

Guidelines for AIUA

Business

Economic Partnership



**ASIAN ISLAMIC UNIVERSITIES ASSOCIATION
2018**

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Foreword

Assalamualaikum wr.wb.

As a result of eight meeting, 5-7 July 2018 in Yogyakarta, we are delighted to present AIUA guidelines that consist of: Student Exchanges and Mobility Programme, Guidelines for Business Economic Partnership, Guidelines for Joint Award, Guidelines for AIUA QA Assessment Manual, AIUA-QA Framework, Practical Approaches to the Management of Joint Degree (JD) Programmes and Guidelines for Knowledge Dissemination.

Contemporary changes and disruptive technology, however, pose crucial challenges to us and to higher education institutions in general. A greater expectation to be able to deal with those challenges rests on Islamic higher education institutions, in particular, as the latter carry ethics and values as part of their mission to educate the future generations. To do so, it is an imperative for Islamic higher education institutions to build their capacity as well as expand their networks within and across the nations. Asian Islamic Universities Association serves as a unique and excellent platform for Asian Islamic Universities to learn and help each other to remain relevant and even gain recognition from a wider and non-traditional audience.

We hope our policies and actions on which cooperation and partnerships are forged between AIUA members and other promoting parties.

We wish you could use these guidelines and implement them in your institution.

Wassalamualaikum wr. wb
Yogyakarta, 27 Agustus 2018

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President of AIUA

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A). Introduction

For the purpose of financial sustainability, Asian Islamic University Association (AIUA) needs to have proper funding sources. The sources of the funding will need to be channelled through a range of platforms that should be in place accordingly. Every single source of funding should be accounted for and should allow for proper documentation. With proper funding platforms in place, AIUA will then be able to carry out all the needed initiatives in order to accomplish its goals and objectives.

Members' universities should facilitate the process of each of the source of funding by having proper guidelines on the movement of the funds received. Sources of the funding should also be given certain benefits in order to entice more funding to be received in the future as well as to sustain interest of the funders in the long run. With a proper system in place, AIUA will then be able to self-sustain its operations and may not need to rely heavily on the membership fees from its members.

B) About the Contents

1. Decide on the objective and scope together

i. Overall Aim and Practical Suggestion

The purpose of these guidelines is to facilitate the formulation and implementation of partnership between AIUA and its partner. Partnership may be defined as a voluntary and collaborative agreement between AIUA and its one or more partner.

Two aspects must be considered. On the one hand, economic partnership must be set which fit in with the interests of all those involved. On the other hand, these general priorities must be distinguished from specific ones to be conducted by AIUA or its partner. Since the economic area partnership are complex, a form of collaboration will be needed. Such collaboration is most likely to raise fund.

AIUA should go to its partner as soon as possible and discuss and plan the project in detail. This will avoid essentially one sided interests being considered. In order to involve more partners, special meetings need to be organized and information must be prepared in a form in which it can be understood by those involved.

ii. Checklist

- ❖ Who originally proposed the project?
- ❖ Is the economic collaboration precisely formulated and understood by those involved?
- ❖ Are all the relevant actors and people involved decided?
- ❖ Does the collaboration take the interests of all the participants?
- ❖ Is the profit of the planned area of cooperation well considered?

2. Build up mutual Trust

i. Overall Aim and Practical Suggestion

Without mutual trust, cooperative work can be hardly be imagined. The creation of trust between partners who may be different requires time and patience, and considerable ability to put oneself in another's place.

Positive experiences in the past promote trust. Therefore, it is a good idea to take up contact again with whom previous collaboration has been successful. It is a good idea to analyse the earlier collaboration carefully, and characterize all the partner as objectively as possible. New partners must be found by a process of active searching.

ii. Checklist

- ❖ Do those involved know and trust each other?
- ❖ Are descriptive outlines and references available for all suggested partners?
- ❖ Are there plans to make a systematic cooperation for other partners?

3. Share information: develop networks

i. Overall Aim and Practical Suggestion

A well-functioning communication system is decisive for satisfactory collaboration between partners who are often far apart geographically. It is vital to be able to exchange information regularly and comprehensively – to set up a functioning network. Since there is often a considerable cultural distance between the partners, it is necessary for

them to adjust their ways of thinking and expressing themselves so that they can come closer to each other. Ideally, all partners should have a comparable level of information and knowledge about the cooperation and the environment in which they are being carried out.

ii. Checklist

- ❖ Has provision been made on both organizational and technical levels for all the partners to have sufficient regular contact with each other.
- ❖ Do all the partners have adequate opportunities to make contact with international organizations?
- ❖ Are those involved sufficiently familiar with the technical equipment that will be used?

4. Share responsibility

i. Overall Aim and Practical Suggestion

Both the scientific and the technical leadership and management responsibility for the project should be carried as far as possible by all those involved, taking into consideration the competence and the resources of each. If all those involved are included in administration, it also gives those with less experience the opportunity to gain expertise in research management.

An early discussion between the partners to clarify the exact division of responsibility for the management of the project is of paramount importance, especially when the partners come from different cultural backgrounds. It is to be recommended that the division of responsibilities should be defined in face to face discussion, and recorded in writing.

ii. Checklist

- ❖ Will all those involved be included in the scientific supervision and the administrative responsibility?
- ❖ Will all the responsible people have an opportunity to see all the documents relevant to them?
- ❖ Are the personal, organisational, and financial conditions necessary for the taking over of responsibility fulfilled in the case of all those included?

5. Create transparency

i. Overall Aim and Practical Suggestion

If all those involved contribute to the resources needed for the planned project their commitment to the common enterprise will be strengthened. To satisfy the need for transparency, the source and amount of all resources must be declared openly to all partners. Financial decisions should as far as possible be taken by all those involved together and the amount of material support given should not be the basis for allowing some partners a stronger voice in decision making than others.

To avoid conflict, it is advisable to prepare a binding agreement on paper which lays down the contribution to be made by all those involved to the work and their right and duties. Regular balancing of the accounts, audits, and periodic checking of inventories are also measures which help to create transparency. Furthermore, the requirements of donors for financial statements must be fulfilled.

ii. Checklist

- ❖ Are the mutually agreed financial and other contributions and the rights and duties of all those involved recorded in writing?
- ❖ Will all those involved be fully informed about where financial and other resources come from, how their use is planned, and what they have in fact been used for?
- ❖ Are there clear and fair rules about who has the authority to make what financial decisions?

6. Monitor and evaluate the collaboration

i. Overall Aim and Practical Suggestion

Both the progress, development, and functioning of the partnership should continuously monitored. Furthermore, there should be regular internal or external evaluations, which should assess as accurately as possible how successful (or unsuccessful) the partnership's project has been from the point of view of partnership in all its aspects.

