

# The Policy and Budget on Higher Education: A Systematic Literature Review

Stapane Victor, Mohamad Zuber Abd. Majid

Faculty of Education, Universiti Kebangsaan Malaysia, Malaysia

Corresponding Author Email: mzuber@ukm.edu.my

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## Abstract

This research aimed to demonstrate the development of planning of higher education in Malaysia in terms of policy and budget. The education in Malaysia has gone through a drastic revolution since the beginning. Education is one of the most important aspects in a country. Education can change the country to a better level in terms of economic, cultural, political, and social improvement and then change human life from bad to better. Education is also an important foundation for every individual to live their daily lives and be successful in life. The development of policy and budget in education has its own history. In this study, a systematic literature review analysis has been conducted using PRISMA diagram. The data for this qualitative analysis has been extracted from Scopus database, Web of Science database and Google Scholar using five keywords given. The keywords are education, planning, policy, budget, and development. PRISMA diagram has been used to visually describe the reviewer's process for finding published data on the topic and how they decided to include it in the review. In conclusion, we can say that the higher education in Malaysia has gone through a better development or planning in terms of policy and budget. Not denying agreeing that there are many challenges and obstacles in improvising the higher education system in Malaysia as there are many aspects that need to be taken care of but Malaysia is doing a great job in enhancing the quality of education system in Malaysia.

**Keywords:** Education Planning, Policy, Budget, Development of Education, Human Capital, Malaysia.

## Introduction

The education in Malaysia has gone through a drastic revolution since the beginning. There are many changes that have been done to the education sector from the various aspects such as management, facilities, budget, policy, syllabus and many more. All the changes that have been made to the education sector is for the good and to enhance the quality of the education system. Since 1824, the Malaysian education system has experienced several changes. The teaching institutions were first organized during the British colonial era. When Malaysia was still known as Malaya, four educational streams which was English, Malay, Tamil, and Chinese

were developed in accordance with the "Divide and Rule Policy." In addition to dividing the populace into upper and lower classes for the purpose of governing, the British "Divide and Rule Policy" permitted them to divide people based on race, religion, and ethnicity (Sivalingam, 2021).

Islamic schools such as Madrasah and *Sekolah Pondok* are the origins of Malaysian education. This was well before the establishment of the nation's secular educational system. The introduction of the secular education system mostly occurred after the British colonial rule. A sharp increase in the need for teachers coincided with the student population boom. Sultan Idris Training College was founded in order to train Malay teachers to instruct Malaysian pupils, thanks in large part to the efforts of British historian Richard O. Winstedt. The Ministry of Education is in charge of overseeing education in Malaysia. However, state-level oversight is also provided by various state education agencies. It is required to complete primary schooling. In Malaysia, there are various sorts of schools. All Malaysian pupils are entitled to free public education. In addition, there are home-schooling, international universities, private colleges, and private schools.

Education in Malaysia has been completely digitalised and every aspect has gone through a major revolution since the British colonial era. As explained above, there are three stages of education level in Malaysia which is primary, Secondary and Tertiary. Each level of education has its own planning and development process mainly budget and policy. This is because budget and policy are the pillars of education system. If anything goes wrong in the execution of budget and policy in education, it might affect many other aspects that related to education. This paper focuses on tertiary education which is higher education because higher education is considered as one of the important levels of education where the quality human capitals are being produced to the market. A proper planning of policy and budget for the higher education is very important.

Not denying the fact that that the development or planning of policy and budget in higher education has gone through a drastic revolution and the only reason for Malaysian education system getting better. There are still many new policies and implementations in budgets are happening to enhance the quality of higher education in Malaysia. Five keywords from the title has been identified and used to extract articles from the online database. The keywords are education, planning, policy, budget, and development.

Education is one of the most important aspects in a country. Education can change the country to a better level in terms of economic, cultural, political, and social improvement and then change human life from bad to better. Education is also an important foundation for every individual to live their daily lives and be successful in life. The government has planned and implemented various efforts to ensure that every citizen in this country gets appropriate educational opportunities. Education can change the life pattern of a member of a country. Through education it is also possible to form a society that has high morals, broad knowledge, wisdom and can make decisions, and is firm in controlling emotions, which in turn can drive the glory and excellence of a country.

