



The Malaysia Education Blueprint 2015-2025 pretty much tells Malaysian universities they need to actively go out and find alternative sources of income to stay flexible, resilient, and financially sound. This is highly important if Malaysia wants to keep providing quality higher education to more and more students, especially when costs are going up and budgets are getting tighter. Numbers from the Ministry of Higher Education Malaysia show that government funding for public universities has been steadily decreasing from 2016 to 2023. Additionally, when probed further at the financial records of public universities from 2017 to 2021, it is evident that many university-owned businesses are making money, but a substantial number of them are losing money because their operating costs are considerably high (Zainol, 2021). All this highlights that public business schools in Malaysia urgently need to become creative and discover new ways to stay financially sustainable.

### 1.1 Public Business Schools in Malaysia

In Malaysia, business schools have been around since the 1960s. The business schools initially began as part of the economics departments in universities. But as more and more people wanted to study business and management, these departments grew into their own independent schools. There are now 20 public business schools in Malaysia that offer all sorts of programs, like management, business, entrepreneurship, finance, marketing, and corporate governance. These schools follow standards set by organisations like Association to Advance Collegiate Schools of Business (AACSB), QS World University Rankings, and the Academy of Management.

Accreditation organisations emphasise financial sustainability. For example, the three most important business school international accreditation agencies Association to Advance Collegiate Schools of Business (AACSB), European quality improvement system (EQUIS) and Association of MBAs (AMBA) require the school to develop financial strategies that are appropriate to the local context and that provide resources to enable a high-quality learning environment. EQUIS looks for financial viability. AACSB wants schools to manage their resources to stay sustainable to achieve its mission and action items while AMBA requires institutions to be financially stable and constantly improving (Avolio & Benzaquen, 2020).

One of the factors that contributes to the success of a business school is its ability to remain financially stable. This means being able to continue operating effectively even when public funding declines. If a school lacks sufficient financial resources, it can affect the quality of its programs and the efficiency of its operations (Segun et al., 2020). Financial instability may also limit investments in academic development, research, and infrastructure. Therefore, maintaining diversified and sustainable revenue sources is essential to support long-term institutional performance.

Reduced public money for higher education creates difficulty for business schools. This affects both courses and personnel. To prosper, business schools must discover new instruction methods and handle finances well. There has been little investigation into the financial stability of public business schools, particularly in developing countries like Malaysia. The study will examine methods that Malaysian public business schools can use to obtain funding in addition to controlling costs. New revenue sources required investigation. Complete resource use is important (Ahmad et al., 2018).

## LITERATURE REVIEW

This section is focused on analysing ways in which publicly funded business schools can achieve long-term fiscal stability. With government appropriations decreasing and operational expenses increasing, public business schools are compelled to rethink their fiscal structures and identify new sources of funding. One strategy is to create new revenue streams from business school-based programmes (such as executive education programmes), by partnering with businesses or consulting, and through the attraction of foreign students.

In addition, institutional accreditation serves an important function in supporting the reputation and global visibility of business schools, thus attracting international students and partners who generate additional revenue for the institution. However, while generating new revenue streams will support the short- and long-term fiscal sustainability of business schools, managing costs effectively and allocating institutional resources efficiently are also required to support long-term fiscal sustainability. In

combination, developing diversified income strategies and practising prudent fiscal stewardship will be critical to establishing the long-term financial resiliency of public business schools.

## 2.1 Resource Dependence Theory

The Resource Dependence Theory states that organisations are dependent on resources outside of themselves for survival (Nienhüser, 2025). Public business schools are particularly susceptible to resource dependence theory because they rely on the government for funding. This theory suggests that public business schools can more effectively self-govern their institutions if they diversify their funding sources, reduce their dependence on a single source, and establish partnerships that will create a variety of income streams. By utilising a range of funding sources, institutions can develop long-term sustainability (Ahmad et al., 2018).

