

# The crucial pillars of development business essay

[Business](#)



**ASSIGN  
BUSTER**

## 1. 0 Introduction

Higher education is one of the crucial pillars of development in the United Arab Emirates (UAE). As a matter of fact, it is this desire to meet the challenges of rapid economic growth by ensuring sustainable supply of skilled human capital that led the Government of Dubai to establish the Knowledge and Human Development Authority. Institutions of higher learning in the region, such as the University of Sharjah now have to step up and play their role in national development by becoming reputable hubs of education, research and human resource development. These are no doubt important objectives behind the setting up of the University of Sharjah. The university prides itself as an all-rounded centre of higher learning with a unique approach to education and academia. The University of Sharjah seeks to set the pace in the Arab world, particularly in the Gulf Cooperation Council (GCC) region and develop an international reputation of academic and scholarly excellence, with the specific objective of preparing learners to be leaders in their respective fields. This purpose constitutes the fundamental basis upon which the institution's vision is rooted. It also provides a spring board for the university's mission and commitment to endow its students with a distinctive, state-of-the-art and first-rate learning and education experience. The object of this mission is to mould skilled and knowledgeable individuals who can add value to the country' socio-economic development against the backdrop of Arab and Islamic culture, and promote the personal and career growth of its alumni. Presently, the university has 14 colleges, namely: Arts Humanities and Social Sciences Business

Administration Communication Community College Dentistry Engineering Fine

Arts and Design Health Sciences Law Medicine Pharmacy Sciences Sharia and Islamic Studies Graduate Studies and Research

## **1. 1 College of Business Administration**

This paper is particularly focused on the College of Business Administration of the University of Sharjah. This college is amongst the largest and pioneering colleges of the university, going back to the time the university was established in 1997. At the time of its founding, the college had a student population of just 160, a figure that has since risen to almost 900, out of which about 60 percent are in the Women's College (University of Sharjah, par. 1). The University of Sharjah (par. 2) identifies the aim of the College of Business Administration as being " to prepare the managers of tomorrow to lead the development of the region and also to be effective leaders of local, regional and global organisations," and " to contribute to the local economic development by providing research and developing effective links with local and regional communities and organisations." Courses offered by the college include Bsc in Accounting, Bsc in Finance, Bsc in Business Administration, Bsc in Public Administration, Bsc in Management Information Systems and the Executive Master in Business Administration. In future the college plans to introduce new courses in human resources at the undergraduate level and relevant postgraduate courses that will benefit socio-economic development of the region (University of Sharjah, par. 3). The vision of the college is " to be the college of choice in the region for aspirant students, professionals, and scholars for its commitment to learning and scholarship," while its mission is " to create and sustain an environment where responsive business scholars educate responsible learners to advance

their aspirations in service of their society." These laid the foundation for the college's goals as spelt out by the University of Sharjah (paras. 6-9), and which are listed as: Designing academic programmes as platforms Attracting, developing and retaining responsive scholars/educators Attracting aspirant students Providing supportive intellectual, professional and learning environment Engaging and learning experiences Developing college-society initiatives by working closely with key stakeholders Crafting a distinctive college identity

## **2.0 Strategic Management**

There is now a need for a strategic approach to evaluate the vision, mission and objectives of the college by critically looking at the teaching, learning, processes, systems, and available in view of prevailing circumstances in the higher education sector in the UAE. In short, the college needs to be strategically managed to remain relevant by responding to emerging needs and challenges. Since the University of Sharjah is a private, not-for-profit national university (Wikipedia, par. 1), it cannot avoid the path taken by similar institutions, which has seen faculties being compelled to become more responsive to markets (Eastman 11) in order to be self-sufficient. Such responses have included the decentralisation of budgetary systems to enhance efficiency and accountability. In developing a strategy for Sharjah University's College of Business Administration, the objective will be to enable the institution to attain and uphold greater performance by prevailing over challenges, understanding trends within the higher education sector (particularly schools of business) and connecting real actions with a vision of the organisation that is unambiguous (Deloitte 1). It is this strategy that will

define the college's path towards a pursuit for growth, embracing innovation, enhancing efficiencies and improving performance. Realising this calls for an environmental scan of both internal and external factors, a re-evaluation of the college's present vision and mission, analysing the college against theoretical frameworks like Porter's five forces and finally developing a new mission for the college.