In its most general definition, educational planning is the application of logical, methodical analysis to the process of educational development with the purpose of improving the

effectiveness and efficiency of education in meeting the demands and objectives of society and students. The word policy refers to the behaviour of certain factors or actors in the making of official public policy such as government agencies and legislative bodies. It is also a decision made by certain individuals and groups in a government according to the state of the country to achieve the goal of reducing certain problems and the development of the country. For example, social problems, economic problems, agricultural problems, and others. In fact, the formation of public policy will not only be determined by the government, but the private sector will also influence the formulation of policies.

In Malaysia, education policy has a very important role in determining the direction of the country's education system which is known as the policy 'National Education Policy'. The National Education Policy was first implemented in this country in 1957. In general, there are 3 main objectives contained in this national education policy. First, the purpose of the education policy is to create an education system that can meet the needs of the country and promote cultural, social, economic, and political development. conduct an efficient and effective teaching and learning process with the need to avoid unorganized public spending. The third is to ensure that this policy can be implemented effectively, especially in determining the development of a progressive education system and that the national language is used as the main language of instruction.

The meaning of budget or estimate is a systematically organized plan, which covers all company activities, expressed in monetary units (units) and valid for a certain period of time (period) to come. There are various definitions and explanations that can explain the meaning of budget. According to the National Treasury, the budget is defined as a statement of revenue and expenditure for the future that is used as a tool for planning and managing the country's economic resources to meet the needs of the people. The budget is not only a plan for government administration but also plays an important role in ensuring the economic position of a government in addition to affecting all government sector activities, according to (Chek and Samat 2006). Development means the process of improving by growing, extending, or improving is called development. The creation of a new curriculum could result from the combination of two university departments. This means that educational development is where the aspects of educational is growing or improving for the best.

### **Methodology**

In this study, a systematic literature review analysis has been conducted using PRISMA diagram for the topic research of the development or planning of education in Malaysia in terms of policy and budget in the aspects of higher education. The data for this qualitative analysis has been extracted from Scopus database and Web of Science database using three keywords given. The keywords are education, planning, policy, budget, and development. Articles from Google Scholar were also extracted using the title of the research topic. For this systematic literature review analysis PRISMA diagram has been used to visually describe the reviewer's process for finding published data on the topic and how they decided to include it in the review. From the PRISMA diagram, the reader can quickly and easily see how many studies the review looked at, how much was included and what exclusion criteria were used. The PRISMA flowchart is a tool that can be used to document the different stages of the literature search - across multiple sources - and clearly shows how a researcher goes from

"These are the database we searched by my terms" to "These are the articles we going to talk about". The steps on how the PRISMA diagram has been created are explained clearly below.

### **Filling in the Prisma Flowchart**

#### ***Step 1: Preparation***

We discussed with expert before starting this research analysis about the PRISMA. After getting approvals and advice we explored about PRISMA diagram and the research that used PRISMA, so that it would be easy to come up with a systematic literature review article using a PRISMA diagram. We printed a copy of the diagram and started to study more on the diagram.

#### ***Step 2: Doing the Database Search***

This article used Scopus and Web of Science database to search for the data for this assignment as it is user friendly. The keywords from the title such as "education", "planning", "policy", "budget" and "development" to search the data that required for this assignment. The keywords that entered in the search bar is (("education" AND "planning" AND "policy" AND "budget" AND "development")). The keyword obtained a number of articles that were stated at the records identified. For the google scholar, we typed back the title of the research in the search bar and selected the relevant articles for this research.

#### ***Step 3: Remove all Duplicates***

By looking through all the records or articles located in the database, any articles that appear more than once were manually eliminated to avoid examining duplicate articles. The second box down from the top was filled with the number of records that remained after the duplicate records were removed.

#### ***Step 4: Screening - Excluded Records***

In this step, screened procedure of all the articles at database search using the filter options provided. Next, screened using a few options such as years, articles only, languages and many more. We obtained several articles at the end of the search after filtering. Overview all of through the article titles and abstracts for any that related to our study issue. This included any publications that seemed to be able to help us answer our study query. The number of articles that were omitted as a result of this screening process was noted in the appropriate box (next to the total number of records that were screened), along with a brief explanation of why these articles were excluded.

#### ***Step 5: Eligibility***

A number was entered in the box labeled "Full-text articles assessed for eligibility" by deducting the quantity of articles that were excluded after the screening phase from the overall number of records that were screened. The suitability of the complete texts of these items was examined.

#### ***Step 6: Eligibility – reports excluded***

The reviewed all full-text articles for eligibility to be included in the final review. At this stage, we read each article's abstract and removed the articles that are not related to the topic of the research.