## 2.2 Revenue Diversification

It is critical for higher education institutions to investigate alternative streams of revenue for sustainability purposes. Many Malaysian public universities, including business schools, must reduce their reliance on government funding for financial sustainability for educational purposes, and they are, in part, now being forced to do this with recent and future funding cuts (Rapizal & Fuzi, 2023). To remain relevant, public universities must discover alternative streams of revenue. Revenues can come from having more academic programs; developing executive education programs; applying for research grants; and collaborating with businesses. Public universities should also pay attention to revenue from donations and collaborative funding arrangements (Piotrowska-Piątek & Kozłowski, 2020). Some universities are even manifesting and exploring Islamic endowment programs as another potential revenue source. Universities need to think freely, often, and continuously to identify long-term sustainability and healthy cash flow (Alma'amun et al., 2021).

## 2.3 Strategic Cost Management

As rising prices continue, public organisations will have to examine their expenses more closely than before. As a shared area of creativity in cost control, public business schools could explore alignment between administrative and departmental potential and advantageously employ technology to use their resources more smartly. The presence of digital tools can accomplish pressing operational tasks and pedagogically focused tasks as well as have an impact on and enhance student engagement. Moving forward, public business schools should be concerned with cost containment while providing an effective educational quality. Sound fiscal management involves the appropriate selection of a budgeting technique, the achievement of a satisfactory financial plan, and the regular assessment of institutional financial health. Once again, are public business schools judiciously applying their resources to create the most efficient institution and are not afraid to use adjustable financial management where necessary?

In Malaysia, public institutions of higher learning have agreed that maximising their resources will be the strategy that they adopt from this point forward (Ahmad et al., 2018). This approach emphasises the efficient utilisation of existing financial, human, and physical resources to ensure institutional sustainability. It also encourages universities to optimise internal capabilities while exploring alternative income sources to support their long-term development. It also encourages universities to optimise internal capabilities while exploring alternative income sources to support their long-term development. In this context, the principles of lean management, as discussed in Vietnamese practices, can offer useful management approaches for improving efficiency and strengthening cost control (Minh, 2018).

Lean management offers useful guidance for improving operational efficiency. It emphasises eliminating non-value-adding activities, optimising resource utilisation, and fostering a culture of continuous improvement across organisational processes (Nawanir et al., 2019). In addition to applying lean management principles to positively add value to the institutional performance of public universities in Malaysia, higher education institutions can employ activity-based costing. Strategic cost models can also provide an innovative management model.

## 2.4 Role of Accreditation

For business schools with financial sustainability ambitions, accreditation is truly transformative. The potential of international or national accreditation can elevate a school's profile and increase the number of international students, provide opportunities for research initiatives, and create corporate partnerships (Fleşeriu et al., 2020). These opportunities are all potential avenues to generate diverse income streams and create greater financial sustainability within the institution. AACSB accreditation has, for instance, been shown to facilitate financial innovation.

The greater financial performance of accredited schools is, indeed, notable in this regard. Certain accreditation standards (for example, having a plan and having people who are qualified to deliver on the plan) established by accreditation bodies, like AACSB and EQUIS, will help to assist the school's research performance (Avolio & Benzaquen, 2020). However, some people would also argue that because of the pace of changes in performance environments, accreditation processes may still not be suited to every business school context (Julian & Ofori-Dankwa, 2006).

## 2.5 Stakeholder Engagement and Partnerships

Alumni and private companies' involvement in public business schools is critical to their financial sustainability. Public business schools can create constant revenue streams through alumni and private corporations' partnerships, which can be a sustainable 'giving workflow' (donations, endowments, partnerships, etc.). It is almost like creating a positive co-created community that is passionate about helping the business school. Also, partnerships between universities and the private sector can also be beneficial for funding research development. Public business schools in Malaysia could have financial sustainability in their agenda by partnerships with industry to create both revenue streams and research income; building standards and outputs; student graduation outcomes; and sustainability. They could also incorporate alumni networks into any of these initiatives, which could enhance the likelihood of success with endowment funds (Dean & Jendzurski, 2021; Ahmad et al., 2018).