## **2. 1 External factors**

The University of Sharjah is operating in a very competitive environment that not only pits institutions within the emirate against each other, but also between destinations and emirates within the UAE and internationally. For instance, the more famous emirate of Dubai alone has seen a 77 percent growth in the number of higher education institutions offering international programmes since the establishment of Free Zones in 2003 (Knowledge & Human Development Authority 11). This growth is evident in the increased number of student enrolment in institutions of higher learning that currently stands at over 39, 000; and the rise in number of International Branch Universities that now stands at 28 and include such internationally renowned colleges like the London Business School, Michigan State University, Cambridge College, Middlesex University and Manchester Business School. Dubai currently has 53 higher education providers, 33 of which are located in the emirate's purpose-built city zones offering international degrees. This means that the University of Sharjah and all its constituent colleges must operate in an international arena and focus its offerings to a global, rather than domestic audience. As Tavernia (3-4) observed, universities are now being " forced to operate in a globalising market with powerful new

competitors sometimes coming from the most unexpected corners: multinationals turning their internal training centres into 'accredited' corporate universities are good examples of this trend". The same is true for the virtual open universities and the thriving profit-driven educational institutions. The task is even more daunting for the college given the misgivings about the regulatory framework of these international colleges. Writing in *The National* in August 2010, Swan (1), quoted the US academic Jason Lane from the State University of New York who lamented that the: "International branch campuses have a significant presence in Dubai's higher education sector, yet the role of these institutions is not yet fully understood. The rapid expansion of the private higher education system in the UAE has been accompanied by a delay in government regulation. The lack of regulatory clarity creates confusion among students and institutions about local degree recognition. Each free zone has established specific requirements about branch campuses having to provide academic programmes comparable in quality to the main campus. However, the enforcement of these requirements has been unequal and sporadic. Moreover, since each of the four main free zones is administered by different authorities, there has been a lack of coordination in regard to this enforcement and each zone has developed its own regulatory structure." Further, the College of Business Administration has to be alive to the fact that with the explosive growth in knowledge, there is need to focus more on individual learning and move away from knowledge accumulation to acquiring skills in handling information (Tavernia 3). It is increasingly dawning on universities that they do not have capacities to do things on their own and need to be pickier in areas of specialisation or consider mergers

<https://assignbuster.com/the-crucial-pillars-of-development-business-essay/>

and networking as an alternative. In addition, the universities are being forced by the interest in knowledge by the society, government and businesses, individuals and other stakeholders, to be more accountable about the quality of their products, the relevance of their activities to the society, and the use of their resources. This spotlight is exerting pressure for performance, and with the University of Sharjah not making it in the 2012/2013 list of Top 500 World Universities (QS World University Rankings 7-14), let alone a favourable ranking in arts and humanities for its College of Business Administration; new strategic thinking is necessary especially given that competing universities like the American University of Sharjah managed to make the list by showing considerable improvement from the 2011 ranking that placed it in the 601+ bracket, to the latest ranking that has moved it within the 401-450 bracket. In the UAE, Forbes has ranked University of Sharjah at position 17 in its list of Best Private University MBA Courses in the UAE. Given that the estimated cost of completing the MBA programmes at the University of Sharjah stands at an estimated US\$ 21, 229; the College of Business Administration is challenged to post better performance given that more competitively priced institutions like Dubai University of Wollongong (US\$18, 644), Al Ghurair University (US\$19, 596), and Al Ain University of Science and Technology (US\$19, 759); posted better performances by ranking in positions seven, 10 and 15 respectively. However the University of Sharjah is still far more affordable than the second ranked American University of Sharjah whose MBA programme costs a whopping US\$47, 082. Specifically, higher education institutions in Dubai offer over 390 programmes, most of which are concentrated in areas of

business management, IT and marketing (Knowledge and Human Development Authority 14).