Exchange of information and regular meetings help the partners to become aware of problems in good time and to deal with them

effectively. For periodic internal evaluations, the criteria should be worked out together whereas for external evaluations care must be taken that evaluating team includes representatives from AIUA and its one or more partner.

ii. Checklist

- ❖ Is monitoring of the functioning of the partnership foreseen?
- ❖ In internal evaluation, are all the partners actively involved in a balanced way?
- ❖ Have the criteria for internal evaluation been jointly defined?
- ❖ Are the criteria known to all?
- ❖ Is an external evaluation advisable?
- ❖ Are the planned or promised financial resources adequate for monitoring and evaluation?

7. Disseminating the products

i. Overall Aim and Practical Suggestion

It is a basic principle that there should be unlimited access to the result of economic partnership. Care must be taken that all partners can take part to the proper extent in the dissemination of the results of the economic partnership. Care should also be taken that the results are communicated adequately to the people who will finally use them.

Because of differences in experiences with publishing, the partners involved will need to work closely together in preparing the publishing. All those who participated in the work should discuss their rights and make concessions. To make the results widely available, they will also need to be described in a way that can be understood by the general public. The transfer of knowledge can take place in many ways.

i. Checklist

- ❖ Must access to or dissemination of the results of the economic partnership be limited?
- ❖ Are launching the new products resulting from the project of economic partnership for a wider audience planned well?
- ❖ Are there concrete plans for passing on the new products to the people who are directly affected?

- ❖ Are there plans to include appropriate people out of the target group in the process of spreading the new products?

8. Apply the products

i. Overall Aim and Practical Suggestion

Economic partnership is related to real life and is concerned with the world development. Partnership projects thus raise expectations among the partners. As far as it can, the partnership has an obligation to ensure that the products are used to benefit others.

It may even be best to establish a special firm for the purpose of commercialise the products. It is always a good idea to keep political decision makers and/or government bodies well informed about the products so that they will reach, at least, all the target groups.

ii. Checklist

- ❖ Are there concrete plans to spread the products to the target and other groups?
- ❖ Will political decision maker be informed and involved in the discussion periodically about the progress of making products?
- ❖ Will all those involved take part in the plans to launch the products?

9. Share profits equitably

i. Overall Aim and Practical Suggestion

Economic partnership have both intellectual worth and a commercial value. A very frequent complaint of partners is that their partner have launched products under the partner own name that were the results of collaborative work and have then held the copyright. In fact, the products have even benefitted financially (taking out patents). This should not be allowed.

When products are launched, all those who were involved to any significant extent should appear. Due credit should also be given to other people who took part in producing the products. It is to be recommended that the right to spread them should be discussed beforehand and laid down in writing. Any conditions laid down by the funding agency will also have to be taken into consideration.

The products have a considerable potential commercial value. Again, the legal rights of all partners to the expected products should be discussed, and preferably recorded in writing as far as possible before the research is done. International law (e.g. concerning patent rights and the national regulations of the host country must be considered.

ii. Checklist

- ❖ Will all the partners appropriately considered when the products of economic partnership are disseminated?
- ❖ Who will make the decision about joint dissemination?
- ❖ Who will present products during launching?
- ❖ Have binding agreements been made about the rights of all partners in case the products prove to be of potential commercial value?
- ❖ Who should be allowed to use the economically valuable results and under what conditions?

10. Increase production capacity

i. Overall Aim and Practical Suggestion

The chief concern when economic partnership are formed is to strengthen the total capacity of all those involved for effective production both on the individual and on the institutional level. In this process, the different personal and institutional backgrounds and possibilities must be taken into account.

For the participating representatives, a stay in another country as a guest or for further training can offer an opportunity to gather valuable experience, learn new methods, exchange information and make new contacts. Formal support for institutions, with agreements, contracts of cooperation, management advice and infrastructure provision can also contribute to increasing the production capacity.

ii. Checklist

- ❖ Is it to be expected that the planned economic collaboration will contribute to increasing the production capacity of all those involved?
- ❖ Are there plans for the exchange of partners for further training?

- ❖ Which concrete support measures are foreseen with the aim of strengthening economic partnership among those involved?

11. Build on the achievements

i. Overall Aim and Practical Suggestion

If a project is successful there should be at least three valuable outcomes: new knowledge, a contribution to sustainable development, and new or more highly developed production capacities. Making a contribution to development means that the new production must meet the needs of people. If newly-developed production capacity is to be maintained two things are needed: existing institutions must continue to thrive or new ones must be founded and the people who worked in the production must be able to find new markets.

The key question is how far world-wide production activity is perceived as an important and urgent activity. Partners and their institutions must not simply be left to themselves after the joint project has been completed, but as far as possible there should be frequent personal contacts and a lively exchange of information.

ii. Checklist

- ❖ Will the products obtained be used in an appropriate form, to meet the need of people?
- ❖ Are provisions being made will be further employed to make reproduction?
- ❖ Have preparations been made to enable the production to be continued after the end of the economic partnership?

C) Economic Development and Enhancement :

In order to strengthen the economy and to sustain the business partnership with the various of stakeholders, AIUA needs to go further to establish its own corporation or company registered legally. Building AIUA's very own business would back-up and support the activities to be held by AIUA members and partners, not only depending sources from outsiders and partners solely.

The main purpose is to identify sustainable income generating opportunities for the association. The main strength of the association is the overall potential population it might offer when all Universities are pooled together and to utilize this strength to generate income by minimizing participation from the association. Through proper networking, the association can generate enormous amount of income through the sales of any goods channeled to the massive population this association can get access to. The main idea was to find potential supplier for a selected good(s), these good(s) will then be sold to target market, and this approach would involve minimal participation from the association. However, despite solely depending on this approach might not be a sustainable approach. It is also important to take into account various factors. If the association plans to strive towards this approach, the association must take into account strict competition, lack of economies of scale, operational cost, and purchasing power of targeted population as well as different geographical location.

For a mediator (in this case AIUA) to benefit from this intended approach, the selected good(s) must be mass-produced. Supplier will mass-produce the selected good(s), and AIUA will benefit through the sales of this good. However, members of AIUA consists of Universities from various countries in the region, each country has its own economic capacity, AIUA must take into consideration of selling identical good to different economic power, target population from one country may find the price to be reasonable while some others might find otherwise. Usually Universities with high number of population are those located in a country with lower purchasing power which eventually beat the purpose of AIUA might intend to achieve. This is consider to take long way to succeed hence to be realistic in long-term journey.

