

The Role of Cost Assessment in Enhancing Charismatic Leadership Competence Based on Quadruple Helix Model

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Abstract

The Quadruple Helix model approach, which integrates academia, business industry, community, and government, has outlined university-society relationships more clearly, particularly in strengthening charismatic leadership. Malaysia's economic growth has shown resilience despite facing economic challenges and global leadership struggles. To maintain this momentum, efficient and effective comprehensive management in national development planning and public expenditure will continue to be enhanced to foster sustainable economic growth. However, discussions on the role of cost assessment in enhancing charismatic leadership competence based on the quadruple helix model are limited. Therefore, this concept paper aims to elucidate the role of cost assessment in enhancing charismatic leadership competence based on the expectations of the quadruple helix model. The quadruple helix expectations through academia, business industry, community, and government will be explored from the perspective of cost assessment. There are four assessment techniques summarized within it aimed at making decisions regarding the use of costs or resources that can help improve the efficiency and effectiveness of program implementation, namely Cost-Effectiveness Analysis (CEA), Cost-Benefit Analysis (CBA), and Cost-Utility Analysis (CUA). Further research proposals that can be developed from this concept are related to specific studies using one of the cost assessments, such as Pre-School Program Cost-Effectiveness Assessment or Bachelor of Education Program Cost-Effectiveness Study. This concept has the potential for long-term development through collaboration with key players in the national financial training industry. Higher education institutions can take the opportunity to upgrade accounting course content or through courses that enhancing organizational efficiency and excellence.

Keywords: Cost Assessment, Charismatic Leadership, Quadruple Helix Model, Four-Helix Circle

Introduction

For every organizational management, activity, and project to be implemented, planning for assessment is an aspect that cannot be avoided. Assessment is also conducted to identify

whether the organization, activity, and project (i) adhere to the established standards and (ii) are beneficial or not. After determining the approach to be used, there are several considerations that need to be made for the smoothness and success of the assessment implementation. Economic evaluation is an analytical technique designed to compare two or more alternative actions in terms of costs and outcomes. Economic evaluation enables decision-makers to consider the value of alternative uses of existing resources. The aim of this guideline is to introduce the concept of economic evaluation and demonstrate how it can be utilized.

Cost Assessment and Its Necessity

Any project or organization that utilizes financial resources or other resources to operate employs cost assessment. Cost is the value of various types of resources (typically financial) used to execute a product or program (Yates 2009; Baldwin et al. 2013). Generally, cost assessment is a branch of economics that evaluates issues related to resources and provides information to decision-makers to prioritize resources that can enhance overall effectiveness, efficiency, and value (Goodacre and McCabe 2002; Baldwin et al. 2013).

Goodacre and McCabe (2002) summarize cost assessment as the process of measuring the cost-effectiveness of any implemented intervention. If resources are unlimited, it can aid in making the most effective choices (Godfrey et al., 2000). Conversely, if resources are limited, organizations can ascertain whether the intervention represents good value for the money invested. Cost assessment is a systematic process used by organizations to identify and measure costs associated with various decisions. The purpose of cost assessment is to ensure that decisions made are economically sound and that the benefits of these decisions justify the costs incurred. Cost assessment evaluates the costs and benefits of carrying out a set of activities.

Economic cost assessment techniques are one of the tools available to help make wise choices among various alternatives and to design and implement efficient programs. The purpose of this analysis is to identify ways to carry out activities effectively within a limited budget. In other words, it is designed to identify the most efficient approach.

Cost Assessment Techniques

The use of cost assessment includes project cost estimation, project cost comparison, cost-benefit analysis, cost-effectiveness analysis, cost management, project management, and cost estimation software. This chapter focuses only on four cost assessment techniques designed to compare alternative actions in terms of costs and outcomes. The difference between these techniques lies in how the outcomes are measured. McCabe (2009) states that the choice of technique depends on the decisions they intend to influence.

Cost-Benefit Analysis (CBA)

Hayes (2023) states that cost-benefit analysis is used to determine whether a project or task is worthwhile to be implemented. The analysis is conducted to calculate the actual costs of service delivery and the financial value to enhance certain outcomes or to measure whether the benefits outweigh the costs invested (Baldwin et al., 2013; Mishan and Quah, 2020). It involves measurable financial metrics such as the returns obtained or cost savings based on the decision to proceed with the project (Goodacre and McCabe, 2002; Maskus 2023; Nyovani Madise et al., 2023). This analysis also involves intangible benefits or costs such as employee morale and customer satisfaction.