## **2. 2 Internal factors**

Internally, the College of Business Administration is faced with several challenges that can impede continuing progress towards the realisation of stated goals and the vision. Competition for resources is one such challenge, given that the college is one among the 14 colleges at the University of Sharjah, all of which need funding, human and capital assets from a single source. In addition, as pointed out by Anandalingam (12), Faculty in business colleges will be attracted and retained only if the colleges can compete with other top schools by offering endowed chairs and research professorships. The issue the University of Sharjah College of Administration should be mulling over is whether the college will become a breeding ground teaching professionals to be harvested by other colleges. Even if the college has a competitive salary profile, there is still need for more resources and endowed positions for it to effectively compete with other business schools, especially the international branch colleges to enable future top level recruiting. To what extent has the college tapped into the potential of its alumni network to propel it beyond competition? The college needs to bring onboard its successful alumni into active partnership with the college. The scope of alumni relations operations can be expanded by improving data integrity, enhancing activities and events for alumni, engaging alumni in current operations of the College of Business Administration such as in student mentoring, speaking engagements and student placement (Anandalingam, 13).



## **2.3 Theoretical frame work – Porter’ Five Forces Analysis**

Porter’s five forces model identifies five features of an industry that would pose a risk to an organisation. In identifying these barriers, Eastman (28-29) cites Barney’s elaboration of the characteristics as: The threat of entry – This is a threat that new organisations will enter a profitable industry and increase competition, thereby reducing profitability. The threat is reduced if there are barriers to entry. Barriers to entry originate in economies of scale, product differentiation, cost advantages such as through proprietary technology, favourable access to resources, locations; government regulation of entry etc. The threat of rivalry – This refers to the level of rivalry or amount of competition in a given industry and the tendency for this to increase when there is a large number of organisations of relatively equal size, slowdown in growth of an industry, products are not differentiated leaving the organisations to compete only on pricing, there is an oversupply due to expansion of production capacity. The threat of substitutes - The threat of substitutes is heightened in an industry with alternative products or services that can meet customers’ needs. The threat of suppliers – Suppliers can become a threat by increasing prices which erodes an organisation’s profitability, or by reducing the quality of their supplies. The threat is dependent on the number of suppliers and availability of alternatives or substitutes for the suppliers’ products. The threat of buyers – Buyers can bring down prices in industry. This possibility is more likely where there are few buyers, undifferentiated products, buyers are not earning significant profits, the product cost accounts for a significant portion of buyers’ costs; or buyers can opt for backward vertical integration (i. e. supplying themselves). As Eastman (29) observes, the greater the number and severity of threats in <https://assignbuster.com/the-crucial-pillars-of-development-business-essay/>

an industry, the more its dynamics approach perfect competition and the less likely it is that firms will earn abnormal profits.

### **2. 3. 1 Threat of entry**

This is a major threat for the College of Business Administration, particularly in light of the proliferation of International Branch Campuses in neighbouring emirates like Dubai. The barrier to entry for these campuses is lowered by slack regulatory frameworks. The College of Business Administration is therefore exposed to stiff local competition by internationally-connected institutions that are flush with cash.

### **2. 3. 2 Threat of rivalry**

The University of Sharjah's College of Business Administration has to compete with local universities and tertiary institutions in the undergraduate education market in Sharjah and the UAE in general, while facing even stiffer competition from institutions outside the country (or international universities with local franchises) in the graduate and continuing education markets. Given the increase in number of students seeking admission into universities, with most of the admissions being in business administration and marketing, the extent of domestic rivalry between the College of Business Administration and other institutions may not be as obvious now. But this is bound to change in the very near future as the increased number of universities leads to a scarcity of students. This rivalry however is bound to be moderated by institutional loyalties and reputation (Eastman 32), thus putting even greater pressure on the University of Sharjah to build a strong brand and take advantage of its alumni network to effectively compete.