As proposed, AIUA need to determine several things and plans as below:

- i. AIUA needs to establish a what type of company to conduct business plans;
- ii. AIUA members need to determine the most suitable region to establish a company (i.e. in Malaysia/ Brunei/ Indonesia) based on the country's legal systems;
- iii. AIUA members need to propose the sources of the business capital, for example:
 - a) From AIUA lifetime membership fee,
 - b) From AIUA annual membership fee, and
 - c) From AIUA companies revenue.
- iv. AIUA needs to achieve the above target in within the specified period.

AIUA POTENTIAL SOURCES OF FUND

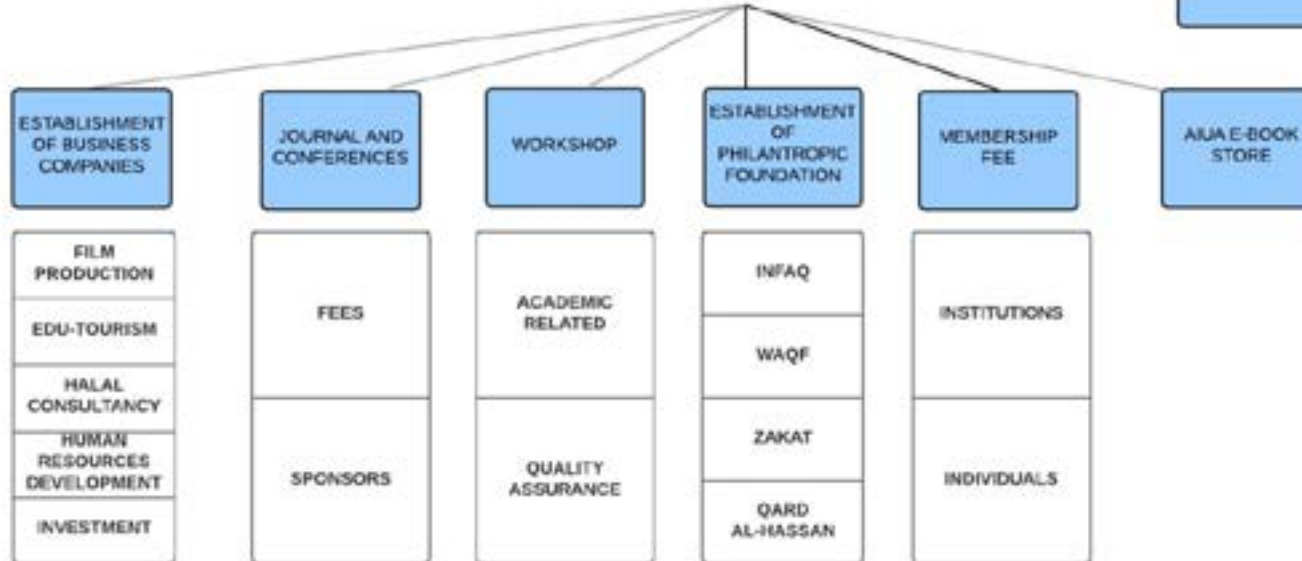


SHORT TERM - SOURCES OF FUND

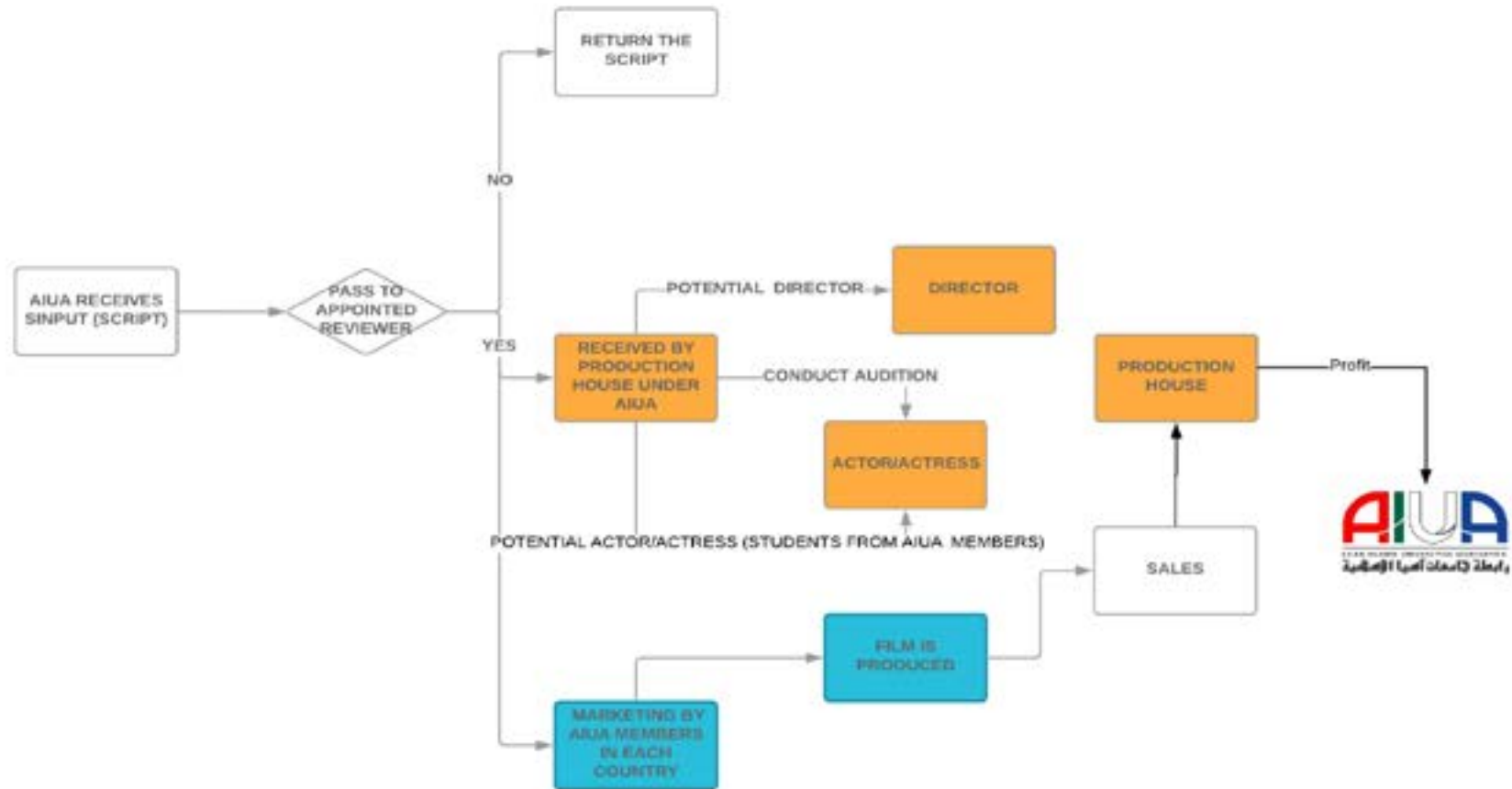


SHORT -TERM

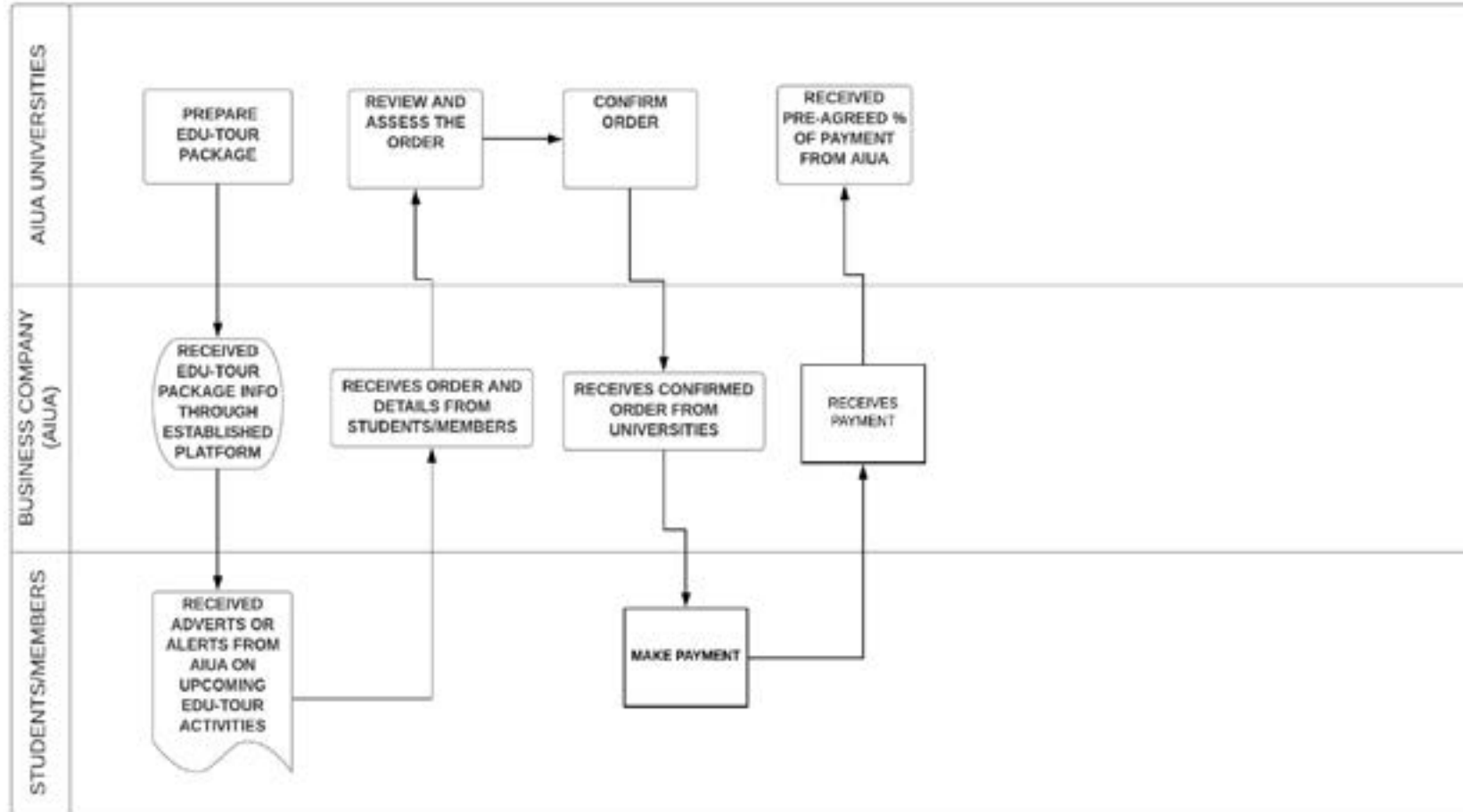
DEFINITION: Short term in this context means these potential sources of fund can be realised within the next 1 to 3 years. Hence achievable by the association, any fund generated from these sources can be further reinvest .