Cost-benefit analysis in government budgeting is the most common practice (Atory, 2000; Bosio 2023). This analysis links the benefits of each proposed policy to the requirement that the benefits must exceed the sacrifices of the people. Generally, decisions resulting in more benefits than costs will be deemed profitable projects to implement.

Cost-Effectiveness Analysis (CEA)

Cost-effectiveness analysis (CEA) is conducted to identify the outcomes or effectiveness of programs and compare them with different strategies to influence those outcomes (Baldwin et al., 2013). In other words, it is an analysis to determine practices and policies implemented at the lowest cost. The planning and implementation of public sector development projects such as education, health, social welfare, defense, and others use cost-effectiveness analysis (Pokhilenko, 2021; Bosio, 2023). Cost-benefit analysis is not suitable for the implementation of long-term service projects because service projects offer benefits in terms of the number of beneficiaries but cannot be evaluated in monetary terms. In summary, cost-effectiveness analysis is used to ensure that financial resources are used efficiently and the best alternatives are chosen.

Cost-Feasibility Analysis (CFA)

Cost feasibility analysis is designed to assist decision-makers in determining whether a proposed project or investment can be implemented. Several factors considered in cost feasibility analysis include investment returns, potential revenue generation, and consumer sales forecasts (Mishan and Quah, 2020).

Cost-Utility Analysis (CUA)

Cost-utility analysis has been developed to assist decision-makers in comparing the value of alternative interventions that have significantly different benefits (McCabe, 2009). This analysis has been developed to address the limitations of conventional cost-effectiveness analysis, which do not allow decision-makers to compare the value of interventions for different problems. Utility in the context of this assessment is defined as hardware or software that aids in the use of a device or computer. Studies conducted by Rojas et al. (2023) are examples of cost-utility analysis in specialized technology software, particularly in the field of healthcare. This analysis can determine the value for specific conditions, thus facilitating transparency in the resource allocation process (Godfrey et al. 2000; McCabe 2009). Like the widely used cost-effectiveness analysis for government service evaluations, cost-utility analysis focuses on the analysis of the monetary value of digital products used primarily in the healthcare or medical field.

Cost Assessment Implementation Process

The implementation of cost assessment has been defined as a systematic process of measuring cost-effectiveness, as stated by Goodacre and McCabe (2002). Therefore, the assessment process requires several implementation steps. Based on references, there are varying numbers of steps for each type of cost assessment (Godfrey et al. 2000; Hayes 2023). However, the implementation of cost-benefit analysis (Hayes, 2023) is found to involve all steps at different stages, and it serves as a summary of the assessment implementation for all types of cost assessment. Figure 1 illustrates the implementation process of cost assessment.



Figure 1. Cost Assessment Implementation Process (Hayes, 2023)

Identify The Project Scope

The first step of the assessment begins with identifying the scope of the project or program, which is the stage where planning occurs. At this stage, the timeline, resources, constraints, required personnel, or assessment techniques need to be determined.

Determine The Costs Involved

Cost assessment also needs to consider the types of costs. Another aspect of cost assessment is related to determining how resources are allocated among individual units (Godfrey et al., 2000). Therefore, the next step after identifying the project scope is to determine the costs involved, such as direct costs, indirect costs, intangible costs, opportunity costs, and potential risk costs (Baldwin et al., 2013). When determining costs, it is important to consider whether the costs are recurring or one-time occurrences. Baldwin et al (2013) state that at this stage, it is important to determine how much of each resource is used in providing individual components/activities in the program being implemented.

In this regard, investment costs can take the form of financial costs and may also involve non-financial costs such as environmental impacts. Therefore, investment outcomes also receive the same impact, which can be in the form of financial and non-financial benefits.

Determine The Expected Benefits

The third step in the cost assessment process is determining the benefits that may be received, such as (i) higher revenue and sales from increased production or new products, (ii) intangible benefits such as improved safety and employee morale, customer satisfaction due to enhanced product offerings or faster delivery, or (iii) competitive advantages such as increased market share.

