

MALCOLM BALDRIGE APPROACH IN UNIVERSITY MANAGEMENT: AN IMPORTANCE AND PERFORMANCE ANALYSIS

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INTRODUCTION

- Organizational performance is very important for every manager. To maintain an excellent performance every year is not an easy task. All the organization resources such as human resources, organization structure, organization strategy, work process and technology should be managed efficiently. One of the approaches to manage organization resources was introduced by Malcom Baldrige model.

MALCOLM BALDRIDGE MODEL

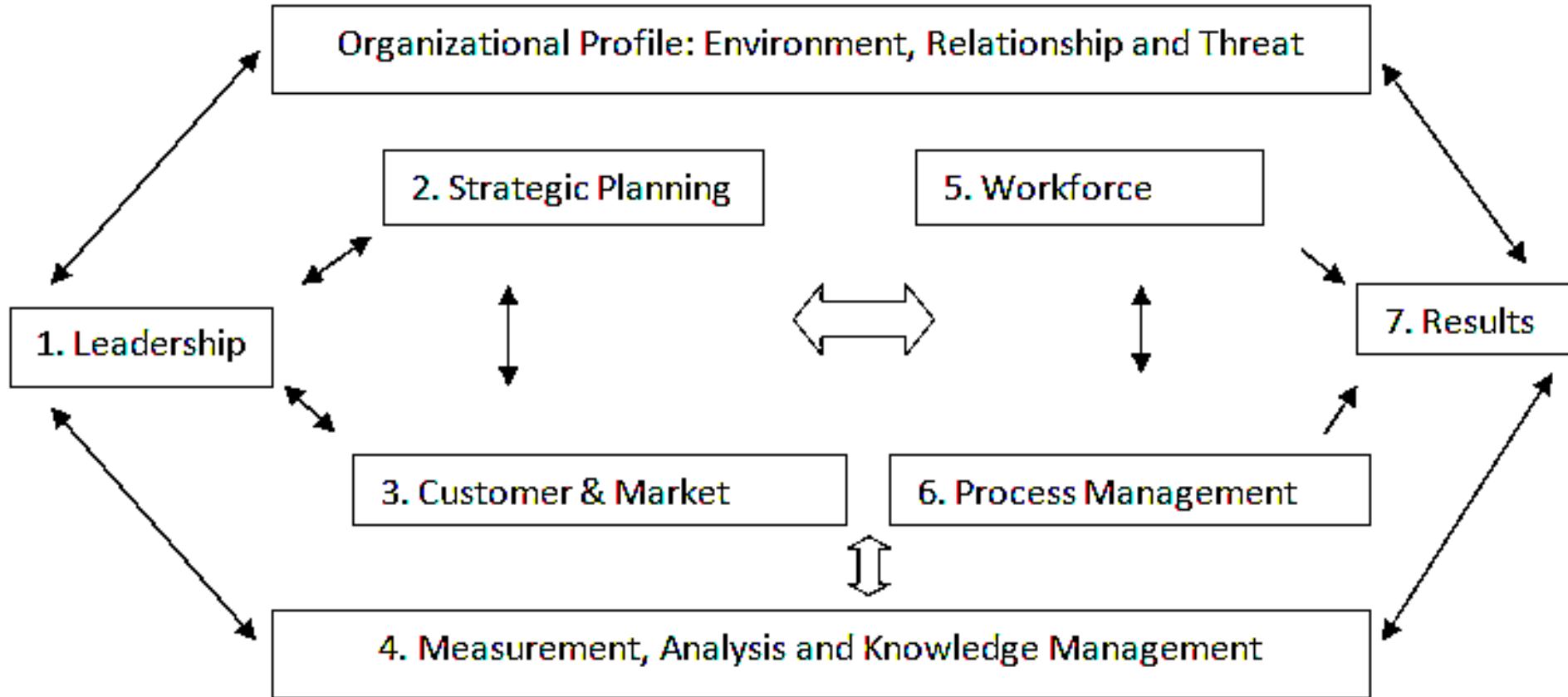


Figure 1: Malcolm Baldrige Criteria for Performance Excellence Frameworks. A Systems Perspective (N.I.S.T, 2003)

LITERATURE REVIEW

QUALITY MANAGEMENT

- Wilson and Collier (2000) who tried to find the causal performance linkages implied in the MBNQA model. The research concluded that the Leadership factor has the strongest influence on organization performance. It is followed by Data Management and Process Management to influence the financial performance.
- Ghosh et.al (2003) found that Strategic Planning Process has a positive influence on Business Result. Customer focus and Market focus also have significant influence on Strategic Planning factor, while the Leadership factor is also important to support the Stakeholder focus. A study by Prybutok and Cutshall (2004) also revealed that there are existing relationships among the customer focus, work process, human resource planning, data analysis and leadership factor.