## 2.6 Marketisation of Higher Education

As universities increasingly focus on the market in higher education, they are re-evaluating and redefining their approach to financial sustainability. Public business schools can pursue the market-driven approach to financial sustainability by demonstrating a point of difference by developing distinctive programmes attuned to both local and global students. Given this encouragement to adopt innovative programmes with a market orientation, business schools can develop new programmes with a strategic direction to appeal to international students and faculty. They can achieve this by augmenting the count of international students and faculty, drawing fresh income from tuition and international partnerships and projects, and fostering a more varied outlook in their programs. Business schools will need to embrace new educational modalities and financial models if they are to be financially successful in this market and increasingly competitive higher education context (Ahmad et al., 2018).

## 2.7 Strategic Planning for Long-Term Sustainability

Strategic planning is critical in financial sustainability. Public business schools need to strategically include financial risk assessment, resource allocation methods, and long-term sustainability goals in their strategy plan. When institutions plan for financing, it allows the institution to prepare for the inevitable challenges and limitations the institution may face that may threaten its viability long-term. Strategic financial planning prepares the institution for financial trouble down the road, ensuring it is viable in a changing educational context, not just today, but well into the future (Smith, 2009). The changing nature of the marketplace obliges business schools to embrace new learning formats and new financial models. Appropriate and proper financial planning gives the institution the opportunity to be sustainable, viable and active in both the market and business contexts (Conway et al., 1994; Todowede, 2013). The literature indicates that income diversity, cost management, stakeholder engagement, and strategic financial planning are important factors in extending sustainability (Ahmad et al., 2018; Carlo et al., 2019; Todowede, 2013). Accreditation and being attuned to the market also help public business schools manage their financial challenges. Put differently, strategic planning, particularly with project management focused for business schools, helps achieve congruence between long-term and short-term goals (Rudolph & Steffens, 2012). From a business school perspective,

strategic planning is about being forward-looking and making decisions that prepare the institution for the unknown.

## METHODOLOGY

This study took a qualitative approach to gain in-depth insights into the challenges and opportunities related to financial sustainability faced by Malaysian public business schools, rather than just looking at numbers. The research was divided into two main parts: a data collection phase and a conceptual development phase.

### 3.1 Data Collection

The data was collected through semi-structured interviews. This approach allowed for further exploration of what people thought in detail while still making sure that all important topics were covered (Chand, 2025). The interviews included open-ended questions about matters that were important to the research goals and to achieving the research goal of this study in identifying the financial sustainability challenges faced by a public business school in Malaysia. The interviews were conducted either in person or online and lasted about 1 to 2 hours. The interviews took place between August and November 2024. In total, 15 respondents were interviewed, comprising representatives from key stakeholder groups such as top management, academic staff, administrative officers, students, and alumni.

### 3.2 Conceptual Development Phase

To analyse the data, this study used thematic analysis and strategic frameworks—specifically, SMART and SWOT analyses. Thematic analysis helped to observe patterns in the qualitative data to understand the challenges and opportunities of public business schools (Braun & Clarke, 2006). SWOT analysis, which is a strategic planning tool, helped this study to identify internal strengths and weaknesses, as well as external opportunities and threats (Humphrey, 2005). SMART analysis made sure that the funding and cost management strategies developed were Specific, Measurable, Achievable, Relevant, and Time-bound (Doran, 1981). By combining these analyses, the study aimed to acquire a complete picture of the financial sustainability challenges faced by a public business school in Malaysia and to come up with effective strategies to make things better.