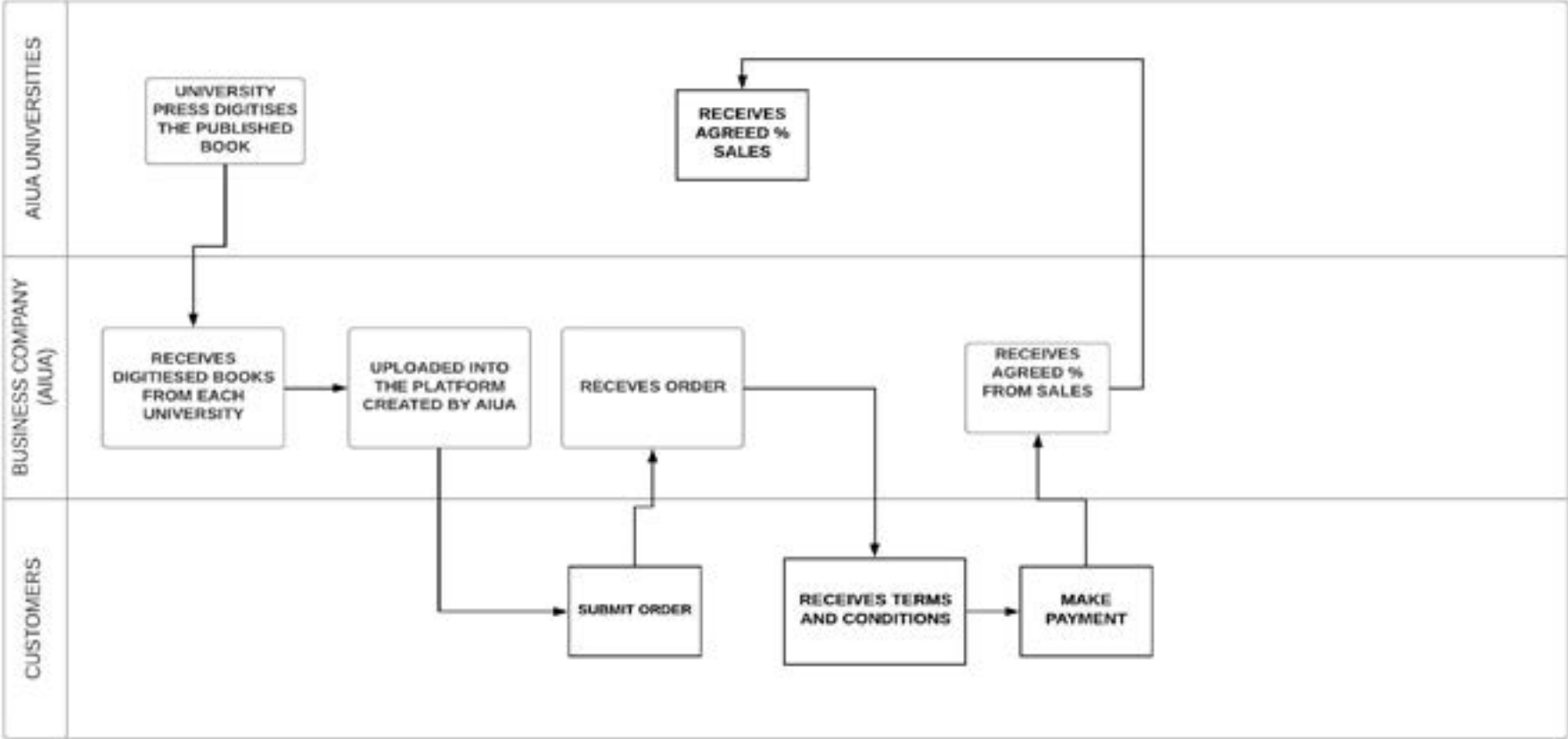
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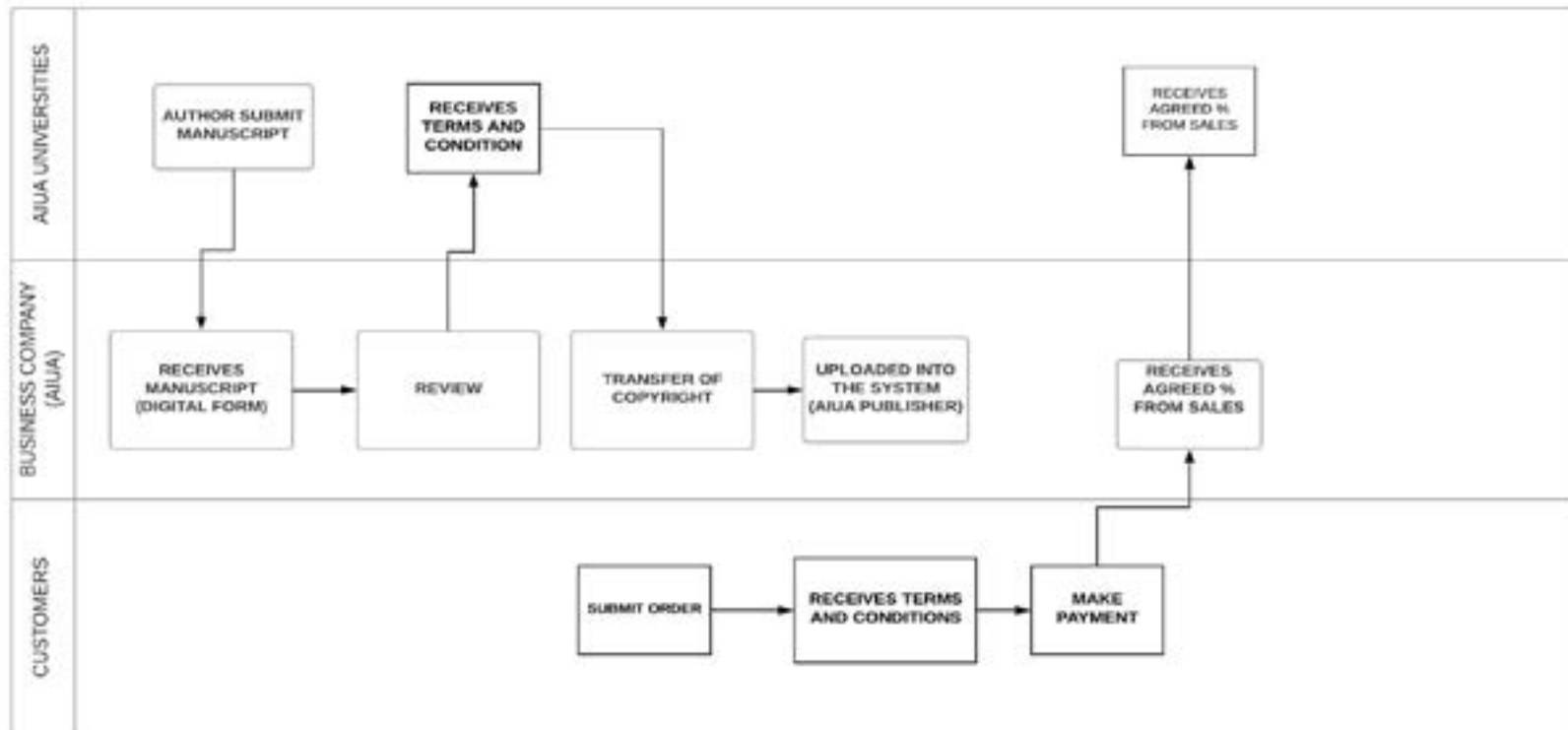
EDU-TOUR



