COMMAND**

Lecturers reported to the Deputy Director of Academic and were responsible for the students, curriculum and the potential grades the students make. They also attended meetings either at the unit or department levels. In class they were made responsible to 17-25 students of mixed categories as they were streamed according to their majors. Lecturer liaised with the Heads of departments. They expected to be informed, should any directives from the DDA to be effective. The DDA treated