

# Assessing the Corporate Identity of Malaysia Universities in the East Coast Region with the Market Conditions in Ensuring Self-Sustainability: A Study on Universiti Sultan Zainal Abidin

Suffian H. Ayub, Mohammed R. Hamzah, Nor H. Abdullah, Sharipah N. Syed Azmy, Hishammudin S.

**Abstract**—The liberalisation of the education industry has exposed the institute of higher learning (IHL) in Malaysia to the financial challenges. Without good financial standing, public institution will rely on the government funding. Ostensibly, this contradicts with the government's aspiration to make universities self-sufficient. With stiff competition from private institutes of higher learning, IHL need to be prepared at the forefront level. The corporate identity itself is the entrance to the world of higher learning and it is in this uniqueness, it will be able to distinguish itself from competitors. This paper examined the perception of the stakeholders at one of the public universities in the east coast region in Malaysia on the perceived reputation and how the university communicate its preparedness for self-sustainability through corporate identity. The findings indicated while the stakeholders embraced the challenges in facing the stiff competition and struggling market conditions, most of them felt the university should put more efforts in mobilising the corporate identity to its constituencies.

**Keywords**—Communication, corporate identity, market conditions, universities.

## I. INTRODUCTION

CORPORATE identity is often seen as an organisation attempt to illustrate the core values, philosophy, products and strategies plan by the top management to its various stakeholders. Leader in the 21<sup>st</sup> century must be able to ensure that the subordinate is being treated as member of the organization, not a mere worker that is ordered and instructed around. In this sense, a leader must be able to create a sustain climate of trust and a sense of community within the organization [21]. In today's challenging world of business, organisation is facing with stiff competition to market themselves. The organisation need to stand out from its competitors to ensure sustainability and even more so taxing when the products they are offering are also readily available in numerous forms. This is where corporate identity manifests

itself and offers key solution for the organisation to strategically position themselves in the crowded marketplace. Although the manifestation of corporate identity is often associated with the portrayal of organisation's name, logo, motto, and other tangible matters, the significant aspect of corporate identity is to translate it into conducive marketing tools that help the organisation introduces its product and brand. Importantly, corporate identity is now also defined as the shared meaning that a corporate entity is understood to have arises from its members and others awareness that they belong to it [1], [2].

### A. Corporate Identity

Over the past decade, corporate identity has become a prominent paradigm and has begun to be linked to the strategic management of organizations [3], [4]. Corporate identity has been recognised as part of the top management function and assist tremendously in the policy and decision making. The role it play mirror the organisation's strength. The collective effort from the top management has enabled to organisation to solidify its image and reputation among the key stakeholders.

Reference [5] indicates that positive correlations exist between a positive corporate image and identity of a business to superior performance. The aim of corporate identity management is to acquire a favourable corporate image among key internal and external stakeholders so that, in the long run, this image can result in the acquisition of a favourable corporate reputation, which leads to key stakeholders having a favourable disposition towards the organization [6]. The corporate identity model [23] outlined four principle elements that made up the corporate identity of an organisation; communication and visual identity, behaviour, corporate culture, and market conditions. Each of these elements are further strengthened by attributes for mobilisation of the components.

### B. Market Conditions of Malaysia Public Universities

Corporate identity is important in organisational overall performance as it ensure the organisation's visibility through the projection of image and reputation. The organisation may excel in marketing the product but it is the corporate identity that will become the point of reference for product

Suffian H. Ayub is with Faculty of Arts, Sunway University, 46150 Malaysia (Tel: 603-74918622; fax: 603-56358630; e-mail: suffianay@sunway.edu.my).

Mohammed R. Hamzah is with School of Human Development & Technocommunication, Universiti Malaysia Perlis, Malaysia (e-mail: rezal@unimap.edu.my).

Nor H. Abdullah, Sharipah N. Syed Azmy and Hishammudin S. are with the Faculty of Languages & Communication, Universiti Sultan Zainal Abidin, Malaysia (e-mail: norhafizah.abdullah@unisza.edu.my, shnurmursalina@unisza.edu.my, hisham@unisza.edu.my).

differentiation among stakeholders and the formation of corporate communication department help to address the

The aim of corporate identity management is to acquire a favourable corporate image among key internal and external stakeholders so that, in the long run, this image can result in the acquisition of a favourable corporate reputation, which

leads to key stakeholders having a favourable disposition towards the organization [6]. Introduced as one of the four principle elements in corporate identity model, market conditions work very closely with the nature of industry and corporate marketing strategies employ by the industry.