## RESULTS AND DISCUSSION

### 4.1 Thematic Analysis

After looking closely at the interview responses, this study found some key themes that kept emerging. These themes can be grouped into three main areas:

#### *Engaging Internal Stakeholders in Financial and Resource Management*

This research really emphasises how important it is to get everyone involved—faculty and staff—in managing finances at universities. While other studies have talked about how important it is to allocate resources well, they often forget that it is crucial to actively involve stakeholders in making financial decisions. This study shows that when you create a collaborative environment where internal stakeholders are included, you get better resource management and accountability. When faculty and staff are part of financial discussions, it makes things more transparent and allows them to use their expertise to identify new funding opportunities beyond just relying on government money.

#### *Leadership in Strategic Funding and Partnerships*

Another significant finding regarded the larger role of leadership in changing the development of strategic funding and partnerships: researchers found that leaders of these institutions were more involved in partnerships for the sake of financial sustainability (Scott & Guan, 2023). Good leadership is critical to recognising and following through with accessing additional funding from sources such as corporate sponsorships, philanthropy, and partnerships with industry. When public business schools

have access to funding through one of these forms of partnerships, they are diversified in where they can receive funding and are less reliant on government funding to help them meet their research goals. If they can develop sustainable funding through donation, endowment, and strategic partnerships, public business schools can develop more long-lasting sources of funding.

#### *Student Engagement and Workforce Development*

This study also provides a better understanding of how students are involved in financial management and resource allocation. While most of the research focuses on student engagement in academics and workforce development, it is unknown how much students are actively participating in cost-saving initiatives and resource management. This study suggests that when you include students in financial decision-making, it improves their educational experience and helps manage operating costs. When students are empowered in resource management, they feel more responsible and come up with innovative ways to be more cost-efficient, which helps address the research objective of managing operating expenses effectively. It is worth noting that institutions are receptive to financial sustainability challenges.

## **4.2 Theoretical Integration**

### *Resource Dependency Theory (RDT) and Alternative Funding Sources*

Our research indicates that public business schools can take advantage of factors such as accreditation and ties to corporate sponsors to gain funding from various sources. The findings align with the argument of resource dependency theory that organisations require external resources and should attempt to limit their dependency on a resource by ways which provide diverse points of access to funding (Pfeffer & Salancik, 1978). Securing accreditation provides international students with the option to study in a Malaysian public business school, creating less dependency on government funding, as the for-profit business schools do not have access to it. Research demonstrates that accreditation and corporate sponsorships really demonstrate evidence of greater diversification of income streams, which supports aspects of RDT. While establishing relationships with other external organisations and bestowing international accreditations, the public business schools are on track to achieve an independence of funding sources.

### *Stakeholder Theory and Alumni Engagement*

The results are significant evidence for stakeholder theory, confirming that it matters to 'engage' stakeholders like alumni to ensure sustainability for the organisation. Engaging alumni in fundraising and sponsorship activities is a very reliable source of funding for public business schools. Research shows that alumni engagement is an important element to achieving financial sustainability. When alumni are engaged in fundraising and sponsorship activities, they improve funding with their specific donations and sponsorships, and they bring a sense of community that expands on this shared goal as they seek other ways to contribute to funding. This partner-based method is aligned with stakeholder theory principles (Freeman, 1984).

### *Strategic Management Theory and Cost Management*

Strategic management theory reveals how public business schools can control their operating expenses. This theory emphasises the necessity of taking advantage of operational potential and allocating available resources to a public business school in a way that aligns with its goals (Hitt, Ireland, & Hoskisson, 2016). Based on the findings, the necessary elements to managing public business school costs and expenses are to use data to inform decisions and have policies to build financial resilience. A public business school that makes decisions about allocating scarce public resources in a data-informed manner can optimise its existing operations, using monetary and non-monetary resources. This process, in turn, leads to the prudent use of financial resources while maintaining programme integrity and developing policies to foster financial resiliency and sustainability.