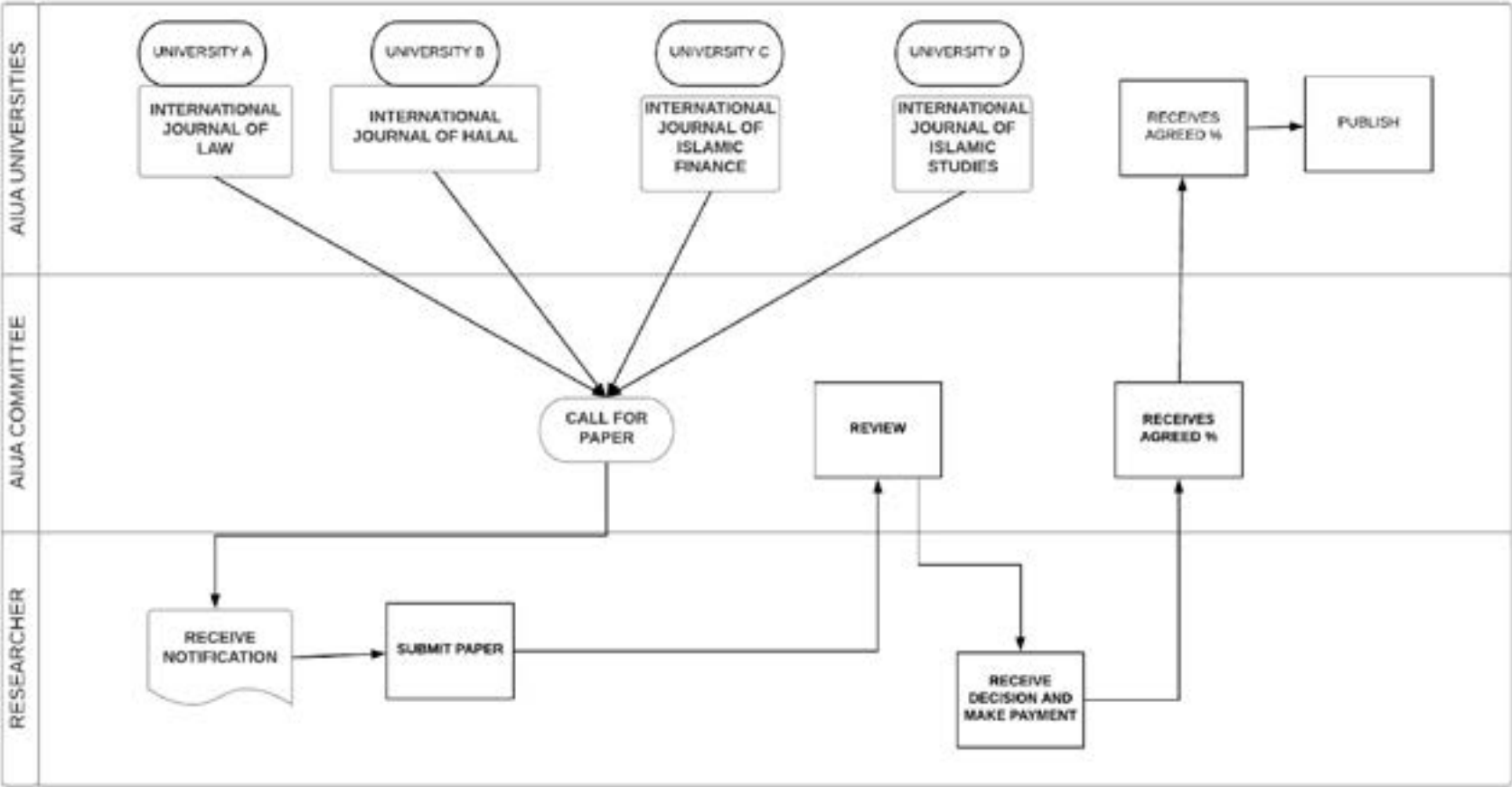
AIUA E-BOOK STORE - AIUA UNIVERSITIES



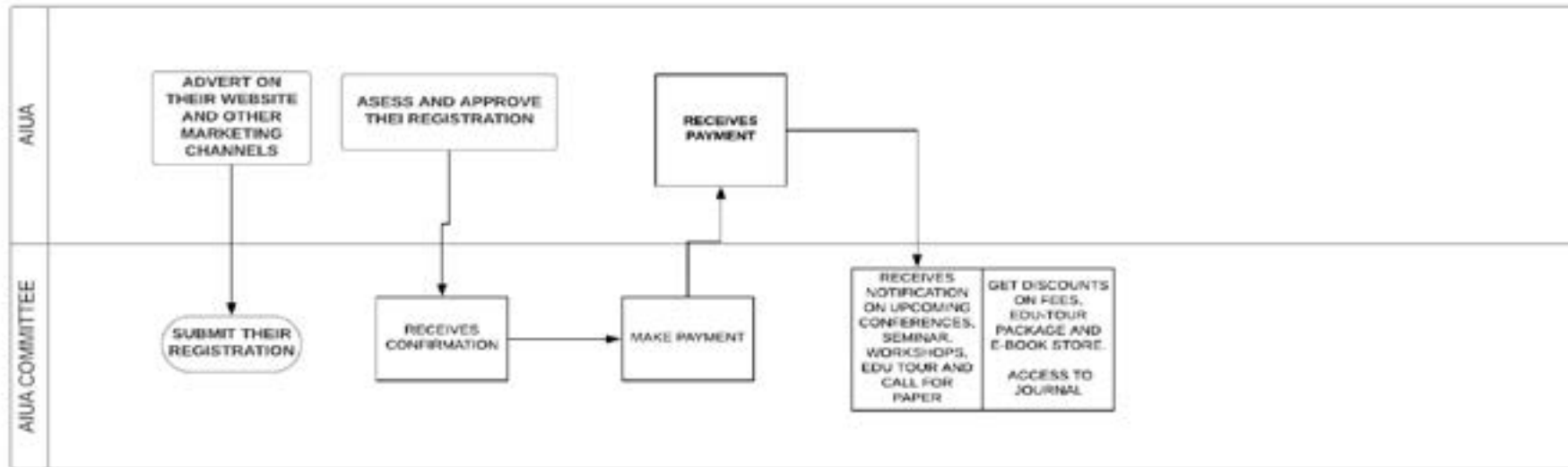
AUIA E-BOOK STORE - PUBLIC



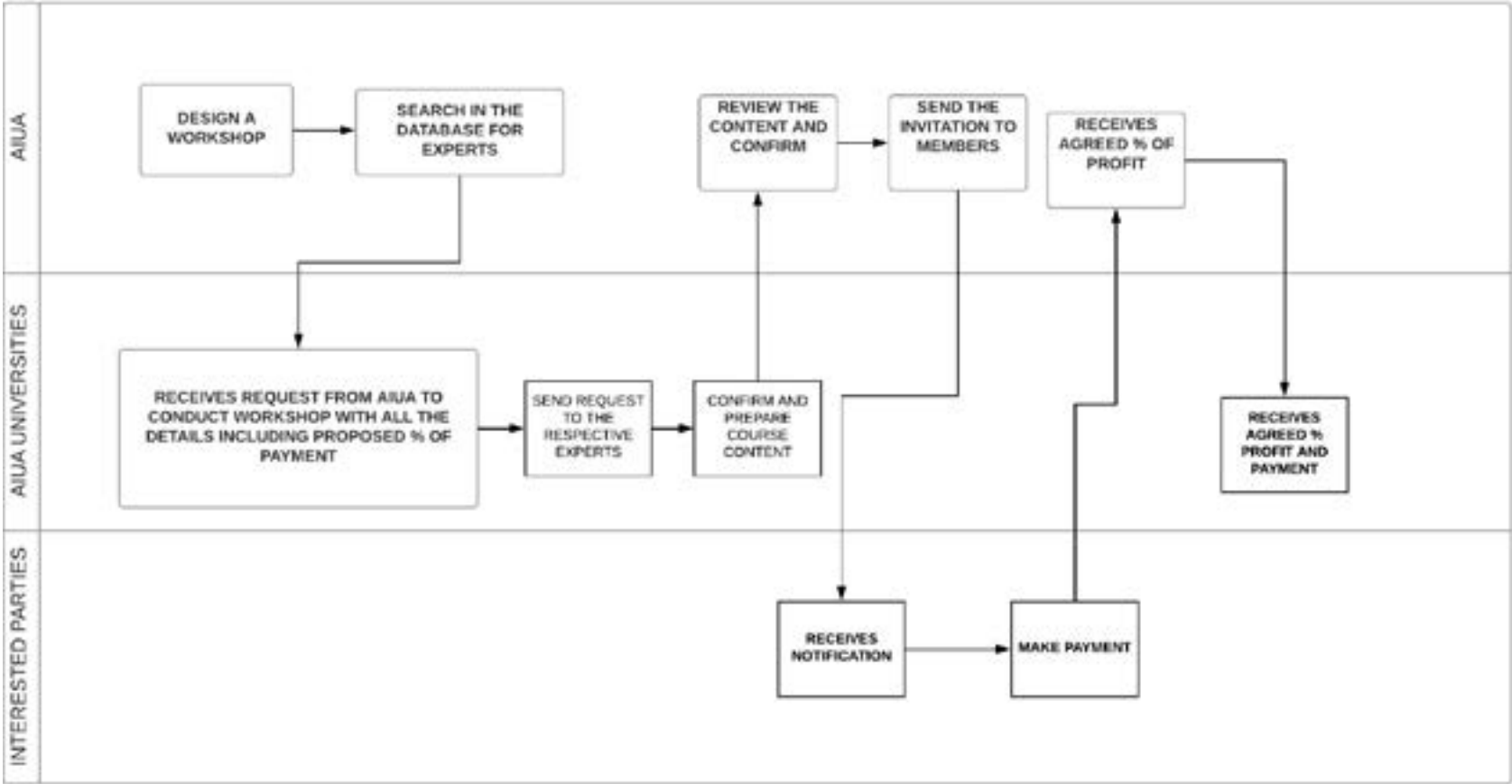