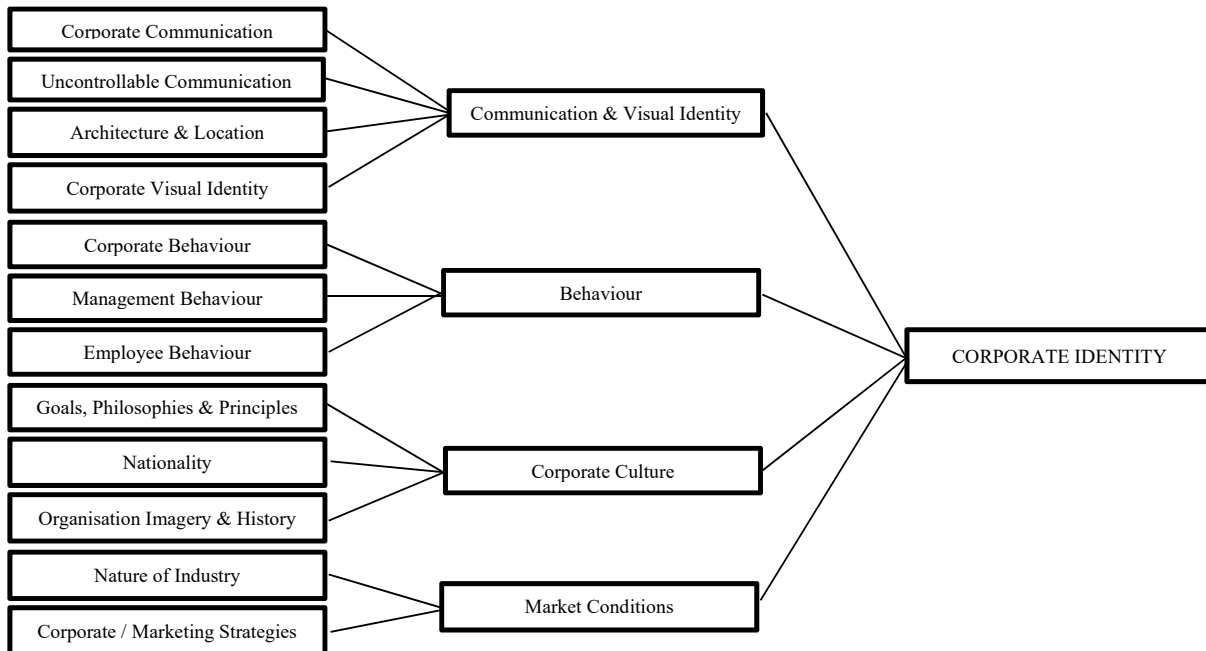


Fig. 1 Corporate Identity Model [23]

As one of the public universities in the east coast region of Malaysia, even more so than before Universiti Sultan Zainal Abidin (UniSZA) needs to solidify its presence due to stiff competition from other public universities in the region namely Universiti Malaysia Terengganu (UMT), Universiti Malaysia Kelantan (UMK) and Universiti Malaysia Pahang (UMP). Each of these universities operates within the same vicinity with UniSZA and the distance range from less than 1 miles to 180 miles radius. Apart from geographical challenges, although the government different each universities with their own niche area, the basic programmes, however, are very much similar from one another. The vast number of universities is competing the same students, and the marketisation may be regarded even necessary for the institution to promote their programmes [7]. Business programmes, for example, are offered in all four universities while the pool of students is from the same population – the high school leavers or diploma holders. Apart from that, these universities too are expected by the government to be self-sufficient. The government was forced to decrease funding for the universities, and as a result, any institutions started assuming a more corporate form and functioning more like a business entity [8]. In the recent National Budget 2016 was tabled by the Honourable Prime Minister at the Parliament [22], the public universities allocation for year 2016 was cut

between 3% to 25% and UniSZA received RM148,027,500 compared to RM170,971,100 in 2015; down by 13.42%. Similarly, UMK (17.62%), UMT (23.76%), and UMP (11.18%) received the same treatment.

Universities are complex organisations, and branding can simplify the complexity and promote attraction and loyalty to the organization [9]. It is within the context of facing the financial challenges that the universities must be able to present itself as unique entity in the saturated higher education industries. This is where corporate identity takes place and provides competitive advantage to UniSZA. This is so because corporate identity will build a strong image thus provide the much needed reputation to instil stakeholders' confidence. When the corporation's identity and image are well aligned it could form a solid reputation which could be built by shaping a unique identity and projecting a coherent set of images to the public [10].