METHODOLOGY

- Using Malcolm Baldrige model, a set of questionnaire was developed to measure the seven variables. Each variable was measured by using 5-6 questions each. The variables are Organizational Result, followed by Work Process, Human Resource Focus, Data Analysis, Customer Focus, Strategic Planning and Leadership.
- A survey was then conducted among the administration and academic staffs in UiTM Kelantan Campus with 129 respondents involved. The data was analyzed using SmartPLS 3.0 software and the assessment was carried out using confirmatory factor analysis.

RESULT:

Convergent Validity

- Convergent validity is the level of which many items measuring the same concept. It is achieved when all the value of average variance extracted (AVE) higher than 0.50 and composite reliability (CR) exceeded the minimum level of 0.7 (Hair et al, 2011). Reliability of the construct has been tested by using Cronbach alpha and rhoA value where the minimum value required is 0.7 (Cronbach, 1951). The result shows that all the Cronbach Alpha and rhoA value are ranging from 0.819 – 0.947 and 0.831-0.949 respectively.
- **Convergent Validity is achieved.**

Discriminant Validity

the measurement model is satisfactorily achieved

	CF	DM	HRF	L	R	SP	WPF
CF							
DM	0.77						
HRF	0.84	0.80					
L	0.66	0.60	0.79				
R	0.84	0.82	0.84	0.66			
SP	0.80	0.82	0.84	0.66	0.84		
WPF	0.76	0.81	0.80	0.70	0.88	0.7	

Table 2. Discriminant Validity (Heterotrait-Monotrait (HTMT) Criteria < 0.9)
CF: Customer Focus, DM: Data Measurement, HRF: Human Resource Focus,
L: Leadership, R: Result,
SP: Strategic Planning, WPF: Work Process Focus

Structural Model

Construct	VIF Value						
	CF	DM	HRF	L	R	SP	WPF
CF					1.99		2.03
DM	1						2.03
HRF		2.17				1.88	
L			1			1.88	
R							
SP		2.17					
WPF					1.99		

Table 3. Lateral Collinearity Analysis

CF: Customer Focus, DM: Data Measurement, HRF: Human Resource Focus, L: Leadership, R: Result, SP: Strategic Planning, WPF: Work Process Focus

VIF \leq 5.0 (Hair et al., 2017)

Therefore, there is no element of lateral collinearity in this study

Hypothesis Testing

- This study seeks to investigate the importance and performance of MBNQA factors in achieving organizational goal. For that purpose, ten direct hypotheses are developed between the constructs.