JOURNAL

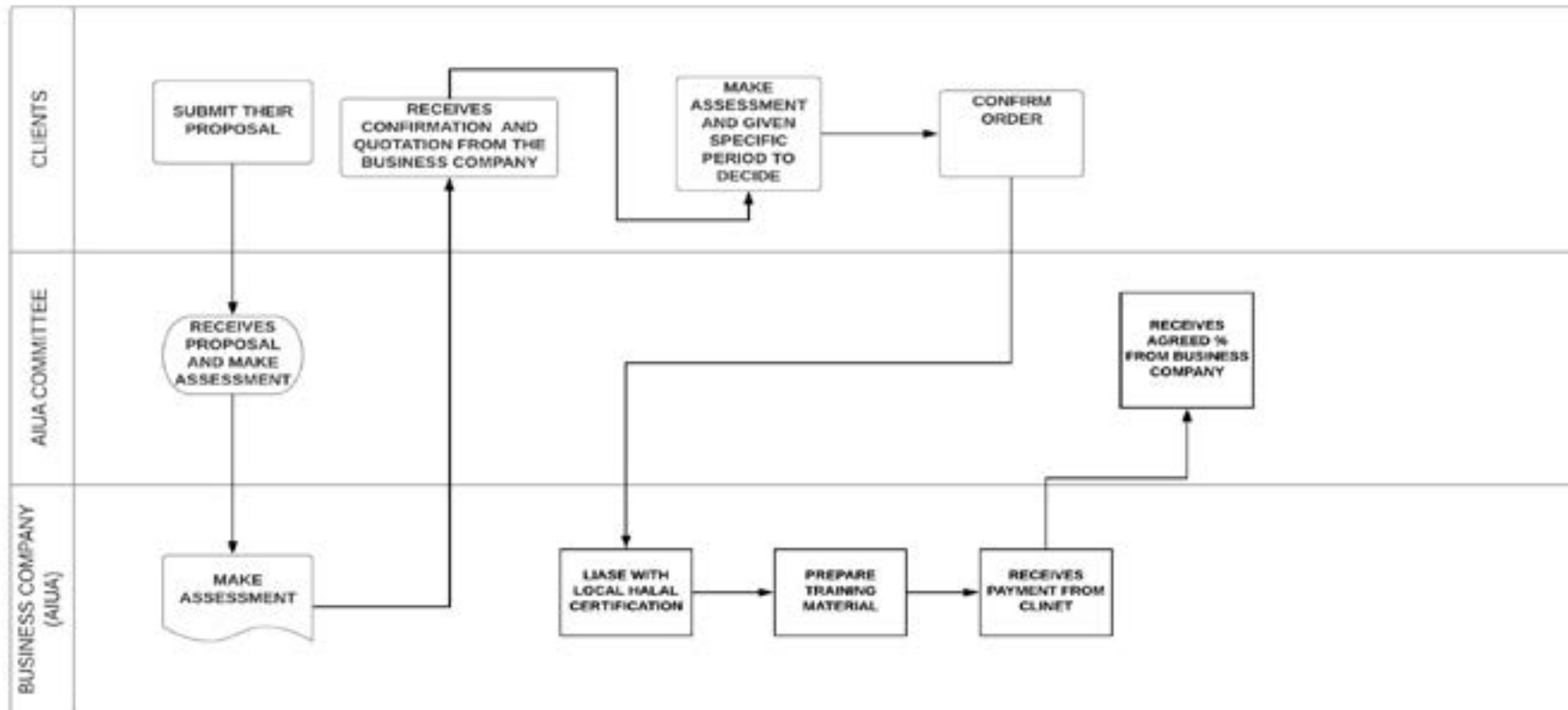


MEMBERSHIP FEE



WORKSHOP - ACADEMIC - RELATED

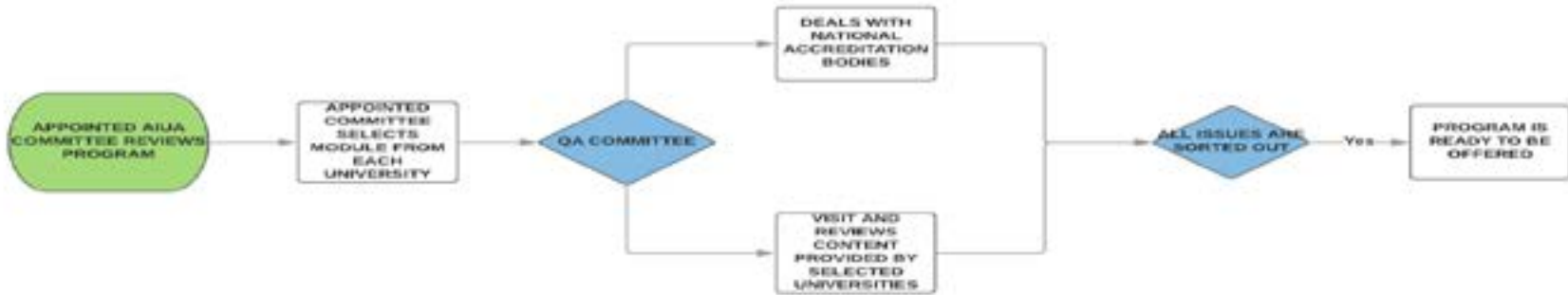


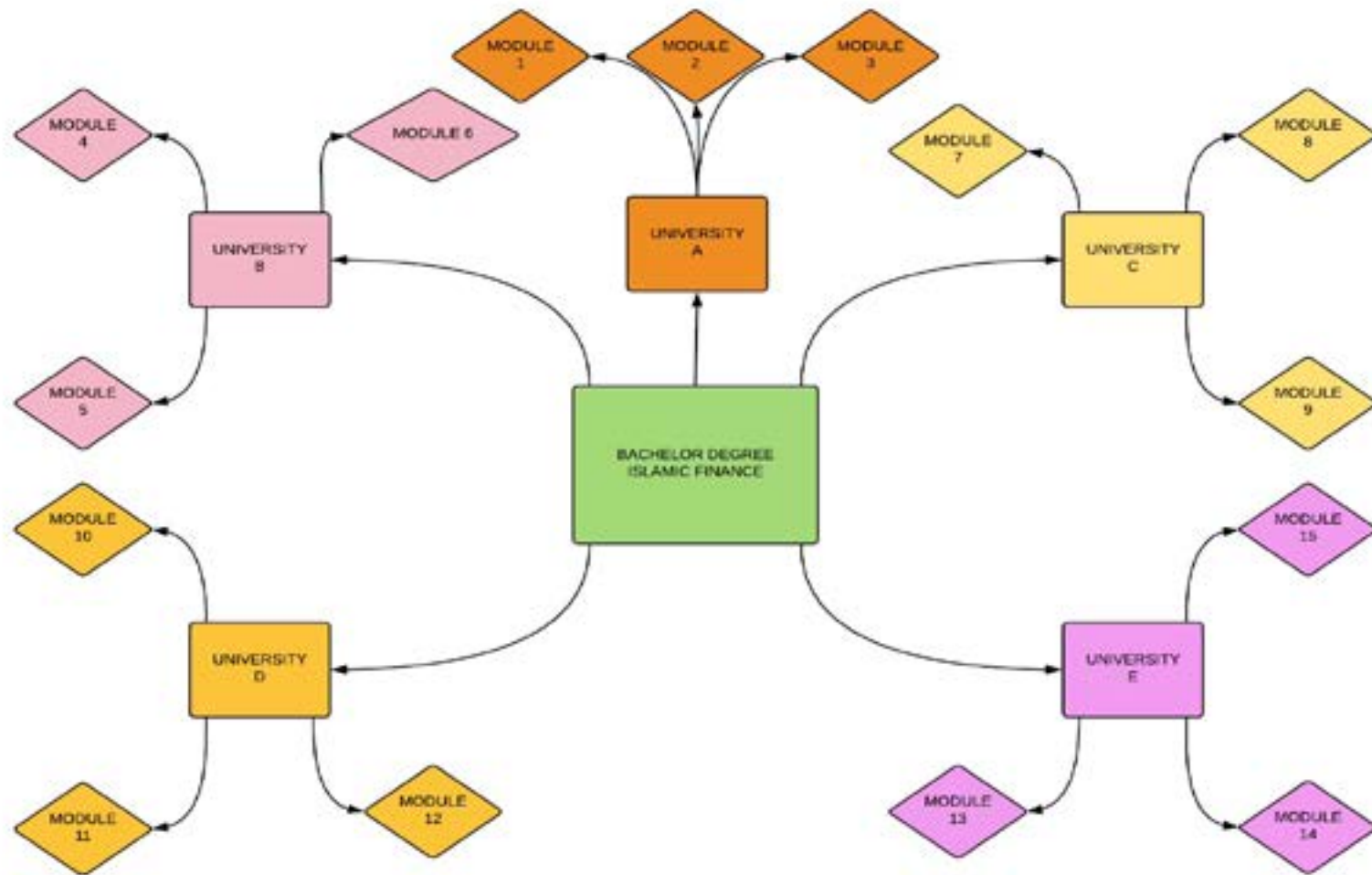


AUIA