### **2. 3. 3 Threat of substitutes**

Virtual open universities using the distance education model has emerged as the major substitute to attending university and millions of dollars are being invested by institutions to take advantage of this opportunity, an undertaking that College of Business Administration at the University of Sharjah must seriously consider to remain competitive in a global arena and respond to this demand by tech-savvy customers.

### **2. 3. 4 Threat of suppliers**

For the College of Business Administration, the threat of suppliers can come from quarters such as publishers of scholarly journals. But such suppliers may just be an inconvenience rather than a real challenge and their actions may not have an impact on performance. A more worrying threat for the college should be the human capital in the form of lecturers and other faculty members. This should be of particular concern when the increasing number of local and international universities in the UAE is taken into consideration as it will undoubtedly lead to competition for skilled labour, which in turn will raise costs in terms of salaries.

### **2. 3. 5 Threat of buyers**

Threat of buyers from the college can come from students who may resist tuition fee increases or shun universities seen to lack credibility. It is for this reason that the College of Business Administration need to improve its performance and ranking, both internationally and within the UAE region to be able to authoritatively justify the cost of its programmes. The government, according to Eastman (35) can also pose a threat as a buyer since it can determine funding levels, control tuition fees, decide on taxation, <https://assignbuster.com/the-crucial-pillars-of-development-business-essay/>

negotiate international trade agreements etc. It is the government that also controls accreditation and regulation of institutions of higher learning; hence it constitutes an important stakeholder that needs to be convinced of the credibility of an institution through its performance.

### **3. 0 New Strategic Direction**

Having considered the foregoing College of Business Administration at the University of Sharjah now needs a new strategic plan which is detailed below here. This plan will involve the formulation of a mission statement, operating principles, vision, strategic priorities and an action plan.

#### **3. 1 Mission statement**

The current mission of the college is ambiguous and does not fully capture the mandate of the college, its relationship with all stakeholders and the overall plan of the University of Sharjah. In crafting this mission, the focus has been placed on five key questions identified by Paris (3). These questions are: Why does the college exist? Who is affected by the college's work? What are their needs? What is the college's plan? What are the college's primary functions for carrying out its mission? Arising from these is the proposed new mission statement that states that:

**The College of Business Administration aims at providing a first-rate learning and education experience in the field of business management through programmes that are relevant to the socio-economic development of the UAE and career growth of its students, and by engaging skilled and motivated scholars.**

### **3. 2 Vision**

The vision proposed below has been developed by asking the questions:

Where does the college want to be in future? What will be the stakeholders' needs? These questions lead to the proposed vision that states:

**The College of Business Administration's vision is to be an internationally acclaimed learning centre of academic and scholarly excellence; and leader in research, education and human resource development in the field of business management in the UAE.**

### **3. 3 Strategic priorities**

The strategic priorities proposed in this new strategic direction are as listed below:

- To be in the World Top 500 Universities ranking in the field of business management (arts and humanities) within the next three years
- To develop an alumni network programme with at least one activity every quarter
- Increase undergraduate and postgraduate courses in relevant and specialised fields of business management
- Develop short-term industry-specific courses for corporate executives
- Hire and retain quality faculty staff to meet the challenges that will come with new programmes and student enrolment
- Investigate the possibility of expanding the university's regional and global reach through distance learning programmes
- Seek affiliation and collaboration with other universities, institutions, industries and emirate

<https://assignbuster.com/the-crucial-pillars-of-development-business-essay/>

governments in the field of research, recruitment and training  
Recruit better students and increase enrolment to the college to 1000 within the next two years  
Allocate more financial resources to the college to be able to efficiently meet its mandate

## **4. 0 Conclusion**

This purpose of this paper was to not evaluate the College of Business Administration and its standing vis-a-vis similar institutions. By looking at external and internal factors that impact the college and evaluating the current vision of the institution, it has been possible to pinpoint weaknesses and identify opportunities. The information here provides the college administration with pointers for a roadmap, and seek to help students better understand not only the academic, but the socio-economic environment in which they learn. The author is confident that recommendations, which can be discerned in the strategic priorities above will improve the learning and teaching process at the college and help turn the College of Business Administration as the institution of choice in the field of business administration in the region.