MALCOLM BALDRIDGE MODEL

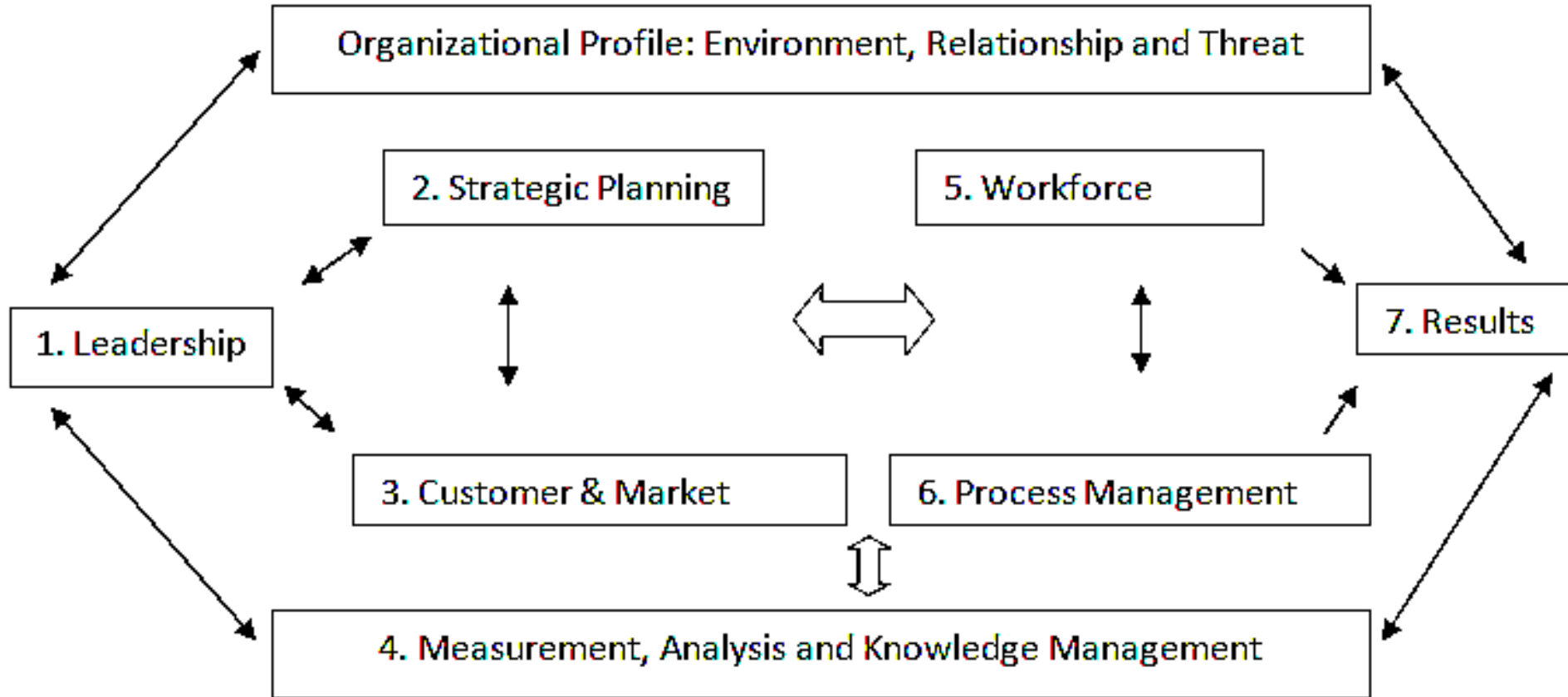


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Table 4. Hypothesis Testing

Hypothesis	Relationship	Std. Beta	Std. Error	Tvalue	Result	R ²	f ²	Q ²
H1	CF -> R	0.38	0.08	4.43**	Supported	0.78	0.33	0.59
H2	CF -> WPF	0.33	0.10	3.15**	Supported	0.63	0.15	0.50
H3	DM -> CF	0.71	0.05	13.98**	Supported	0.50	1.03	0.31
H4	DM -> WPF	0.52	0.10	5.20**	Supported		0.36	
H5	HRF -> DM	0.33	0.09	3.69**	Supported	0.61	0.13	0.42
H6	HRF -> SP	0.60	0.12	4.95**	Supported	0.55	0.44	0.39
H7	L -> HRF	0.68	0.07	8.77**	Supported	0.47	0.88	0.27
H8	L -> SP	0.18	0.14	1.26	Not Supported		0.04	
H9	SP -> DM	0.49	0.09	5.35**	Supported		0.29	
H10	WPF -> R	0.56	0.08	6.64**	Supported		0.73	

CF: Customer Focus, DM: Data Measurement, HRF: Human Resource Focus, L: Leadership, R: Result, SP: Strategic Planning, WPF: Work Process Focus

**p<0.01, t value > 2.33; *p<0.05, t value > 1.645

Table 5. IPMA Analysis

Importance Performance Matrix Analysis (IPMA)

Construct	Important (Total Effect)	Performance (Index Values)
DM	0.66	58.54
CF	0.62	60.36
WPF	0.53	63.58
HRF	0.49	61.66
L	0.41	67.96
SP	0.35	60.72

CF: Customer Focus, DM: Data Measurement,
HRF: Human Resource Focus, L: Leadership, R: Result,
SP: Strategic Planning, WPF: Work Process Focus

DISCUSSION AND CONCLUSION

- The 'work process' and standard operation procedure (SOP) must be in place and fulfilled as a need to ensure the quality management standards are complied.
- The factors such as 'Data Measurement', 'Customer Focus', 'Work Process Focus' and 'Human Resource Focus' are **important factors** to influence the organization performance as compared to Leadership and Strategic Planning Factors.
- On the other hand, the Leadership factor, Human Resource Focus and Work Process Focus were seen as having the highest performance in organization management. This is consistent with the practices that the top management will ensure the organization's vision, mission, objectives and strategies are well disseminated and embraced by all staff in ensuring the achievement of organizational goals.

THE END