Conduct Cost Calculation Analysis

Next, calculation analysis can be conducted based on the objectives of the type of cost assessment. Depending on the chosen cost assessment technique, calculation analyses that need to be carried out include Discounted Cashflow (DCF), Return on Investment (ROI), Net Present Value (NPV), Internal Rate of Return (IRR), and Benefit-Cost Ratio (BCR).

Making Proposals and Implementing Decisions

The analyst summarizes findings regarding costs, benefits, net impact, and the discovery method supporting the original analysis objectives to present to management for decision-making purposes.

Strengths And Weaknesses of Cost Assessment

Cost assessment or analysis successfully influences decision-makers easily if the highlighted strengths are prominent. Among the strengths that can be found in cost assessment is that it is data-driven analysis and analysis conducted is limited to the objectives determined in the initial steps of the assessment process. Additionally, assessment reporting presents deeper findings and potentially more trustworthy results. Another strength of cost assessment is that it provides insights into both financial and non-financial outcomes.

However, not all cost assessments can and should be carried out. Smaller projects may not require cost assessment. Furthermore, the process of data collection and cost analysis itself requires capital and resources, not to mention the implementation of the project or intervention itself. Among the weaknesses that exist in cost assessment is that it heavily relies on forecasting figures, meaning if any critical single forecast is off, the estimated findings may be inaccurate.

Expectations Regarding Quadruple Helix Model

The Quadruple Helix model illustrates the effective relationship among the four main entities in the innovation ecosystem: government, industry, academia, and society. Figure 2 emphasizes the importance of collaboration between these sectors to stimulate innovation and sustainable development in society. In the context of charismatic leadership, the Quadruple Helix model plays a crucial role in shaping an environment conducive to potential leaders.