The nature of public business school programming requires well-considered choices of distribution of its resources based on data while preparing for uncertainty due to future financial disruptions. Therefore, public business schools can take advantage of data analytics to measure student outcomes and to analyse faculty workload, program supply and demand, and the overhead costs associated with running

a program, and they can use resources on smart choices toward the future. For example, the adoption of efficient management systems and the automation of repetitious accreditation-related administrative tasks will decrease the administrative burden and cost. Public business schools can, with success, apply policies related to cost management training to create a culture of budget planning, resource optimisation and forecasting.

### *Institutional Theory and Accreditation Processes*

Institutional theory holds that organisations must adhere to established norms and prescriptions to ensure legitimacy and effectiveness (Meyer & Rowan, 1977). The results indicate that it is feasible for public business schools in Malaysia to better streamline interim processes for accreditation to reduce operational costs for managing processes yet keep accredited. Public organisations can run processes for managing accreditation more efficiently, which will minimise compliance costs as long as the organisations have legitimacy, consistent with the objective of effectively managing operational costs. Organisational capabilities to run accreditation processes efficiently will help minimise compliance costs without jeopardising institutional legitimacy. Efficiency, in this sense, arises from optimising the profitability of the process.

### **4.3 SWOT Analysis**

A SWOT analysis is a strategic scanner for public business schools and a way of gaining insight on the financial health of public business schools. It allows them to see internal strengths and weaknesses and external opportunities and threats to achieve financial viability to advance their missions. Each component of a SWOT can be analysed thoroughly for a comprehensive procurement of viable strategies.

A summary of the four strategies born from a SWOT analysis is illustrated in Table 1 as follows:

**Table 1.** SWOT Analysis on Alternative Funding Sources Strategies

	<b>Strengths</b>	<b>Weaknesses</b>
	1. Diverse Revenue Streams	1. Dependency on Government Funding
	2. Strong Accreditation:	2. Challenges in Fundraising.
	3. Effective Financial Management Practices	3. Limited Awareness and Marketing
	4. Collaborative Partnership	4. Staff Overload
<b>Opportunities</b>	<b>Strengths-Opportunities (SO)</b>	<b>Weaknesses-Opportunities (WO)</b>
1. Global Outreach	1. Leverage Accreditation to Attract International Students (S2,O1)	1. Develop Stronger Marketing Campaigns (W3,O1)
2. Emerging Funding Sources.		2. Explore Alternative Funding Sources (W2,O4)
3. Technological Advancements	2. Enhance Collaborative Programs (S4,O2)	
4. Increased Focus on Philanthropy		
<b>Threats</b>	<b>Strengths-Threats (ST)</b>	<b>Weaknesses-Threats (WT)</b>
1. Market Competition	1. Maintain Financial Prudence Amid Competition (S3,T2)	1. Implement Staff Support Programs (W4,T1)
2. Economic Uncertainty	2. Utilize Existing Relationships for Fundraising (S4,T1)	2. Monitor and Adapt to Policy Changes (W1,T3)
3. Changes in Government Policies		
4. Negative Perceptions of Corporate Partnerships		

- SO strategies: these strategies use strengths to seize opportunities; for example, a public business school with robust accreditation can use that resource to attract foreign students or strengthen its collaborative programmes.
- WO strategies: these strategies take weaknesses and turn them into opportunities; for example, develop stronger marketing efforts or find new forms of funding.
- ST strategies: these strategies leverage strengths to mitigate the impact of threats, for example, prudent spending when there is high competition or using established relationships in a fundraising effort.
- WT strategies: these strategies aim to reduce weaknesses and minimise threats; for example, provide staff support programmes or pay attention to impending policy changes and be responsive.

In summary, a SWOT analysis provides an organised approach to assessing the landscape and developing strategies to utilise the public business school's strengths delivered in combination with addressing their weaknesses in light of adjusting the external environment.

In public business schools, a SWOT analysis serves as a comparable mechanism for identifying a strategy to control operating expenses (Table 2).