#### ***Step 7: Included***

The final step was to subtract the number of excluded reports during the eligibility review of full-texts from the total number of articles reviewed for eligibility. This stages, two articles were removed, because the full article could not be accessed. So the final article validated only 10 articles. Thus, all the process is present in Figure 1.

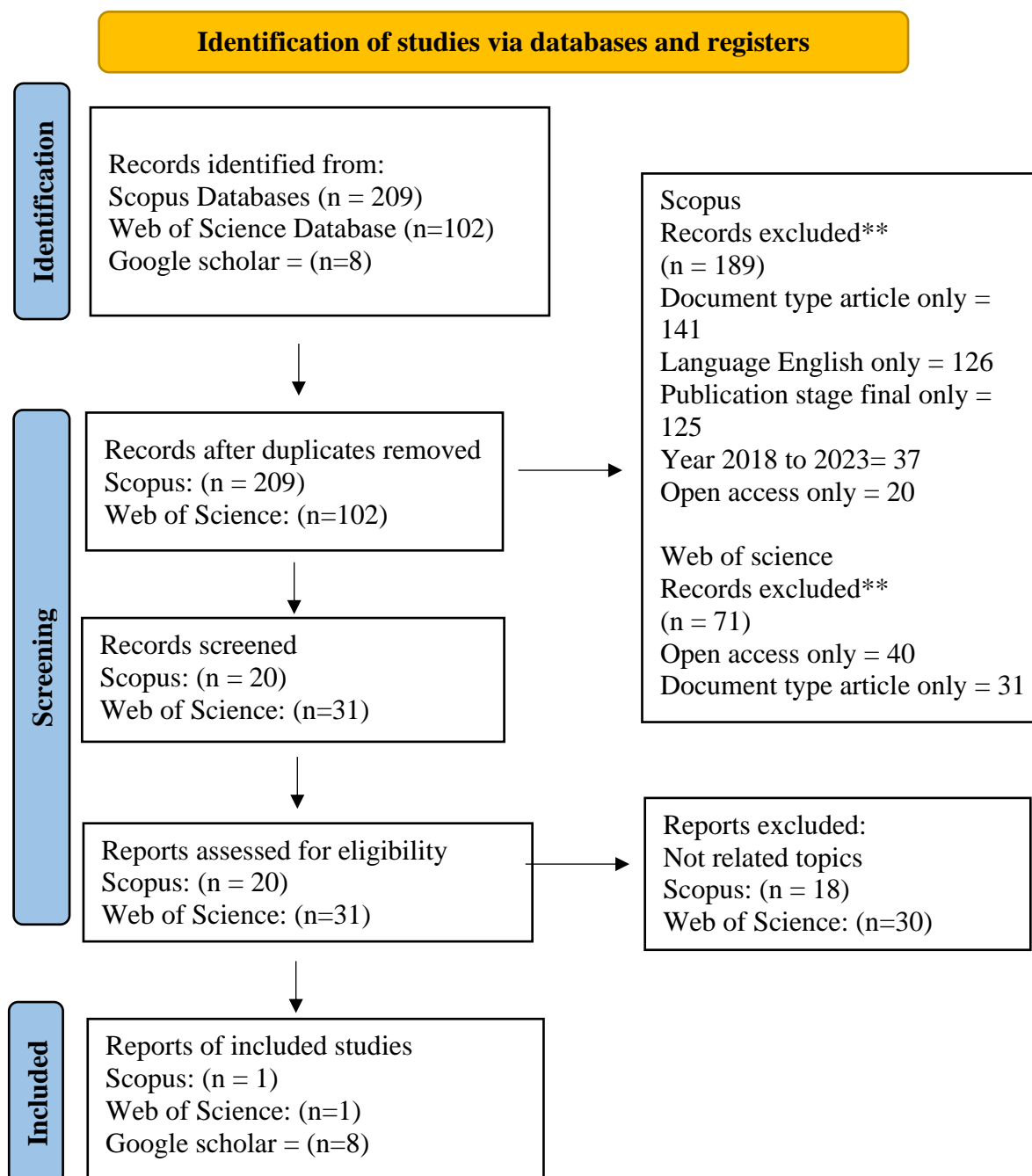


Figure 1: PRISMA procedure

The PRISMA diagram helped to identify the articles that are related to the topic of research. From the database used to search the keywords for this research, the amount of database extracted was 209 documents from Scopus database and 102 documents from Web of Science database. The number articles extracted from the Google Scholar is 8 articles which were related to the research topic. This number of documents was used for screening the articles. To get the final number of articles that are closely related to the topic research, few limitations were made to exclude the records. To identify the final number of articles, we only choose article only as the document type, English language articles only and from the year 2018 to 2023.

