The Implementation of Business Management Strategies in University Extension Education

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ABSTRACT

To develop extension educational programs is one of Taiwanese colleges’ missions. Under the concept of “Lifelong Education and Returning to School for Re-education,” the Ministry of Education (MOE) in recent years has endeavored to make educational innovations, thus making some policies more practical. Two management models, SWOT analysis model and 4’Ps analysis model will be investigated in this study.

The purposes of this study are listed as follows:
1. To introduce the policies and the plans of college extension education in Taiwan.
2. To analyze the outside opportunities and threatens of the extension educational programs in universities in Taiwan.
3. To analyze the inside strengths and weaknesses of the extension educational programs in universities in Taiwan.
4. To give practical suggestions drawing from marketing 4’Ps models.

INTRODUCTION

The lifelong education concept has been promoted by international organizations since the 1960’s. From this time, the importance of lifelong education has been steadily increasing. Lifelong education has not only become the major concern in many country education policies, but also has great impact in the education reform and promotion of extended education. Driven by recurrent and lifelong education, college education in many Europe and American countries has gradually been dominated by adults. The extensions in college education have extended the original abnormal characteristics to become the important place for lifelong education of adults. (Tsai, 1999)

Previously, extension education was only on the sidelines of education. Public universities did not actively participate in extension education. Some private universities then actively increased revenue with promotion of extension education. Therefore, people will have a vague impression of the meaning and objective of university extension education. In recent years as the call for education reform has gathered steam, MOE has begun promoting lifelong education and set 1988 as the “lifelong education year”. It has promulgated “Approaches for University to Extend Education”, which has clearly regulated the definition, types and implementation methods of university extension education. With the implementation of the rule that public universities must raise funds themselves, extension education must become the field that universities cannot neglect. (Tsai, 1999)

According to the investigation result of Cheng Tsan-Yuan in 1998, there are 231 adult education or extension units in 80 universities in Taiwan that partake in adult extension education. As the extension characteristics of adult education are different, the adult and extension education classes were classified...
into 19 types in majors, the majority being languages, followed by agriculture, business, and computer application. From the material of extension education classes, we have found that most adult and extension education units are providing classes that match the characteristics of the units. In general, it provides various and different degrees of classes to different people. It has the course-planning phenomenon of variety and work division.

**SWOT ANALYSIS**

The demands of consumers will change with the influence of the general environment. Therefore, if organizations are to determine and satisfy the demands of consumers, the marketing management must analyze resources. By comparing the advantages and disadvantages of the organization with those of competitors they can then decide how to effectively use the resources and create the greatest value for consumers. When marketing managers analyze the resources and environment, they use the famous SWOT analysis in marketing. A clear SWOT analysis can help the university extension unit to segment the market, discover the target learner, and design the suitable marketing mix and solution. (Teng, 1998)

**Strength -- Lifelong education role**

With the development of science and technology and changes in society and economic structure, the learning desires of people are very strong. The continuing education opinion that education and learning are on-going, has become the common knowledge of the social masses (Huang, 1999). Therefore, adult education in university has become the mainstream of the advanced education system (Munger, 1986). All universities are expending the role of providing lifelong education, with all departments providing trans-department adjustment. In the future, it will assume the role of an academic leader. (Cheng, 2004).

The role of extension education is to teach the masses practical knowledge transferred from research, which can be accepted by common social masses. In this way, common social masses have their requirements fulfilled (Lin, 1997). Learning is also a process that will continue for a lifetime. All people must continue to study in each stage of their life. As the workers must promote the labor productivity and competitiveness to increase new working skills with the change of working market, the education and training opportunities must continue lifelong (Tsai, 1999). In addition, adults have rich and various experiences. If the course can evaluate relevant working and life experience and give credits, it will become an attractive factor. (Huang, 1997)

**Weakness**

The current situation of Taiwan is that in previous times, the extension education of universities was aimed at mainly providing non-normalized education to the social masses. The guidance of government policy has always put emphasis on normal education. However, as there are constraints on the admission examination for evening classes of normal degree university courses, there are only 10% of adults joining the courses. Extension education receives very few subsidiaries from the government with no encouragement and no opportunity for full development.

