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INTERNATIONAL ISLAMIC UNIVERSITY MALAYSIA
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**ORGANIZATIONAL PERFORMANCE
TOWARDS COMPETITIVE EXCELLENCE
IN SECONDARY SCHOOLS**

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**A PROJECT PAPER SUBMITTED IN PARTIAL
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ABSTRACT

Organizational performance is one of the main concerns in effective school management. Appropriately, current efforts are being made by the Education Ministry to iron out the shortcomings of schools with efforts to address the new and innovative approaches to the challenges that schools face. The main concern of this project is with effective school management that requires multidisciplinary concepts and theories as schools head for efficiency. This study attempts to examine some of the variables - organizational diagnosis, managing school and organizational climate that influence and determine the overall organizational performance. The study focused on the relationship between these factors and the demographic variables of the respondents such as age, gender, ethnicity, qualifications, and job experience. It also correlates the major factors to analyze its inter-relatedness. A sample of 70 senior school management team (SMT) from secondary schools responded to the survey. The data collected were analyzed using SPSS. Eleven hypotheses were developed based on the relationship of the three main factors and the demographic variables. Pearson's correlation, t-test and one-way analysis of variance were used to test the hypotheses. The study discovered that there is a significant difference in school management among the gender and the age but there is no significant difference between school management and ethnicity. Years of service and previous job positions were found to have no significant relationship with school management. This implies that seniority does not affect ability and capabilities to manage the school. From the study, it is found that school climate is significantly and positively correlated to school management and organizational diagnosis. This implies that the three dimensions are inter-related. Academic qualification was significantly related to the school management. It is also found that there is significantly and moderately strong positive correlation between rural and urban school categories with the years in current job positions.

APPROVAL PAGE

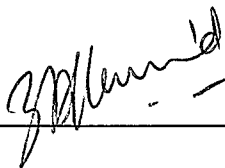
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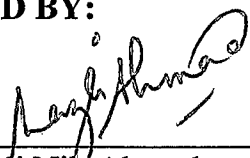
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DECLARATION

I hereby declare that this project paper is the result of my own investigations, except where otherwise stated. Reference notes acknowledge other sources and a bibliography is appended.

Date: 30th November, 1998

Signature..........

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DEDICATION

To my beloved wife, Doreen Lim Suan Hua,
who have cherished my life,
in great appreciation of your unfailing love, support and care.

our daughter Jennifer Chew Yan Ning,

our sons Nicholas Chew Hong Guan,

Charleson Chew Hong Chuang,

Gerald Chew Hong Shen.

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ABBREVIATIONS

ANOVA	ANALYSIS OF VARIANCE
CSF	CRITICAL SUCCESS FACTOR
HO	NULL HYPOTHESIS
ISO	INTERNATIONAL STANDARD ORGANIZATION
KP	KEMENTERIAN PENDIDIKAN (EDUCATION MINISTRY)
MBO	MANAGEMENT BY OBJECTIVE
QCC	QUALITY CONTROL CIRCLE
(r)	PEARSON'S CORRELATION
SMT	SENIOR MANAGEMENT TEAM
SPSS :	STATISTICAL PACKAGE FOR THE SOCIAL SCIENCES
SWOT :	STRENGTH, WEAKNESS, OPPORTUNITIES, THREATS

CHAPTER ONE

INTRODUCTION

Our nation has been aware and sensitive to the dynamics of change taking place in the next millennium. The National Development Policy and Vision 2020 in general and the Education Vision (*Wawasan Pendidikan*) in particular have created endless ideas, innovations and challenges to the country. The Ministry of Education is constantly and proactively seeking ways to improve the educational quality.

The efficiency enhancement program certainly is of great importance based on the public expenditure allocated and the strive towards 'world class' education. Thus, organizational improvement may create a quantum leap that can provide us with the abilities to face the challenges and threat of the global megatrends and future uncertainties.

Peters and Waterman (1982) in their book, *In Search of Excellence* note that effective organization is those concentrating on 'core business'. Companies that had maintained a reputation for excellence are reported. For schools, pedagogy and academic matters are of importance but this may not be achieved due to many factors and constraints including the neglect of management effectiveness and organizational performance.

Thus, it is necessary for school principal to have a balanced focus on internal and external process in the education setting. It is the leadership and management that are affecting the overall organizational performance that determined the success and quality of an effective school.