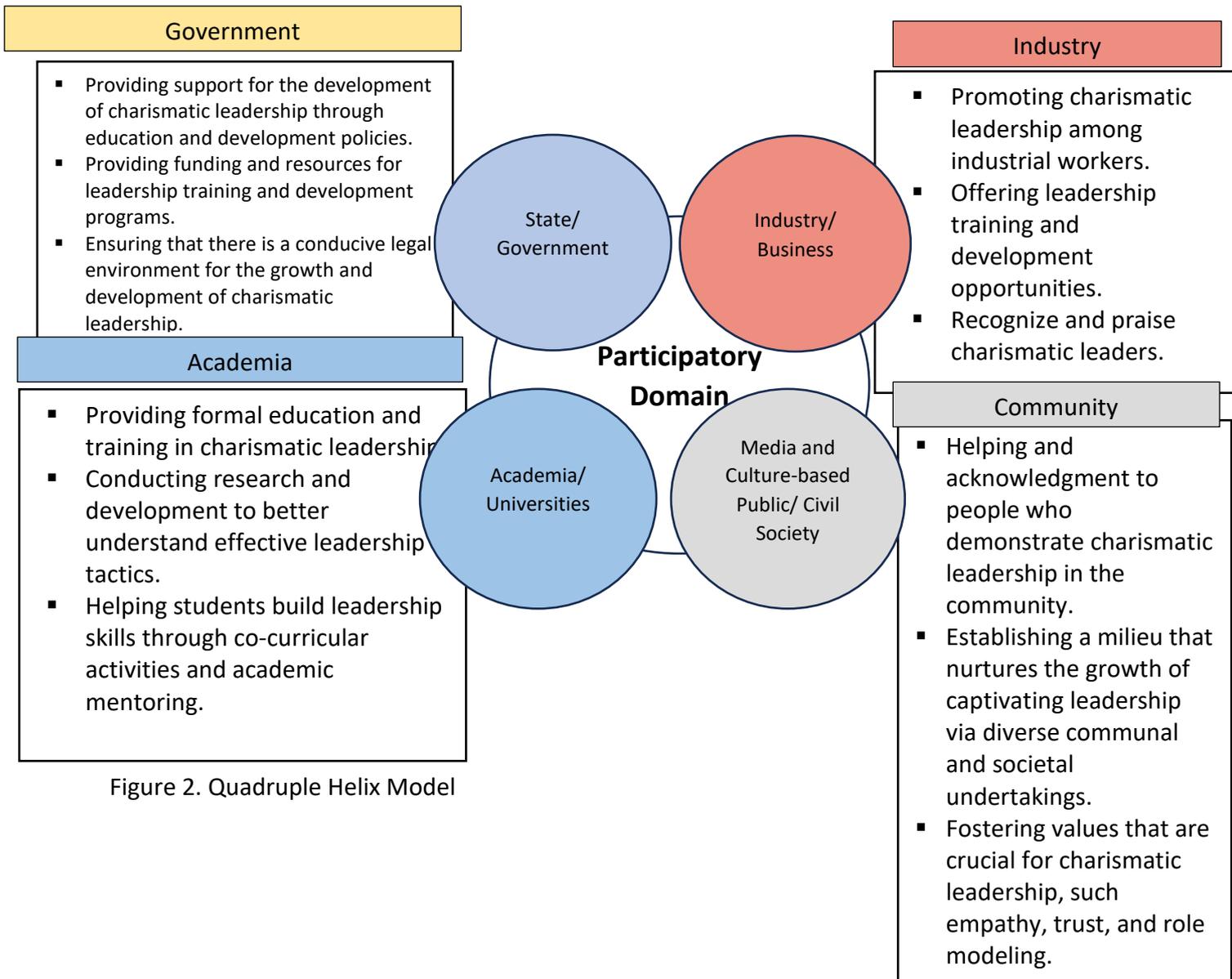


Figure 2. Quadruple Helix Model

Government

The government, one of the main players in the Quadruple Helix Model, is crucial in developing frameworks and regulations that encourage innovation. The government can play a significant role in improving charismatic leadership skills and controlling costs. Here are some expectations about the role:

Aspect of Expectations	Explanation
(a) Provide resources and support.	Programs for developing charismatic leaders can be implemented using funding provided by the government. This covers the cost of infrastructure, technical support, and training.
(b) Training programs development.	The government can help create training initiatives that emphasize the growth of charismatic leadership abilities. In order to create programs that address contemporary needs, this involves working in conjunction with academic

	institutions, professional training providers, and industry specialists.
(c) Effectiveness cost management.	Programs for leadership development must include efficient cost management, which must be guaranteed by the government. This entails keeping a close eye on and assessing expenses as well as making sure that resources are distributed sensibly to produce the best outcomes.
(d) Monitoring and evaluation system.	The establishment of an efficient monitoring and evaluation mechanism to gauge the success of charismatic leadership development initiatives can be greatly aided by the government. This makes it possible for ongoing improvement and any necessary adjustments.
(e) Driving environment.	By encouraging innovation, moderate risk-taking, and an open learning culture, the government may cultivate an atmosphere that supports the growth of charismatic leadership.
(f) Cooperation with the private sector and civil society.	By working with the business community and civil society to carry out these initiatives, the government can increase the impact of its efforts. This entails working together to share knowledge and resources as well as to encourage charismatic leadership in all spheres of society.

Industry

Industry also has a significant impact on improving charismatic leadership competency and cost control. Regarding its role, the following are some expectations:

Aspect of Expectations	Explanation
(a) Investment in leadership development.	The sector can fund staff leadership development and training initiatives. This involves offering financial support for conferences, instruction, and leadership development initiatives created specially to improve charismatic leadership skills.
(b) Integration of charismatic leadership into organizational culture.	The sector can guarantee the incorporation of charismatic leadership ideals and principles into their corporate culture. This entails encouraging traits in staff members like inspiration, trust, and positive influence.
(c) Developing leadership role models.	The business community can help create compelling and successful role models for leadership. This involves discovering and elevating people with charismatic leadership qualities so they can serve as mentors and role models for others.
(d) Provide support and resources.	The sector can offer the resources and assistance required for the development of charismatic leadership. This entails giving people access to the instruction, therapy, and direction need to develop their leadership abilities.
(e) Develop reward and recognition systems.	Systems for rewards and recognition that recognize accomplishments in charismatic leadership might be

		introduced by the industry. This could involve giving out prizes to people or groups who exhibit the required leadership traits.
(f)	Engagement in educational initiatives.	The sector may also participate in university or public education programs that foster charismatic leadership. This entails offering knowledge, resources, or educational opportunities to foster leadership potential in upcoming generations.