This was to get the latest articles that were published during the last six years. Lastly, we choose the final stage of publication only so that can extract the information in the articles, and it can be used to examine the objective of this study. After the eligibility assessment we are left with 20 articles from Scopus database and 31 articles from Web of Science database, of which 1 article from the Scopus and Web of Science were related to the topic of research. The rest were excluded because the topics were not related to the topic of research. The 8 articles that were chosen from the Google Scholar remained the same and were included in this research.

This figure concludes that there are variety of articles published around the world that has the keywords of education, planning, policy, budget, and development but the articles that examines the topic of this research are few when we compare it to the total number of articles at the starting. Moreover, the articles are focused on the development and planning of education in Malaysia. There were many articles published on various databases such as Research Gate, Science Direct, Academia and many more. These articles were extracted from Google Scholar as stated above. This shows that even though the numbers are less the researchers tend to explore the topic research deeply and tend to produce quality articles. Based on the articles that were extracted from the keywords we can see that the authors have explained in detail about the revolution that happened in the budget and policy in the education system in Malaysia. There are many challenges that have been faced in the process as explained above. Higher education in Malaysia is one of systematic educational level and it has many interesting insights that the researcher has been covered in the previous study. As stated in the articles above, higher education can improvise the economic growth of a country and it is important to develop the higher education of a country from time to time.

## **Results and Discussions**

### ***Does the Malaysia Education Developed in the Planning and Management?***

In the article 'Education Policy: A Case Study of Digitizing Education in Malaysia', the author discovered that Malaysia is undergoing a number of changes and is using development planning and change management as tools to realize its objectives in order to become a developed country with a high standard of living. In the pursuit of modernization and growth in the information era, the government works to establish a strong base from which it may operate as an ICT provider and developer. But the government also wants to guarantee equitable growth and balanced development, with participation in the knowledge-based economy reflecting the population's overall demographics and ethnic makeup.

The article explains that by 2020, Malaysia wants to have reached developed nation status. Moving forward with equitable growth has been the government's strategy for bringing about change and progress. One of the strategies it will use to close the gaps and spur development is the digitization of education. More people will support digital media use in the classroom and lifetime learning in the upcoming years. We might imagine societal shifts in attitudes toward acquiring information. This vision will gradually come to pass, but first there will be a closer examination of how to create curriculum, introduce cutting-edge technology into the classroom, and ultimately achieve balance.

Next article titled 'Funding Reforms in Malaysian Public Universities from the Perspective of Strategic Planning, the author examined the difficulty public universities in Malaysia confront in achieving the goals set forth in the Federal Government's blueprints. The National Higher Education Strategic Plan will be implemented beyond 2020, according to a recent initiative released by the Malaysian Federal Government's Ministry of Higher Education. The

sustainability of Malaysia's higher education system is the main goal of this strategic plan. Enhancing teaching and learning, research and development, involvement, and internationalization of Malaysian higher education were all part of the overall planning. In addition to implementing strategic planning, the government has implemented funding changes.

Another article titled 'Global Trends, National Policies and Institutional Responses: Restructuring Higher Education in Malaysia', focuses on the globalization-era environment of higher education changes, significant trends in these reforms, and Malaysia's responses to these developments. This article investigates the growth and diversity of private higher education, as well as the modifications to public university governance and culture brought about by privatization and corporatization, by concentrating on the institutional level. The neo-liberal economic philosophy, which advocates for the privatization of public sector organizations to promote economic efficiency and reduce the welfare state, has a significant influence on the reorganization of higher education.

National policy changes and institutional development in have resulted from this worldwide trend. The Malaysian higher education system. Public universities have been corporatized and higher education has been privatized under the new policy framework. This analysis of the Malaysian case reveals a sharp increase in the number of postsecondary students, particularly in the private sector; it also reveals the rising popularity of fields such as commerce, management, and information technology; and in corporatized public universities, a growing focus on cost-effectiveness and income-generation strategies.

The structural alterations in the corporatized colleges demonstrate the institutionalization of corporate managerial techniques, the marginalization of collegial forms of governance, and an increase in entrepreneurial activity. The author explains that the situation in Malaysia, differs significantly from that of the bulk of OECD nations, where the welfare state is gradually disintegrating. Malaysian higher education is being restructured under the framework of a powerful state that intervenes. In contrast to the worldwide trend, the Malaysian government is taking a more active role in higher education, serving as its defender, provider, and regulator.