## II. METHODOLOGY

The research used quantitative research design with the cross-sectional means. The questionnaires were distributed manually to the respondents and about 40 students and employees from the Universiti Sultan Zainal Abidin (UniSZA), Terengganu took part. The students ranged from various academic programmes which comprises of science and

social sciences fields, whereas the respondents for the employees were among the academicians from various backgrounds.

The instruments used were adapted Universiti Malaysia Perlis (UniMAP) in its research on reputation survey which was held in 2013. From the reliability and validity test held, only 20 items were found suitable for this research of which 10 items were used to measure the domain on market conditions and another 10 items appropriate to measure the corporate marketing strategies.

TABLE I  
FUNDING FOR MALAYSIA PUBLIC UNIVERSITIES (2015-2016)

Universities	2015	Change
	RM	%
	<b>8,753,564,300</b>	<b>-16.48</b>
Universiti Malaya (UM)	638,115,900	-27.30
Universiti Kebangsaan Malaysia (UKM)	487,693,300	5.05
Universiti Sains Malaysia (USM)	654,208,400	-17.14
Universiti Putra Malaysia (UPM)	495,830,100	-11.41
Universiti Teknologi Malaysia (UTM)	497,947,100	-16.53
Universiti Islam Antarabangsa Malaysia (UIAM)	548,515,300	-8.11
Universiti Malaysia Sarawak (UNIMAS)	197,874,100	-1.05
Universiti Malaysia Sabah (UMS)	379,902,200	-16.83
Universiti Utara Malaysia (UUM)	301,811,800	-19.31
Universiti Perguruan Sultan Idris (UPSI)	194,171,900	-20.78
Universiti Teknologi Mara (UiTM)	2,618,244,300	-23.72
Universiti Sultan Zainal Abiding (UniSZA)	170,971,100	-13.42
Universiti Sains Islam Malaysia (USIM)	173,856,800	-18.00
Universiti Tun Hussein Onn Malaysia (UTHM)	257,463,200	-3.71
Universiti Malaysia Terengganu (UMT)	186,371,700	-23.76
Universiti Teknikal Malaysia Melaka (UTeM)	227,973,200	-10.78
Universiti Malaysia Perlis (UniMAP)	220,406,700	-3.64
Universiti Malaysia Pahang (UMP)	252,228,200	-11.18
Universiti Malaysia Kelantan (UMK)	138,607,400	-17.62
Universiti Pertahanan Nasional Malaysia (UPNM)	111,371,600	-16.29

The analysis to explore the factors and reliability test is summarised in Table I. From the analysis, all items which were found to have less than 0.5 weightage factor would be discarded in the formation of the actual questionnaires. The analysis on the factors and test on reliability is extremely significant to determine the suitability of the items appropriate for the measurement which would be developed for the final

research output. The domain for market conditions were represented by 7 items which directly contributed in the varian score amounting to 67.19 percent and this has provided a substantial one factor for the research to proceed. The value for Eigenvalues is 4.704 while test on Kaiser-Meyer-Olkin has revealed the output of 0.827; exceeding the minimal 0.6. Overall, the 7 items has been which were used to test the domain on market condition has a good reliability values of 0.904 and this has been further attested on Bartlett's Test of Sphericity's test which tallied a significant value.

Meanwhile the reliability value for Corporate / Marketing Strategies too illustrated positive outcome with 0.898. This showed that the items used have reliable consistency in measuring the said domain. The contribution for variant was at 63.392 percent and this signalled a very positive output for the tested items. In addition to that, Kaiser-Meyer-Olkin test has shown a good value far exceeding 0.60 and a test ran on Bartlett's Test of Sphericity also proved to be significant ( $p < 0.05$ ).

### III. ANALYSIS OF RESULTS

The test for the research has shown that the respondents' opinion on the market conditions in the context of UniSZA is intermediate with total min of 2.95. The respondents' further attested that UniSZA is ill equipped in terms of execution of its own mission and vision concerning its future, the quality of academic programmes, clear leadership values, the programmes that fulfil the needs of the industry in the east coast region, and also the academic programmes that are incapable to achieve the needs of tomorrow market demand. Apart from that, the respondents' also felt that UniSZA too are not ready to be at the same par with other institutes of higher learning in the east coast region of Malaysia.

As for marketing strategies, the result presented is similar to the trend in market conditions. Even though respondents regarded UniSZA as a good institution to further studies, they felt that UniSZA has yet to provide quality academic programmes. This perception is largely contributed to the lack of physical appearances, website that is not user-friendly, and the ill equipped facilities to conduct research.

