Abstract

Every single institution has its own governance structure. Private Tahfiz schools are no exception. The main objective of the establishment of private Tahfiz is purely to produce a Huffaz. However, there are some differences in the implementation and management of Tahfiz schools in Malaysia especially for the private schools. Hence, it is worthwhile to further examine factors that may contribute to the efficiency of private Tahfiz in Malaysia. Hence, this study aims to examine the governance factor that may influence efficiency of private Tahfiz in Malaysia. Based on the existing literature research, this study has identified eight governance factors that may contribute to the efficiency of private Tahfiz.

Keywords: Efficiency; Islamic Religious Schools; Governance; Tahfiz

1. Introduction

In general, Tahfiz school is define as an institutions that focus on memorization of Al-Quran (Bani, Katan, Noor, & Fatah, 2014). Currently, in Malaysia, there are two major types of the governance structure of Tahfiz institutions namely government and private.

At the government level, Tahfiz schools are bound by regulations with the bodies that work with them. It involves core areas such as curriculum, certificate recognition, quality process, teacher, and student qualification. This bond is intended to assure the certificate of the graduate students are recognized for their employment in government or private sector at the federal and state levels (Abdullah, Sabbri, & Isa, 2018). The certificate also recognized by many local and foreign universities for higher education. Therefore, the Malaysian government has delegated this responsibility to Darul Quran as the coordinating body for matters related to the policy.

In the private sector, however, Tahfiz are more traditional which involves only the process of learning basic of the Quran itself. It was later developed by establishing a religious curriculum (al-dini ulum). High demand from parents and limited space in government Tahfiz has given the private sector a huge advantage to grow making private Tahfiz open to the public (Hashim, Tamuri, & Jemali, 2015). It is even more exciting when private Tahfiz offer Tahfiz programs ranging from pre-school to higher education. It has become a new attraction for the whole community to join. Currently, private Tahfiz offer four levels of Tahfiz education, namely, pre-school, primary, middle, and high school. Most certificates by private Tahfiz are not recognized by the government unless they participate in the Tahfiz certification program organized by Darul Quran.

Despite the advances of public Tahfiz, such development is not evident among privately funded Tahfiz schools. This is probably due to a lack of systematic framework or governance in managing Tahfiz in the country. Currently, the overall curriculum and schooling system in Tahfiz schools are not standardized due to the different objectives of the owner or founder of Tahfiz schools as mentioned earlier. This intends to influence the governance of the institutions as well. As an organization, lack of governance contributes to the issue of determining the efficiency and effectiveness of Tahfiz institutions. Thus, this leads to difficulties in measuring the efficiency of Tahfiz schools (Ridza, Jalil, Sipan, & Nukman, 2017). The current scenario post difficulties in determining the efficiency of Tahfiz schools. Despite the difficulties in measuring efficiency, there is a critical need to ensure these institutions achieve their goal and objective.
This study examines and compares the current Tahfiz practices in private Tahfiz schools in Malaysia. It contributes to the literature by providing empirical evidence on Tahfiz governance practices in Malaysia. The findings of this study could also serve as a guide for best governance practices for private Tahfiz efficiency measurement.

2. Overview of Tahfiz Governance

Governance is vital and becomes an important aspect of an organization. Governance is about the system and process of overall direction, supervision, and accountability of an organization (Conforth, 2002). It involves a set of relationships between all members in the company and providing a structure to set the objectives of the company and activities to achieve those objectives and monitor the performance (OECD, 2004). Meanwhile, Chhotray & Stoker, (2010) define governance as the rules of collective decision-making in a setting where there is a plurality of actors or organizations and where no formal control system can dictate the terms of the relationship between these actors and organizations. In general, governance is about achieving the goals of organizations or institutions.

Governance is not another word of government. However, it refers directly to the increased role of non-government actors in policymaking. Governance need not necessarily be conducted by the government however, the involvement of private firms, associations of firms, and non-governmental organizations (NGOs) (Bache, 2003). These organizations are often associated with government bodies to crate government however there is the case also where no government intervention at all. Governance is said to have a positive relationship with the company performance; good governance will positively affect the firms’ performance (Gompers, Ishii, & Metrick, 2003).

Governance is always associated with good governance practices. Good governance is the traditions and institutions by which authority in a county is exercised for the common goods. Good governance was first mentioned in the World Bank’s report in 1989. Meanwhile, implementing good governance in education will promote the effective delivery of education services for the country. In addition, good governance can reduce corruption and an increasing number of poor governances will directly affect the performance of the education sector (Lewis & Pettersson, 2009).

3. Past Study on Governance of Tahfiz

As far as this study has concerned, in Malaysia, it was found that only three studies on the governance of Tahfiz in Malaysia. These three studies also do not focus on the performance and efficiency of the institutions. For instance, Bani et al., (2014) developed an accountability indicator for private Tahfiz institutions by using the stakeholder approach. This study has focuses on the Privately owned Tahfiz center (POTC) accountability indicators from the student perspective. Hence this study has come up with the indicators which consist of two major categories namely internal indicators and external indicators. The internal indicators only focus on student assessment on their memorization performance and akhlaq implementation. While the external indicators focused on student assessment on how POTC address rules and regulation, facilities provided, health and safety measures as well as the support system. Hence, these indicators can be used to measure the level of accountability of POTC toward their students in helping them to achieve their sole objective to produce a student that can memorize the whole al-Quran with a better akhlaq.