Additionally, universities in Taiwan have the following problems in the development of extension education:

1. Blur concepts: As for the current education system, the biggest shortcoming was that normal academic education did not differ with the professional education extension. For example, both the university and independent institutes had master and PH.D for academic classes, it also had the evening classes of
extension education, as well as short-term professional courses, including from languages to computer. What is the focus of the universities? (Lin, 1997)

2. The organization structure of the extension education organization is not stable.

3. Personnel and finance are the main factors of the stability of the organization. Within personnel, the further education departments had no specialized personnel and all staff came from the current working staff of the university. (Lin, 1997)

4. Attending school for study: As students must go to a certain location for study, barriers may be created against the participants. Therefore, convenient location and times were the main factors considered. (Yang, 1996)

5. The course and scheme are mainly affected by the organization characteristics of the promotion units, university environment characteristics, but not the strategic choice result of the promotion units (Cheng, 1998)

6. As the market governs the growing popularity of education, high education is facing a development crisis.

7. The tuition system of the university extension has problems of both “profit for school” and “social responsibility”, with the crisis of making education a commodity.

8. The rules and regulations of university extension education vary in regulation and openness. (Cheng, 2004)

The current status of education promotion implementation will be analyzed and examined in administration organization, education methods, courses and teaching material, and professional personnel. This is explained below (Tsai, 1999)

1. Administration organization: Administration organization of current promotion education is not complete. The levels are low and it is deficient in personnel, this means that the functions are not clear and have omissions.

2. Education method: The adult further education department has different learning characteristics within the daily university departments. If university teaching does not have any effect on the university students, adult students will feel frustrated. If the teaching contents are too academic, adult students will feel they are not practical, and the willingness to learn will wane. This is often the case in extension.

3. Courses and teaching materials: Current college education courses and teaching materials are provided by the current university courses of the organization. There are few that can comply with demands of the students and do not reflect upon the characteristics and demands of the community.

4. Professional capacity: Extension education personnel in the universities, including administration personnel and teachers, lack the professional capability of adult education, and will hinder the extension education.

Opportunity

1. Lifelong education: At present, knowledge develops with each passing day. “Lifelong Education” has become the objective for modern people to continuously fulfill themselves. With the increasing population and concepts of recurrent and lifelong education becoming popular, there is a tendency that adults will further their studies by attending university. Therefore, with the amendment of government high education policy, university extension education has become the important channel of developing social service functions and establishing a lifelong educational society. (Huang, 2002)
2. Social changes: Countries in the world now pay more attention to university extension education. Influenced by the concepts of lifelong and recurrent education, the number of adults participating in university education has greatly increased. This is especially true in those countries highly developed in education. (Huang, 1997). Take the general environment of university extension education in Taiwan as an example. In recent years, with the development of IT (technical environment), aging society (demographic and economic environment), and MOE encouraging universities to promote extension education (social and legal environment), the number of adult students has greatly increased. This has created the development opportunities of extension education. (Teng, 1998)

3. Technology development: The rapidly changing media allows universities to carry out the extension education. Advanced technological media is used to overcome the time and space limitations and gain advantages in furious market competition. For example, international academic networking can be used to overcome the time and space barrier to shorten time and distance when obtaining information. Those channels have also brought more convenience to the compiling of teaching materials and data resources. (Lin, 1997)

**Threat -- Competitive Pressure**

In Taiwan, as the concept of lifelong education has just started to gain the attention of MOE, it is listed as one of the focuses of education reform. (Tsai, 1999). However, with the development of globalization and Taiwan’s entry to the World Trade Organization, future higher education will become more open and people will experience greater opportunities in receiving education. Therefore, university extension education will face more furious competition, even from other countries. (Lin, 1997)

Additionally, overseas universities have gained rich experience and theories in university extension education. Therefore, if the new-born university extension units have not prepared themselves well and found countermeasures for the time of lifelong education and the challenges of foreign education organizations, they will face elimination. (Tsai, 1999)

**MARKETING MIX ANALYSIS**

The word “marketing” contains extensive meanings; the definitions by scholars are all different. Brown (1984) believed that marketing included the complete process of consumer demands, development and implementation solution. Thus, satisfy the demands of consumers and evaluation if the solution is successful. Hung (1997) concluded the core concepts of marketing should include all activities such as product development, channels distribution, pricing and promotion.. We generally call those activities marketing mix.