This topic of organizational performance has long been debated and currently much discussed. This is in relation to the Total Quality Management adopted by the Ministry of Education; benchmarking; 'best practices' and excellence or effective school in Malaysia.

Performance can be viewed as an ongoing process and also as the result at the final output. Effectiveness can be seen as the final outcome at the point when evaluation and benchmarking are done, but it may not necessarily be so after that due to the ever-changing elements. Thus, it is rather more appropriate to base performance in term of continuous improvement (*kaizen*) with the effort of everyone and the situation confronting it.

The Ministry in particular has created endless ideas, innovations and challenges to the country. The Ministry program certainly is of great importance in its strive towards "world class" education. Thus, organizational improvement is a quantum leap that can provide us with the tools to face future uncertainties. Therefore, effective organization is of importance but this may not be achieved without leadership and management that are affecting us.

1.1 Research Problems

From the vast and depth of research conducted on management and organizational theories, we may infer and analyze its implications, so as to implement some relevant findings into the local context. The researcher hopes that these studies can benefit the principal on managerial effectiveness and organizational performance. After analyzing the problems, the critical success factor (CSF); the strength, the

weakness, the opportunities and the threats (SWOT) of an organization, we can measure the standard based on benchmarking. This can lead to necessary changes to enhance greater performance with more objective measures, thus transfer the necessary findings into the local school context.

Besides this, the researcher hopes that this project could contribute some insight and knowledge on organization diagnosis, quality management, organizational climate, effective school, benchmarking, leadership and related issues. The number of measures to evaluate performance is inconveniently large. In the school context, there are multiple goals and objectives that are not directly measurable as each goal is of different priority. Moreover, each school is different, just as each child is different. In the human service organization called a school, one of these desired ends is helping people to learn.

It is difficult to benchmark too many processes but rather to identify some critical factors such as organizational diagnosis, culture, ethos and values, management and leadership skills, teamwork, expectations from society and related similar variables. The measures for an overall evaluation of performance need to be combined and analyzed. With a good benchmark, the successes and the failures of an organization are there for all to see.

1.2 Significance of Study

The low degree of organizational effectiveness in public organization in particular and the limited number of schools of excellence in the country, necessitates

that organizational development program should be enhanced. This creates the need for research in organizational performance in the school.

The management dimensions of most schools are not performing at an optimum level due to the practice of appointing principal based on seniority in service. Many such officers are ill prepared and are not willing to take on new responsibilities, challenges and dynamism as they are approaching their retirement.

Research measurements can provide our organization with a quantitative analysis where we have been (what has gone wrong), where we are now and where we are heading. This will guide us to a final outcome at the point of time. It is also very difficult to compare the ever-changing policies, guidelines, syllabus and curriculum, as well as examination policies in school that solely emphasize on pupils' academic performance. Overemphasis on examination outcomes has failed the ultimate ends of education as the National Educational Philosophy has clearly stated its integrated goals. Examination excellence is not the only indicator, where other factors like staff morale, employee satisfaction, commitment and accountability, competence, leadership, teams development, empowerment, cultural values and ethical component need to be considered.

1.3 Research Objectives

In an effort to study the relationship of organizational performance influencing and affecting the cutting edge towards school excellence, the researcher constructed the following objectives:

- 1) To analyze what are the main factors that control, determine and influence 'excellence' and 'effective' school.
- 2) To evaluate how the knowledge, skills and attitude of senior management teams, can affect the overall organizational effectiveness.
- 3) To focus and identify management skills as one factor in the level of organizational performance.
- 4) To compare why different management team members at school affected and resulted in the attainment of certain performance outcome.
- 5) To suggest practical and theoretical basis of findings for school senior management teams to adapt and adopt managerial skills in their organization.

1.4 Hypothesis

Based on the research problems and objectives, management and organization behavior theories and principles, the following research hypotheses were constructed. Various appropriate tests were used later to test the hypotheses.

Hypothesis 1: There is no significant relationship between the age of respondent with management skills.

Hypothesis 2: There is no significant relationship between school climate and quality management.

Hypothesis 3: There is no significant difference between gender and management skills.

Hypothesis 4: There is no significant relationship between the organizational diagnosis and school climate.

Hypothesis 5: There is no significant relationship between school management and organizational diagnosis.

Hypothesis 6: There is no significant difference between gender and organizational diagnosis.

Hypothesis 7: There is no significant relationship between years of service with management skills.

Hypothesis 8: There is no significant relationship in management with differing academic qualification of the respondents.