Rather of reducing its funding for higher education, it keeps allocating resources of various kinds to support the nation's higher education system's growth. Through the implementation of numerous national policies, like as accreditation and affirmative action, it assumes a highly interfering role of shows. The Malaysian government makes significant investments in postsecondary education to promote social equity, economic development, and national cohesion.

Not forgetting to mention that since the 1960s, Malaysia's development planning process and institutions have changed. State bureaucracy like the EPU was crucial to the implementation of the New Economic Policy in the 1970s. With the introduction of the privatization process during the Mahathir government, the planning bureaucracy's independence most certainly decreased. The reorganization of corporations after the Asian Financial Crisis increased the participation of corporate technocrats in the planning process. Another significant trend involving more private sector involvement in the development planning process is the creation of PEMANDU and the increased employment of private consultants under the Najib administration.

This has changed and had an impact on the EPU's conventional role. Malaysia's development planning process has seen a marked transition, propelled by both internal and external causes. On the inside, the state It's likely that bureaucracy has decreased. Given that the

Malaysian economy is still growing more slowly than in the past, it is unclear if the current trajectory. The wisest course of action is to plan. While the planning process can be revitalized by private sector skills, a drawback could be worse governance (Cassey Lee & Lee Chew-Ging, 2017).

***Does the Malaysian Education Developed in Education Budgeting System?***

Research has been conducted on the title 'The Reforms of Budgeting System in Malaysia'. The aim of this research is to examine the improvements made to the Malaysian budgeting system, with a particular focus on the federal agencies inside Malaysia. The Malaysian economy's budget imbalance has long been criticized for a variety of reasons, including ineffectiveness, accountability, and subpar performance. These problems have opened the door for reorganizations and budget changes aimed at addressing the shortcomings and improving the effectiveness and performance of budgeting.

This research might be considered the initial effort to investigate the reformation of the Malaysian government's budgeting structure. To give the national agenda of socioeconomic development, dynamic socioeconomic environment, nation-building, globalization, competitiveness, and enabling mechanisms more impetus, budgetary performance improvement is crucial.

***What is the Contribution of Ministry of Higher Education in Enhancing the Planning and Development Process?***

The article of 'Contribution of Facilities Management Processes in Supporting Malaysia National Higher Education Strategic Plan' explains that to fulfil the National Higher Education Action Plan by the Ministry of Higher Education Malaysia (MOHE), this article aims to understand and identify the contribution of Facilities Management Processes in supporting the Malaysia National Higher Education Strategic Plan (MNHESP). The goal of this article is to demonstrate how FM Processes relate to Malaysian higher education institutions and their role in the country's national higher education strategy plan.

Additionally, preliminary research on how to boost higher education management in terms of Malaysia's strategic plan through the adoption of FM procedures in higher education institutions is presented in this paper. Higher education will benefit from the implementation of FM, which will be made possible by strengthening and streamlining the FM process as outlined in the National Higher Education Strategic Plan. The National Higher Education Strategic Plan has seven (7) outlines, as determined by the Ministry of Higher Education (MOHE) lately.

The study uses thorough studies of the literature from a wide range of published sources, including government reports, an unpublished thesis, and a webpage from the Malaysian Ministry of Higher Education that focuses on higher education in Malaysia. An extensive examination of the literature with an emphasis on the Malaysia National Higher Education Strategic Plan, the understanding and development of Facilities Management Processes (FMP), and the role that Facilities Management Processes play in supporting the plan. The report anticipates that using FM procedures in the higher education system would result in significant improvements, and that this will also lead to significant changes and advancements in the education systems of Malaysia. The concepts to be put into practice at all levels and possibly to fulfill the MOHE-outlined strategic plan.



**Conclusion**

In conclusion, we can say that the higher education in Malaysia has gone through a better development or planning in terms of policy and budget. The articles have explained about the planning evolution of higher education in Malaysia and the budget development in Malaysia. Not denying agreeing that there are many challenges and obstacles in improvising the higher education system in Malaysia as there are many aspects that need to be taken care of, but Malaysia is doing a great job in enhancing the quality of education system in Malaysia. The previous research stated that Malaysia is in the current process of digitalising the education and focusing in empowering the human capital to achieve a better economic growth. Digitalising the education system will help students to achieve more as they can learn better and faster but at the same time government should focus more on students' safety as technology has its own pro and cons. This will literally help all the nations to experience a better higher education in Malaysia.

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