The purpose of marketing activities is that through the matching of marketing mix we create value and satisfy consumers’ demands. Marketing must have a market where the buyers and sellers can transact. The function of marketing is to guide the financial resource and services so that in the process of exchange between buyers and producers, demand and supply are effectively matched to maximize the satisfaction degree. We learn from the above definitions that marketing is different from sales and promotion. Sales and promotion are only one stage of marketing, but marketing is a complete process to satisfy the demands of consumers. Through the marketing process, social resources can be effectively utilized to create huge social values.

Huang (1994) points out that any adult education scholars believe that the university extension should take the demands of the masses as the core. Therefore, admission conditions, course contents,
teaching method, or evaluation method should all be flexible to serve the demands of adult students. Hu (1996) thought that the biggest difference of extension education and normal education was that it did not focus on organization, teachers or subject contents. In contrary, the design of extension education should fully consider the demands of learners. It then provided the technology and knowledge that is required to serve their needs.

The extension education theory with students’ demands as the core, matches the concepts of marketing orientation. Strategic marketing planning procedure not only facilitates the universities into providing appropriate courses so as to serve the needs of the masses, but also improves the learning interests of people, increasing the number of adult students. Therefore the exchange of knowledge and experience can bring these effects into full play, fulfilling the function of popularizing education and serving society. (Teng, 1998)

Although the word “marketing” has origins in the commercial environment, Huang (1997) and Karen (1995) have applied the theories and experience developed from marketing to the educational environment. The purpose of the article is to discuss how universities can plan extension education from the perspective of strategic marketing. The article will then explain the meaning and functions of marketing, demonstrating the steps of strategic marketing by bringing extension education functions into full play, serving the needs of learners and fulfilling the objective of maximization of social value.

Therefore, from marketing concepts, extension education can be decomposed into four factors: product, price, promotion and place. As the four words of the factors all start with P, we can call it 4P model. All marketing strategies and solutions change from the marketing mix of 4P. (Teng Wei-Cheng 1998). We discuss the factors as follows:

**Product**

In recent years, extension education has been affected by adult education, philosophy and the establishment of various extension education institutions. With increasing social demands, all classes have rapidly grown (Lin, 1997). Classes set by the current extension education organization can be classified into the following types, according to the times that courses were provided.

1. **Evening Class**: The popular method for adult further education classes is to hold them in the evening in Taiwan.
2. **Weekend class**: Adults can use their afternoon time, Saturday evenings and the whole of Sunday to further their studies. The class can help those who cannot study on weekday evenings, or those that live far from the education location and cannot go back every day.
3. **Summer Vacation Class**: This class is mainly for teachers who have winter and summer vacations for further study.
4. **Education in the air**: Education in the air is the most feasible method for students who do not want to be prevented by barriers.
5. **Short-term intensive class**: Commercial society lays great emphasis on efficiency. Some organizations have launched short-term research classes. In one day, one week, or one month, the whole course is lectured. This type of class is very popular in non-credit classes, and worth advocating. (Yang, 1996).

**Price**

Tuition includes tuition cost, discount or payment method. The most popular method to calculate tuition is Break-even point analysis. Firstly we must analyze the cost and expenses incurred in one by one course. This includes fixed cost and variable cost. Fixed cost is the expense that will not change with the
number of students, such as hour expense, advertisement, and facility depreciation. Variable cost means expenses that will change with the number of people, such as paper handout expenses and food. Break-even analysis will help the planners in understanding the relationship between tuition revenue and the number of people.