Bani, Jaaafar, Katan, & Mohd Noor, (2017) have further their study by investigating the external governance mechanism and accountability of private Tahfiz schools from the religious regulatory bodies view. By using the quantitative analysis method, the researchers have interviewed representatives from selected State Islamic Religious Councils, State Islamic Foundation, and National Religious Department in Malaysia. The result was analysed using thematic analysis and it was found that there are two tiers of governance structure infrastructure in Malaysia namely state and Tahfiz schools’ infrastructure. This study also suggested efficient and good governance if Tahfiz schools are expected to report their compliance status to external stakeholders. In addition, this study also has highlighted eight key players of Tahfiz schools in Malaysia. This study also has suggested future research to focus on the evaluation of the performance of Tahfiz institutions. They believed that the best practice of management will indirectly raise their performance and reach the objective stated.

Meanwhile, a study by Anas, Samori, Hamid, Zulkipli, & Noor, (2019) also mentioned the governance of private Tahfiz schools by proposing a transformational via social entrepreneurship model. This study attempts to propose a Tahfizprenuer Model that later can be implemented by all private Tahfiz schools to generate funds for their sustainability. The researcher has mentioned that there are three main aspects to be considered before proposing a model. Firstly, identifying the actual and real problems surrounding private Tahfiz schools. The analysis of this study found out several problems namely unstandardized infrastructure and facilities, poor and weaknesses of private Tahfiz schools management and governance, insufficient financial resources, and issues in accountability when doing crowd fundraising against the rules and regulation stated. The second aspect to be
considered is the Islamic entrepreneurship knowledge among the stakeholders. This study has concluded that Muslim entrepreneurs should follow all the standards and guidelines prescribed by Islam in doing their business. Muslim entrepreneur also needs to attain the goals and blessing from Allah SWT as one of their ultimate goals and objective in doing business. While the last aspect is the effective marketing of the Tahfiz entrepreneur product or services provided. It is highlighted that they should follow the rules of Dakwah by prophet Muhammad SAW in doing business and follow the seven ethical marketing of Muslim products. Hence, it can be concluded that this study tries to suggest a model of entrepreneurship for the Tahfiz schools especially the private Tahfiz to have their own business for them to sustain without fully depending on crowdfunding and government grant.

4. Methodology

This study uses a qualitative approach through content analysis. Data collection is done through secondary sources are such as journals, conference papers, documents, theses, and books related to education. For the purpose of data analysis, the writer uses the text analysis method to analyze related data.

5. Governance Factors Influencing Efficiency of Private Tahfiz

Based on the existing literatures, there are eight main elements that have been identified as the main aspect of the discussion of scholars and knowledge in improving efficiency of private Tahfiz in Malaysia as shown in Figure 1 below.

![Figure 1. Governance Factors](image)

5.1. Audit Committee

The audit committee and reporting are some of the important elements of corporate governance. The role of the audit committee has been studied in various aspects such as its functions, activities, and financial reporting quality (Turley & Zaman, 2004). The function of the audit committee includes ensuring the quality of the financial accounting and control system. The existence of an audit committee is expected to improve the accountability as well as the quality of governance of the institutions. Most organizations including education institutions need to have an audit committee to improve the internal control over their institutions. The appointment of the audit committee is based on the consent of the board members. Since private Tahfiz schools received funds from various sources, it is crucial to report all the financial activities. By having an audit committee, the flow of money can be control and monitor. However, the current scenario in Tahfiz schools, most of these institutions did not have an audit committee due to a lack of knowledge in preparing the financial report.

5.2. Board Size

The board of directors is an independent entity that has been granted the stewardship of corporate governance with the vested power to monitor, control, and advise the senior management team (Rebeiz & Salameh, 2006). The role of the board of directors is to minimize agency costs arising from the separation of ownership and control and to preserve shareholder value. One of the important elements of boards of directors is their size. Most of the existing literature has provided evidence that board size plays an important role in firm performance (Haniiffa & Hudaib, 2006; Hsu & Petchsakulwong, 2010; Khanchel, 2007; Rebeiz & Salameh, 2006) A larger board size should be beneficial to the efficiency performance of a firm because more members on the board would mean more knowledge backgrounds and varied opinions available to a firm as well as having stricter monitoring to ensure the reduction of financial fraud. However, some studies found different results in the analysis of board size stated that smaller board sizes are more effective since they experience fewer communications and lack of
administration problems (Khanchel, 2007). For private Tahfiz schools in Malaysia, the size of the board is different in each state following its own state enactment. For instance, in Perak, the number of a board member is 10 while in Melaka is eight. In Selangor, upon the registration of Tahfiz schools, they must fulfill all the requirements stated in the enactment. If they fail to complete the requirement, their registration cannot be processed. However, Melaka most of the private Tahfiz schools establish their schools before register with the SIRC. Hence, most of the schools did not fully prepare all the requirements needed and mostly did not have a complete board member.