**Table 2.** SWOT Analysis on Operating Cost Management Strategies

	<b>Strengths</b>	<b>Weaknesses</b>
	1. Data-Driven Budgeting	1. High Major Expenses
	2. Strong Industry Partnerships	2. Limited Funding Autonomy
	3. Emphasis on Quality	3. Approval Processes
	4. Prudent Financial Management	4. Cultural Resistance
<b>Opportunities</b>	<b>Strengths-Opportunities (SO)</b>	<b>Weaknesses-Opportunities (WO)</b>
1. Cost Reduction Initiatives	1. Leverage Data-Driven Decision-Making (S1,O1)	1. Enhance Funding Autonomy (W2,O1)
2. Online Learning Expansion	2. Expand Online Learning Offerings (S3,O2)	2. Cultural Engagement Initiatives (W4,O3)
3. Student Engagement Programs		
4. Vendor Exhibitions for Revenue Generation		
<b>Threats</b>	<b>Strengths-Threats (ST)</b>	<b>Weaknesses-Threats (WT)</b>
1. Rising Costs	1. Quality Assurance and Accreditation (S3,T1)	1. Develop Contingency Financial Plans (W1,T2)
2. Economic Uncertainty	2. Strengthen Financial Resilience (S4,T2)	2. Regular Expense Monitoring (W2,T1)
3. Competition		
4. Negative Perceptions of Corporate Partnerships		

This method could be used to plan strategies that enhance efficiencies and provide better value for money from resources. While the different strategies can be articulated in the SWOT framework, this study develops a list of how the different strategies could work in this context:

- SO Strategies: Based on the strengths of the business school and seizing opportunities. For example, utilising data analytics to make informed decisions in order to be more efficient or expand online course offerings.
- WO strategies are based on weaknesses that capture opportunities. This strategy involves enhancing the school's control over its funding and fostering greater cultural engagement.
- ST Strategies: draw upon strengths against threats. For example, the school could focus on improving quality assurance and accreditation, or it could work on building financial resilience.
- WT Strategies: draw on weaknesses to avoid threats. For instance, formulating strategies for back-funding or consistently monitoring expenses can be beneficial.

In sum, a SWOT analysis helps identify the best strategies by examining what actions the school excels at, where it is weak, and what external or environmental conditions could support or obstruct meaningful progress. SWOT analysis is a systematic way of considering the factors and strategies that best fit.

#### 4.4 SMART Analysis

The SMART analysis takes the proposed strategies from the SWOT analysis and clarifies them into objectives that are Specific, Measurable, Achievable, Relevant, and Time-bound. This facilitates the creation of implementation-ready plans. Below is a list of initiatives and their associated programs.

Table 3 outlines the measurable impact actions that a public business school could implement to improve its financial sustainability. Each strategy has a unique programme or initiative, but as previously highlighted, some programmes still did not satisfy some of the SMART objectives, for example, measurable and time bound. For example, "Enhance Collaborative Programs" is a relevant initiative, but the programme "Develop exchange programmes" does not state how they will measure if these programmes are successful. Also, "Monitor and Adapt to Policy Changes" is important, but the programme does not have a specific timeframe. To make these strategies better, I recommend defining those missing elements. Financial sustainability is crucial for higher education institutions and can be improved through strategic planning.

**Table 3.** SMART Analysis on Alternative Funding Sources Strategies

INITIATIVES	S	M	A	R	T	PROGRAMS / INITIATIVES
1. Leverage accreditation to attract international students	✓	✓	✓	✓	✓	Enhance global marketing campaign highlighting the accreditation and academic excellent
2. Enhance Collaborative Programs	✓	✓	✓	X	✓	Develop exchange programs with international universities and corporate partners.
3. Maintain Financial Prudence Amid Competition	✓	✓	✓	X	✓	Improve resource allocation efficiency.
4. Utilize Existing Relationships for Fundraising	✓	✓	✓	✓	✓	Create alumni networking events to raise funds and seek sponsorships for research projects.
5. Develop Stronger Marketing Campaigns	✓	X	✓	✓	✓	Initiate a comprehensive digital and social media marketing strategy targeting prospective students.
6. Explore Alternative Funding Sources	✓	✓	✓	✓	✓	Enhance partnerships with corporate sponsors for research grants and student scholarships.
7. Implement Staff Support Programs	✓	✓	✓	X	✓	Launch professional development and wellness programs to enhance faculty and staff satisfaction.
8. Monitor and Adapt to Policy Changes	✓	✓	✓	✓	X	Form a policy review committee to track and adapt to local and international education regulations.