Currently MOE does not have tuition standards for extension education. National universities are under pressure to raise 20% of the expenses by themselves. Therefore, some schools separate the corporation economy credit classes for high credit tuition. However, there are still many people who are eager to attend (Chang, 1997). Therefore, high tuition cost will not prohibit students from enrolling in the class. Additionally, in order to encourage learners in advance enrollment and control the numbers of students in advance thereby reduce marketing expenses, universities can adopt the method of reducing miscellaneous expenses. Although the payment method is not the main consideration of students, some universities have begun a credit card payment method for paying tuitions and miscellaneous expenses. (Teng, 1998)

To those non-credit classes, expenses are lower or similar to the courses held by general institutions, because universities can fully utilize the existing facilities and teachers. The expenses are determined mainly, by course types and duration. Generally, expenses range anywhere from 2,000 to 3,000 or even 6,000 to 7,000NT Dollars. Credit expenses and miscellaneous expenses range from 1,000 to 4,000 NT Dollars. (Liu, 1996)

Promotion

In extension education, the main purpose of promotion is to effectively transmit course information to the learner, attempting to influence their choice. The channels for transmitting information can be classified into advertisements (newspaper, TV, magazine, carriage, and internet), news, DM, personal introduction, posters, and fax. Before determining the publicity channels, we must understand the most frequently reached media and habits of the target consumers. Only by understanding the consumers, can we make publicity to the maximum effect within the limited budget.

For realization of the propaganda effect, we can consider extensiveness and time. Extensiveness means how many target consumers can reach the information that universities intend to transmit. This is to increase the impression of the consumers and to encourage enrollment. In addition, the specific marketing plan shall be made according to marketing strategies. On the planning process, we must master the time schedule factors. If promotion time is too short, then the effects will be negative. (Teng, 1998)

Place

For part-time learners, location is the main factor considered that affects their intention of signing up. Some students only select the university that is near to their office or home. Classroom facilities and personal service are the important factors that will affect the satisfaction degree of students and decide whether or not they will continue to purchase or introduce others to enroll.

Some universities thought that the job of marketing was to recruit students. They neglected the service quality once the students attend school. The public appraisal of the universities was poor. This will not only affect the students’ intentions in signing up, but will also cause to the loss of previous students. Therefore, when promotion units are making marketing strategies, they must understand the demands of the target consumers and the dynamics of the competitors to make optimal choices. (Teng, 1998) Additionally, some extension education of universities has formed strategic alliance with public organizations and private enterprises to realize a win-win situation.
CONCLUSION

From the study results, after we analyzed the perplexity of the further education development, we need to further discuss feasible counter strategies as follows (Cheng, 2004):