5.3. Number of staffs

Human capital is one of the main inputs in production and should never be ignored in the evaluation of efficiencies. Workers serve as an important resource in achieving the objective of the organization. However, it is not the number of workers that matters, but how motivated they are, and how efficiently they perform a task given. In education institutions, human capital consists of teachers and other supporting staff such as accountants and clerks. The existence of these staff can improve the quality of work and indirectly help in increasing the efficiency of the intuitions. The human capital for Tahfiz institutions basically is the teacher and other admin staff. It is suggested that the best ratio of teacher to students are 1:10. However, not all Tahfiz schools practice the same ratio. Basically, the ratio is depending on the size of schools and their financial stability. The common practice among private Tahfiz in Malaysia is one staff will handle the various task at one time such as teaching, finance, and administration. This situation will indirectly reduce their quality of work because of the limitation of time.

5.4. Operational System

Meanwhile, an operational system is a term used in data warehousing to refer to a system that is used to process the day-to-day transactions of an organization. These systems are designed in a manner that the processing of day-to-day transactions is performed efficiently, and the integrity of the transactional data is preserved. In the education system, the operating system may be the student data or accounting system. Most of these systems need to be subscribed to by the school and it will incur some cost of operation. For the small size of schools, most of them did not prefer this type of operating system and would stick to the manual operation for the record. The existence of an operational system in Tahfiz institutions will help in efficiently managed data and records. However, most of the Tahfiz schools did not have an operational system and use manual data-keeping. This type of traditional way of data-keeping is less efficient. Some of the reason is lack of fund to subscribe to the system and the schools have a small number of students.

5.5. Usage of technology in memorization

Besides the impact of ICT on company performance, its major impact on the university, teaching, and learning methods is also undeniable (Aristovnik, 2006; Ben Youssef & Dahmani, 2008). Hence, the use of ICT is expected to improve the efficiency of educational institutions. Concerning Tahfiz schools, two different technological advancements are found available. The usage of technology in the teaching method helps the student to memorize better and faster. The existence of technology such as application indirectly will make the student memorize the al Quran faster to get their certificate. Hence, the number of graduate students also will be increased. The technology is also said to help the student in maintaining their memory.

5.6. Existence of Law and Regulation and Enforcement

Meanwhile, enforcement is essential to ensure that existing law is followed. (Karim, 2011) in her study to examines the role and function of enforcement to overcome the symptoms of disobedience. She found that enforcement plays an important role in controlling the symptoms of disobedience, besides the enforcement of the law by the responsible party itself. Another empirical finding by (Alam, 2009) suggests that having a strict monitoring of banking operations and higher supervisory power of the authorities increases the technical efficiency. Since there is no specific law of Tahfiz, some SIRC did not have a specific structure for Tahfiz schools. Thus, there is a lack of monitoring done by the SIRC as their staff also need to cover for other types of Islamic schools which indirectly lead to a lack of enforcement. In addition, due to the increasing number of Tahfiz schools also become the major issue that regular inspection cannot be done.

5.7. Accreditation of Tahfiz Certificate

Accreditation or acknowledgment of a program by an authorized body such as government is crucial because it shows that the program is on a reasonable level that acknowledges by the community and industry. Accreditation
is seen as one of the important elements to be considered to make sure the education program offered by the educational institutions in acceptable quality which is recognized by other educational institutions and employers. A study by (Mohd Said et al., 2013) stated that accreditation allows graduates from an engineering program to proceed to apply to professional engineering qualifications. Accreditation of certificates is one of the major issues of private Tahfiz. This is because most of the schools use their own curriculum. In addition, SIRCs does not intervene in what type of curriculum offered by the schools as long as it is not against the Ahli Sunnah Wal Jamaah. In Malaysia, the only certificate from Darul Quran is acknowledged by the government to be used to continue study at the tertiary level or applying for a government job.

6. Conclusion

Tahfiz is one of Malaysia’s most important educational institutions today. The rising popularity of Tahfiz among Malaysian parents has increased the number of private Tahfiz. However, there are several issues arise related to Tahfiz operations and efficiency. This problem, however, must be treated seriously by authorized entities to ensure that the Tahfiz regulator does not engage in any misconduct. Hence, this study has identified seven factors that may contribute to the efficiency of private Tahfiz in Malaysia which focusing on governance. Hence, by implementing good governance in education, it will promote effective delivery education services for the country especially for the private Tahfiz. In addition, good governance can reduce corruption and directly affect the performance of the private Tahfiz.

Acknowledgements

The researchers would like to acknowledge Center for Islamic Philanthropy and Social Finance (CIPSF) and Universiti Teknologi MARA (UiTM) Cawangan Melaka for this study.

References


Alam, G. M. (2009). Can governance and regulatory control ensure private higher education as business or public goods in Bangladesh? 


132