TABLE II  
ANALYSIS ON FACTORS FOR THE ITEMS IN THE RESEARCH INSTRUMENTS

	Item	Factor	Result % variant	Eigenvalues	$\alpha$	Kaiser-Meyer-Olkin	Bartlett's Test of Sphericity
Market conditions	7	1	67.19	4.704	.904	.827	0.000
Corporate / marketing strategies	7	1	63.392	4.437	.898	.856	0.000

### IV. DISCUSSIONS

#### A. Importance of Market Conditions

In ensuring the corporate identity of an organisation shining through, market conditions play a significant role. In the case of UniSZA, the perceptions of the stakeholders were intermediate. Differentiation of a university organisation has to do with how universities identify themselves and the

audiences they choose to serve [11]. Corporate identity stakeholders involve special constituencies in the university setting. Internal stakeholders of a university include current students, faculty and staff [12], [13]. This means that UniSZA as public university in the east coast region need to strategically mobilise its existing assets and re-look at the current needs of the stakeholders. The data collected further highlighted that the management of the university paid very

little emphasis on the perception management. (While) Identity is what members believe to be central, enduring and distinctive character of their organization, image is the way the organizational members believe that others see their organization [14]. Despite having all the required facilities to carry out academic research, the staff and students are not aware of such facilities. Therefore, it eliminated the opportunities for these stakeholders to promote this positive image it to the market at large. Word of mouth through social media will definitely help the reputation of the university.

TABLE III  
MARKET CONDITIONS

Items	Mean	SD
UniSZA has a clear mission of its future.	2.9459	1.02594
UniSZA practises quality control on its academic programmes.	3.2432	1.09050
UniSZA has the latest research equipment.	2.0811	.95389
UniSZA has a clear leadership values.	3.3784	.95310
The programmes offered at UniSZA fulfil the needs of the industry in the east coast region.	3.3243	.91451
The programmes offered at UniSZA fulfil the needs and demand of the workforce and market for at least five years.	3.3243	1.02886
UniSZA has successfully weathered the competition from the institute of higher learning in the east coast region.	2.9459	1.02594
Overall	2.9537	.80394

TABLE IV  
CORPORATE / MARKETING STRATEGIES

Items	Mean	SD
A high quality academic programmes.	3.0270	1.09256
I love UniSZA physical appearance.	2.5676	1.21428
UniSZA provides satisfactory services to its customers.	2.5135	1.19307
UniSZA website is user friendly.	3.2162	1.25023
UniSZA's expertise is easy to assess.	2.6216	.95310
UniSZA has sufficient research facilities.	2.3784	.95310
UniSZA is a good place to further study.	3.4595	1.12038
Overall	2.8263	.87878

Apart from that, the academic programmes also contribute significantly in the overall perception of UniSZA's employees and students. The basis for creating a strong identity lies in establishing unique programmes as well as purposely targeting the audiences to be served [11]. The data revealed that both stakeholders perceived the quality of its academic programmes are only at satisfactory level. Towards the end of the 20<sup>th</sup> century, the role of universities started changing from serving the state in managing society to serving the industry and commerce in ensuring that people are employable [8]. It is in this context that a commercial model of operation has arisen as a potential strategic resource for universities [15]. As greater competition among school and universities exists to attract the best students and faculty, the institutions of higher education become marketers of "educational services" both nationally and internationally. To differentiate, they need to strive for distinct profile [12], [16], [17]. UniSZA must make a corrective action to address its academic qualities and becoming more business savvy in order to survive the challenging market conditions.

### B. Importance of Corporate / Marketing Strategies

Like other universities in Malaysia, the setting up of corporate communication and marketing department in UniSZA is to safeguard and promote the university. These are the two distinctive functions it serve to strategically communicate the image and brand of UniSZA through numerous publications, products and marketing materials. As a result, many universities have set up corporate communications departments whose responsibilities include managing corporate information and projecting a positive image of the institution [8]. At the same time, the number of relevant stakeholder groups has grown which has increased the need to consistent communications [12].

Corporate image refers to the attributes of corporate identity as perceived by individual stakeholders [18], [19], [2]. It forms the basis on which brand, image and reputation are built [15], [20]. With synergistic communication efforts, UniSZA will be able to consistently make its presence felt to its internal and external stakeholders. The public at large too will be more aware and create a favourable image of UniSZA which boost the university standing the eyes of the public. Corporate image, as a reflection of the identity is an "end-product" of corporate branding [17], [13]. Further, corporate reputation is the sum of the individual images of an organisation; it describes the totality of individuals' perceptions of an organisation [13].

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