In the other hand, Table 4 outlines concrete steps the public business school can take to manage its operating expenses in an efficient manner. Each initiative is tied to a specific programme designed to achieve a particular outcome. However, just like in Table 3, some programs are missing key SMART elements. For example, "Expand Online Learning Offerings" does not specify how much traditional learning costs should be reduced, and "Cultural Engagement Initiatives" is missing almost all the SMART criteria. In the case of "Strengthen Financial Resilience", the "enhanced training programme for cost management" does not have any of the SMART criteria defined. To make the most out of these strategies, it is important to carefully define the missing elements. Improving resource allocation efficiency can also help.

**Table 4.** SMART Analysis on Operating Cost Management Strategies

INITIATIVES	S	M	A	R	T	PROGRAMS / INITIATIVES
1. Leverage Data-Driven Decision Making	✓	✓	✓	✓	✓	Enhance data analytics tools to track and optimize operational costs by investing in technology.
2. Expand Online Learning Offerings	✓	✓	✓	X	✓	Invest in scalable online platforms with minimal overhead to reduce traditional learning costs.
3. Quality Assurance and Accreditation	✓	✓	✓	✓	✓	Streamline internal processes for maintaining accreditation while minimizing compliance-related costs.
4. Strengthen Financial Resilience	✓	✓	✓	✓	✓	Enhanced cost management training program

*continued*

5. Enhance Funding Autonomy	✓	✓	X	✓	X	Build an endowment to support operational expenses, reducing reliance on tuition fees.
6. Cultural Engagement Initiatives	X	X	X	X	✓	Partner with community organizations to host cultural events with shared costs.
7. Develop Contingency Financial Plans	✓	✓	✓	X	✓	Create detailed contingency plans to manage unexpected financial disruptions, ensuring financial stability.
8. Regular Expense Monitoring	✓	✓	✓	X	✓	Implement real-time expense tracking software to monitor and control department-level spending.

Public business schools are heavily dependent on government funding. As a result, public business schools must seek supplemental or alternative funding to ensure their long-term viability and support the achievement of their academic and research missions. In this context, the findings of this study can be interpreted through the lens of Resource Dependence Theory (RDT), which posits that organisations rely on external resources for survival and must strategically manage their relationships with resource providers to reduce uncertainty and dependency (Nienhüser, 2025). Strategies such as capitalising on accreditation, leveraging existing relationships (particularly with alumni), and forming partnerships with corporate sponsors can help achieve revenue diversification. Public business schools are looking into diverse funding options to obtain a sustainable future. Various creative strategies can facilitate revenue diversification.

First, accreditation is an important strategic tool that makes institutions more legitimate and credible in the global higher education market. Accreditation signals quality and accountability, which are characteristics that are likely to attract international students who pay higher tuition fees than domestic students. Therefore, an accredited programme has the potential to both strengthen an institution's reputation and reduce its reliance on government funding.

Secondly, alumni networks have the potential to be a resource that is both important but underused in terms of providing the school with institutional support. Through enhancing alumni engagement by means of the development of new networking initiatives, mentorship programmes, and institutional outreach, business schools will develop stronger relational ties with their alumni, who could provide the school with additional funding sources (e.g., through donations, sponsorship, or collaborative ventures) as well as enhance the social capital and long-term support base of the institution.