ASIAN ISLAMIC UNIVERSITIES ASSOCIATION
رابطة جامعات آسيا الإسلامية
UNIVERSITY



INITIAL STAGE

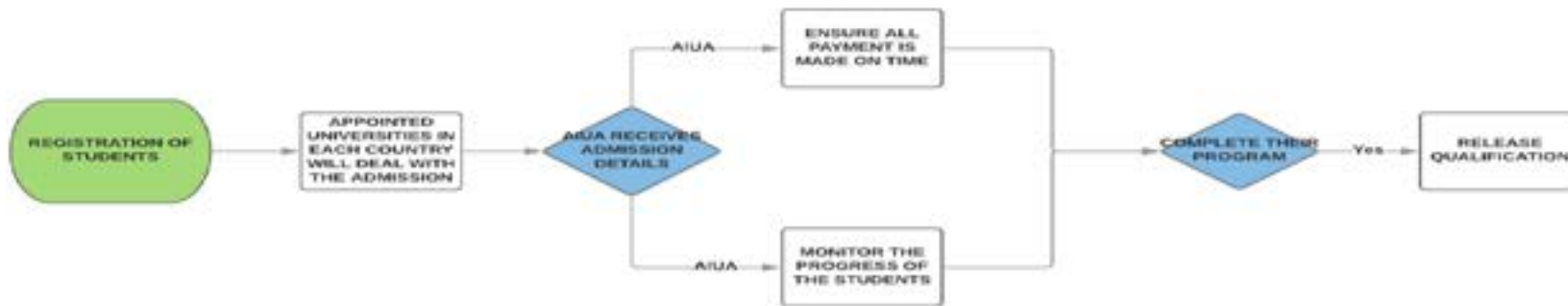




SELECTED UNIVERSITIES



SUPPORT PROCESS



CONSULTANCY SERVICE