Hypothesis 9: There is no significant relationship in management with the previous positions of the respondents.

Hypothesis 10: There is no significant relationship between school category with the years of experience in the current position.

Hypothesis 11: There is no significance difference between race and school management.

1.5 Limitations

The emphasis towards school performance varies. It depends on the customers, the parent, the local community, the stakeholders, the school, the Education Department and its Ministry, the institutions of higher learning and so forth.

If one were to focus on a few schools to analyze its performance, it may not paint the valid and reliable picture. To benchmark that particular school as excellent at a point in time may also be inaccurate as the dynamics of most organizations are continuous, ever changing and competing. We can't have a laboratory research setting because the organization is our laboratories.

The process of choosing which criterion measures that are useful for generating what comprise as organization performance is too wide and subjective with different emphasis by different approach. Criterion measures that are currently adopted by the Ministry of Education to assess the 'best' school; the Master Teacher, Super-principal and the Performance Appraisal in the New Remuneration Scheme are considered not a 'zero-defect' system.

If the Total Quality Control and Management system are considered, the evaluation of the level of performance measurements in the benchmarking also have its limitations. Despite all this, criterion measures are necessary to ask questions and may provide solutions to study and do empirical research.

1.6 Assumptions and Rationale

The organizational performance and excellence of school are determined and manipulated by multifaceted variables. This includes internal and external factors and its determinants. The internal factors can be interpreting the organization diagnosis, management and school climate whereas the external influences are beyond organizational control. The challenges and threats, the risks and uncertainties of the global marketplace, competition, changes and advancement, fluctuating social, cultural, economic, technological and political scenarios do certainly determine organizational performance. Success in an organization's critical success factors should ensure the attainment of its organizational goals.

All these ideas and trends include the National Education Philosophy, the mission and visions, goals and objectives of the Malaysian Education Ministry with all-national development policies and aspirations. They are by itself determinants and challenges towards a winning edge in making our nation at 'world class' education a reality *vis-à-vis* organizational performance and center of excellence.

The problems inherent in 'sluggish school organization' can be identified and be remedied in an effort to achieve constructive organizational goals. The studies also rely on the corporate business sector success in their organizational excellence. Best practices in world class organization are analyzed in an effort to look into the possibility of implementing it in school level.

1.7 Definitions

1.7.1 Efficiency

Drucker (1974) defined efficiency as concerned with 'doing things right'. To some, efficiency means optimizing the yield from available resources. For Becker and Neuhauser (1975), efficiency is the more inclusive concept compared with effectiveness. Efficiency relates not to the quality of goals, but to the way in which goals are pursued, i.e. 'doing things right'.

1.7.2. Effectiveness

Effectiveness is difficult to define and highly philosophical. Most managerial gets job done with effective actions. Drucker (1967) noted, effectiveness can be learned; managing time, establishing priorities, building on strengths and making good decisions are the essentials. The human resources of the enterprise normally see that employee's work effectively to achieve the goals. J. van Dijck (1990) noted that, "qualities important for success as manager's interpersonal skills and conceptual effectiveness came to top of the list attributes and were appreciated more than achievement and operational effectiveness".

Effectiveness has to do with allocating one's resources and efforts to the best ends. Drucker phrase it, 'effectiveness is doing the right things'. Effectiveness includes efficiency. Wolf (1974) judged the activities that take place in organizations by two distinct criteria; effectiveness is the degree to which organizational goals are attained at least cost whereas efficiency is the individual's personal satisfaction

derived from the activity.

1.7.3. Excellence

Expectations of excellence encourage excellence. Excellence creates pride and confidence, which encourages further, striving for excellence (Sibson, 1976). Since excellence in thinking and actions can lead to higher productivity, and that has revolutionized the management and quality movement.

1.7.4. Performance

Performance is usually related to motivation, satisfaction and it is viewed together with effort and outcomes. Performance is the sense of accomplishment and feedback in doing a task. Performance results in productivity for the organization and personal rewards in the form of pay, benefits, job security, recognition and promotional opportunities. It is a function of effort and competence according to Walker (1980).

In Drucker (1954), he emphasized the fact that management is performance. In his other book, *Management: Tasks, Responsibilities and Practices* (1973) he succinctly note that 'the ultimate task of management is responsible performance'. Parkinson, Rustomji & Sapre (1987) viewed performance not to mean 'success every time' but rather a 'battling average'. They further noted that, "to be a manager means sharing in the responsibility for the performance of the enterprise."