

# REDESIGN “UNIVERSITY OF THE FUTURE” CONCEPTUAL BUSINESS MODEL: SUSTAINABILITY AND STAYING RELEVANT IN THE DIGITAL AGE

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(Received: 13<sup>th</sup> May 2019; Accepted: 8<sup>th</sup> April 2020; Published on-line: 30<sup>th</sup> May 2020)

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**ABSTRACT:** Several key studies have shown that the higher education sector is in need of new business models in order to stay relevant and sustainable in the New Digital Age. Pressures and drivers of change – funding, changes in the technology and Fourth Industrial Revolution (4IR), digital socio-economy, and business model, to name a few – that demand institutional change by re-examine its current business model and value proposition, if success is to be sustained over the long term. The digital changes are dynamic and complex. This paper adopted the design thinking approach, where business modeling tools namely the Environmental Map (EM), Business Model Canvas (BMC) and Value Proposition Design Canvas (VPC) are used to formulate, design, and evaluate alternative business models for the higher education institutions (HEI). The tools allow HEI to design conceptual business models - creating value for their business, and delivering value propositions and benefits for their customers. Thus, enabling the creation of sustainable businesses. Depending on the value proposition to be offered to targeted customer segments, this paper has offered generic conceptual business model in preparing for UotF to be always relevant and sustainable in the New Digital Era. In our opinion these generic conceptual business models will help UotF decision makers, planners and relevant stakeholders to continuously review, enhance and customise their value offerings so as to remain relevant, sustainable, agile, and competitive.

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**KEY WORDS:** *University-of-the-Future, Fourth Industrial Revolution (4IR), Business Model, Business Model Canvas, Value Proposition Design Canvas*

## 1. INTRODUCTION

The Higher Education Institutions (HEI) and Industry are undergoing a fundamental transformation, as the forces of globalisation, new business models, and Fourth Industrial Revolution (4IR) have transformed other industries of the economy in the past 20 years. The industry is driven by a number of drivers of change where some of them are disruptive. The role of higher education in society and the economy is changing, and will have to transform the way they deliver their value propositions, operate their organisations, and manage their intellectual assets in creating sustainable high impact values, virtues, and solutions for their students, graduates and other stakeholders. In an increasingly competitive industry, HEI need to differentiate and make themselves relevant to customers and stakeholders. HEI leaders need to rethink their business in creating better values and experiences for their students, graduates, employees,