1. The development of further education shall connect vertical and horizontal systems, and establish clear connection relationships.
2. Education development strategy oriented with lifelong education must consolidate and relate to relevant policies of the adults and advanced education. This will form a leading and foreseeing university adult education development strategy that is oriented with lifelong education.
3. The high tuition system of university extension education shall provide high quality effects and services to learners, education products, and university finance.
4. According to the characteristics of the universities, MOE shall subsidy a certain proportion of expenses in promoting the community service of the university, alliance of university and industry, the alliance among universities, and public service development of universities.
5. The department of universities shall provide a certain proportion of expenses to enhance public topics and multi-culture courses to avoid the loss of function of social responsibility, culture protection and respect.
6. In organization, various forms of learning stations shall be set up to be closer to the market and the resources.
7. In human resources, a special training center for administration executives and teachers’ professional capability promotion committee shall be established to avoid the issue of inadequate expertise.
8. In performance evaluation, we shall establish clear evaluation indicators and pay attention to the forming of individual characteristics and qualified indicators.
9. In order to smoothly complete university courses, the university must develop preparation courses to help those adults who left school a long time ago to acquire the capability of learning. The preparation courses shall enhance their language capability, reading capability, and mathematics capability.
10. Credits for adult education shall accumulate without time limitation to obtain the degree. All credits from all universities shall be acknowledged. Therefore, a credit acknowledgement and accumulation system shall be established.
11. The will be various types of university extension education. In addition to face-to-face education and outside university education, distance learning is becoming more common. With the development of science and technology, distance education has developed from mail, TV, and radio to computer networking. It not only breaks the constraints of time and space, but also makes the interactions between distant teachers and learners instantaneous.
12. While encouraging adult education, we must also pay attention to the fairness of opportunities. The implementation of extension education shall not become the privileges of the middle class. Therefore, some nations shall establish laws or regulations so that the university education opportunities will assist socially vulnerable groups. This is the embracement of protection of learning rights in lifelong education theories.
13. Universities start to pay attention to the research of adult education to improve the effects of adult learning. In the UK and the USA, adult education, which derived from university extensions, has gradually become an academic study, and has trained many adult education professionals. With the development of the profession, and research gradually gaining focus, the arrangement in extension courses, education methods, and teaching materials can continue to improve.
14. Flexible education system: When we shall increase part-time and distance education degree courses for adult further education, we must make the study system flexible, so that adults can study according to the time and needs of themselves, as they still work and raise families, therefore, universities shall increase more part-time education and distance education methods. Part-time education systems usually limit the credits that learners can obtain in one term, but do not limit the years of study. Distant education courses will make it convenient for learners everywhere, at any time, and teachers will provide self-study teaching materials for them. (Tsai, 1999)

In addition, Yang (1996) insisted that universities shall set special units responsible for the professional implementation of adult education. A good organizational design will facilitate the implementation and control of marketing plans. In organization designs, there are often two methods. One is function-oriented, and the other is product-oriented. In the function oriented school organization, the course design is often responsible for the “courses planning group”. In administration affairs, it includes a division for education, a division for general affairs, and counter administrators. (Teng, 1998)

On the other hand, although all domestic schools do not have uniform practices regarding extension education held by teaching staff, the difference is especially large between private and public universities. We believe that in order to promote the development of extension education human resources, we can start with the following directions.

1. To promote the professional quality of teachers and executives with the fast development of extension education in all universities, and the government policy for recurrent education, we shall plan to handle the training of various professional personnel and extension education teachers.

2. To promote that all universities pay attention to education human resources development such as the overview, evaluation, and praise of the human resource development performance in extension education organizations of the universities.

3. All universities shall publicly confirm and praise those teaching staff of good performance in extension education. For example, the extension education teaching shall be listed in the criteria for promotion of teachers. At the same time the relevant research on extension education shall be encouraged, and theory and reality shall be mutual proof. The students of the extension class are the optimal subjects of teachers. What’s more, the teaching income of the lecturers and executives shall be adjusted. The hour expenses of the teachers’ participating in the extension education shall be improved, as well as the working expenses of the executives. Professional staff shall be given performance evaluations, and those outstanding shall be given performance bonuses. To those executives who are working on holidays or have evening duty shall be given high flexibility in return. To the temporarily recruited person for extension education, the university shall encourage the establishment of salary and benefits system for those temporary recruited personnel, and try to gain stable expense resources (for example, the school foundation and self-raised fund policy of the national universities. Staff benefits system such as insurance, holiday and retirement pensions shall be established so that temporary personnel will not worry about home, and fully devote to work.

4. To increase the extension professional teachers recruited by universities, and shall improve recruiting part-time teachers and external teacher resources.

5. To utilize teaching technology such as distance education or even Internet education to reduce the burden of the teachers, reduce the transportation time of teachers and students, and provide flexible study options. (Huang, 2002)

In general, the university extension education in Taiwan relies on the cooperation and assistance of higher education and adult education cycles. They shall discuss the existing problems and face the difficulties from the perspective of implementation, and put forward effective strategies. Only through
continuous efforts and improvement, can we face the challenges and changes of the growing number of adult students in higher education, and find a suitable development direction for Taiwan’s higher education. (Cheng, 2004)

REFERENCES