Thirdly, partnerships between institutions of higher education and corporate organisations can further reinforce financial sustainability. Business schools can create partnerships with companies in order to create funding opportunities (through sponsored research projects, executive education programmes, scholarships, and professional training programmes). At the same time, the company benefits by having access to the research capabilities of the university, the pipeline of talent, and opportunities for sharing knowledge (Jameel & Ahmad, 2020). Public business schools also have the dual challenge of meeting their academic responsibilities while maintaining a reasonable expense portfolio. To achieve this horizon, public business schools could employ strategies based on data-driven decision-making, accountable accreditation, and stronger fiscal muscle, such as implementing performance metrics to evaluate program effectiveness and seeking partnerships with industry to enhance funding opportunities.

Therefore, public business schools must find an optimal point of balancing their educational missions with the need to establish efficient organisational structure and operating systems. Utilising data-driven decision-making will help institutions analyse programme performance, student success, and operational expense to allow them to make strategic decisions about how best to utilise available resources. Examples of using data-driven decision-making include redirecting resources from programmes that do not perform well to programmes that have higher demand or are of strategic importance (i.e., programmes that are internationally accredited). The use of data-driven decision-

making will assist institutions in optimising the utilisation of resources while simultaneously enhancing financial performance.

Additionally, institutions can increase efficiency by simplifying processes related to accreditation and administrative obligations. Implementing integrated management systems and utilising automation technology can decrease administrative burden, enhance operational efficiency, and eliminate unnecessary expenses. Developing an awareness of the institution's finances among staff members is important to the long-term fiscal health of the institution. Providing training programmes for staff related to budgeting, cost management, and resource optimisation will encourage employees to implement responsible financial behaviours and provide suggestions for increasing the organisation's operational efficiency.

Although the results of this study provide useful insight into the potential sustainable financial strategies of a public university in Malaysia, it is important to recognise some of its limitations. This study provides a qualitative case study examination of the public university. As such, it can provide an in-depth examination of the institutional practices and the views of stakeholders at that institution. However, the results are unlikely to be generalisable to universities or business schools located in other institutional settings or countries. Public higher education institutions vary greatly from each other with regard to their governing structures, funding mechanisms and strategic priorities and therefore could limit the transferability of the strategies that were found in this study.

## CONCLUSIONS

In conclusion, the study supports the application of Resource Dependency Theory in explaining the financial challenges faced by public business schools. Specifically, the heavy reliance on government funding places institutions at risk of being financially vulnerable, particularly during times of fiscal constraint. As a result, public business schools can decrease their reliance on a single funding source and increase their financial independence by developing alternative revenue streams through accreditation-driven internationalisation, alumni engagement, and corporate partnerships. Also, prudent cost management and data-informed resource allocation are necessary to assure that public business schools are able to operate efficiently. Ultimately, by developing alternative revenue streams and implementing efficient cost management and resource allocation practices, public business schools are able to better manage their external resource dependencies and achieve long-term financial sustainability.

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## CONFLICT OF INTEREST

The authors declare no conflicts of interest.

## AUTHOR CONTRIBUTION

**(Khairunnisak Latiff.):** Writing – review & editing. **(Sudesh Prabhakaran.):** Writing – review & editing. **(Mohd Yazid Mohd Zuliaddin):** Conceptualization. **(Nurul Izza Hazizan.):** Project Administration, Visualization, Writing-Original Draft. **(CHONG SIEW SIEW.):** Investigation, Resources. **(Noreen Kamarudin.):** Methodology, Data Curation, Formal Analysis. **(Zhang Linlin.):** Validation. **(Sridar Ramachandran.):** Supervision.

## AVAILABILITY OF DATA AND MATERIALS

The data used to support the findings of this study are included within the article.

## DECLARATION OF GENERATIVE AI

The authors declare that no generative AI was used in the writing of the manuscript.

## ETHIC STATEMENTS

Not applicable

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