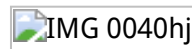


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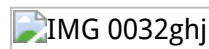
INCOME GENERATION NEEDS TO BE A PRIORITY FOR UNIVERSITIES' HOLDING COMPANIES



BUKIT JAMBUL, PENANG, 2 June 2016 – It is a must for Public Higher Education Institution (IPTA) Holding companies to go into business and commercialisation, said the Vice-Chancellor of Universiti Sains Malaysia (USM), Professor Dato' Dr. Omar Osman in his presentation at the Majlis Syarikat Induk IPTA Malaysia (MSIM) Seminar 2016 here today.

“Regardless of whether it is a public or a private institution, a university needs to seriously consider going into income generation and commercialisation activities, all the more when all public universities funding will be reduced and they need to generate their own income, or at least 30% of their operating expenses by the year 2020.

“This itself places Universities' Holding companies with a challenge of being increasingly relevant in such an environment,” said Omar.

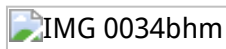


He stressed further, a Holding company functions as the subsidiary of a university, therefore it needs to be involved in income generation activities for the university, leaving the university to focus on its core business that is teaching and research.

“These income generating activities should be in line with the university's aspiration, and synergised with the university's resources especially in capitalising on the existing talents/expertise in the university or securing new talents,” he added.

Omar further said that, there are many challenges and uncertainties faced by universities currently and they would require a university to not only look at one specific business model, but also to look into different modes of business activities, and one possibility would be turning the available talents into 'businessmen'.

“Another challenge for the university holding companies would be in utilising the available talents to be involved in business activities, as well as in being able to secure external talents to generate income for the university,” he said.



Omar also mentioned on the potential of 'waqaf' funds being established for various purposes and through various means as sources of income for universities.

Omar was invited to share his thoughts and experiences on the topic 'The Challenges for Holding Companies under the New Economic Demands of IPTA Funding' at the seminar.

Earlier the Chairman of MSIM 2014-2017, Syed Mohamad Hamzah Al-Junid Syed Abdul Rahman, in his welcoming remarks, said that the purpose of MSIM is to strengthen cooperation amongst IPTA Holding companies, to promote smart partnership and adoption of best practices.

"It also serves as a platform for the 18 IPTA holding companies registered as MSIM members to resolve issues and other concerns faced by them," he said.

About 40 representatives from local universities' Holding companies comprising mainly of CEOs and Managing Directors attended the seminar.

Also present were the MSIM Deputy Chairman, Haji Naharudin bin Ali; Group Managing Director, Usains Holding Sdn Bhd, Edwin Jose Gomes; and Director of Innovation Office, Research and Innovation Division, USM, Professor Dr. Rahmat Awang.

The MSIM Seminar and AGM was held at the [Sains@USM Campus \(mailto:Sains@USM Campus\)](mailto:Sains@USM Campus) here in collaboration with Usains Holding Sdn Bhd and UMP Holdings from 2-3 June 2016.

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