Community

The community has a critical role in both improving charismatic leadership skill and cost management. Regarding its role, the following are some expectations:

Aspect of Expectations		Explanation
(a) Support and collaboration.		Initiatives for the development of charismatic leadership might get cooperation and support from the community. This could entail giving these programs the room, staff, or funding they need to operate.
(b) Local talent development.		Communities may help cultivate local talent by spotting, encouraging, and growing those who have the makings of compelling leaders. Mentorship, skill development, and training programs can do this.
(c) Recognition and awards.		People who exhibit charismatic leadership within the community may be recognized and given rewards by the community. This can produce well-respected role models and inspire others to strive for leadership greatness.
(d) Relationship and network development.		Communities support the establishment of networks and relationships that are necessary for the emergence of charismatic leadership. Community members can develop and bolster one another's leadership abilities by exchanging experiences, information, and support.
(e) Integrated approach.		An integrated strategy to developing charismatic leadership can be implemented by communities, encompassing a range of stakeholders such as educational institutions, community members, local leaders, and others. This makes it possible for a broad interchange of knowledge and insights to improve leadership in a variety of settings.
(f) Public education and awareness.		Communities are also involved in raising public awareness and educating the public about the value of charismatic leadership in long-term, sustainable community development. To spread information and increase understanding of leadership challenges, this may entail educational initiatives, seminars, or open forums.

Academia

The role of higher education institutions, whether public or private, is crucial in cost management and enhancing charismatic leadership competency. Here are some expectations regarding their role:

Aspect of Expectations	Explanation
(a) Educational program development.	The creation of educational initiatives that offer specialized instruction in charismatic leadership can be greatly aided by higher education establishments. This could include classes, diploma programs, or bachelor's degrees that concentrate on acquiring the essential leadership abilities.
(b) Research and development.	Institutions of higher learning are able to carry out research and development related to charismatic leadership. They can research traits of charismatic leadership, elements that influence charismatic leadership, and methods for cultivating charismatic leadership in a variety of settings.
(c) Industry collaboration.	Universities can work with businesses to give students access to leadership development and training programs. This includes cooperative projects, workplace training, and internships that let students use the leadership theories they've studied in actual business environments.
(d) Student leadership development programs.	Higher education establishments can offer their students leadership development programs that include classes, seminars, or extracurricular activities to help them become more charismatic leaders and strengthen their leadership abilities.
(e) Mentorship and guidance.	Institutions of higher learning can provide mentorship and advice to students who want to become charismatic leaders. Help with this needs to come from the teachers, staff, or seasoned alumni who have worked in leadership positions.
(f) Strengthening leadership culture.	Institutions of higher learning have the power to encourage a leadership culture among their faculty and staff. This can be accomplished by taking part in leadership-related activities, recognizing leadership accomplishments, and advancing effective leadership principles.

Conclusion

This concept paper has discussed the role of cost assessment in enhancing charismatic leadership competencies as well as the expectations of the quadruple helix model among the four main entities in the innovation ecosystem: government, industry, academia, and society. Cost assessment is important as part of a comprehensive approach to evaluating charismatic leadership programs, and it can serve as the basis for more rigorous assessments such as cost-effectiveness analysis and cost-benefit analysis. In making decisions based on the cost assessment conducted, return on investment is a crucial factor in evaluating proposals. If the

return on investment is high, investors will be more inclined to invest in a project. If the return on investment is low, workers are less likely to generate returns on investment, and the project is likely to fail. This concept has implications for long-term development through collaboration with key players in the financial training industry such as (i) the National Accounting Institute (IPN), (ii) Training Unit, Strategic Financial Management Division, or (iii) the National Valuation Institute. In addition, institutions of higher learning can take the opportunity to enhance the content of accounting courses, or through courses on organizational efficiency and excellence by statutory bodies such as the Trust Foundation for Statutory Training. Further research proposals that could be pursued include designing training related to effective cost management in enhancing charismatic leadership competencies involving all stakeholders holistically.

The theoretical contribution is by adding to our knowledge or understanding of a given topic of interest on cost assessment in enhancing charismatic leadership competence based on the expectations of the quadruple helix model among academic community. This concept paper concerned about understanding how the world works especially for cost assessment aspect. The contextual contribution of this research covers the diversity of different fields and subfields that focus on understanding how a small part of the world works. Interestingly, the significant of this paper is expanding the thoughtful of three important components which were cost assessment, charismatic leadership competence and quadruple helix model to the existing knowledge. This play its role in this education context by reducing the cost and manpower in conducting the charismatic leadership programme. The different perspectives from academia, business industry, community, and government will be enriching on how a small part of the world works.

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