EDUCATION REGULATION

NEED FOR REGULATORY REVAMP OF PRIVATE INSTITUTIONS

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ABSTRACT: This paper examines the need for regulatory revamp of private institutions in Singapore, many of which may not have met the regulatory requirements if strict monitoring actions were to be applied to them. This first part of this paper explores the possible reasons why some private commercial schools are still in operation despite not meeting the recommended regulatory guidelines. It suggests stricter actions could be taken by the Council for Private Education to ensure that private commercial schools contribute to the improvement of the overall education landscape in Singapore and makes recommendations where the Council could increase its vigilance on these schools. The second part of the paper explores the failure of private commercial schools to deliver quality education to their students and the reasons students are still choosing the private education route as an option for their studies.

Introduction

The significance of this paper is that it explores the possible reasons why some private commercial schools are still in operation despite not meeting the recommended regulatory guidelines. It also suggests stricter actions should be taken by the Council for Private Education to ensure that private commercial schools contribute to the improvement of the overall education landscape in Singapore and makes recommendations where the Council could increase its vigilance on these schools. It examines the views of students and teachers of four private commercial schools in areas such as teaching quality, students’ attendance, school facilities, students’ support and counseling, and number of full-time faculty members.

Despite the failure of some private commercial schools to deliver quality education, students are still choosing the private education route as an option for their studies. Principal characteristics or behaviour have a profound impact on school performance (Yu, 2009). They are the main agents of change for improving schools’ performance. Teachers’ attitudes and effectiveness depend on the incentives they receive. Lavy (2004) found that incentives led to increased student achievement through changes in teaching methods and teachers being more responsive to students’ needs. A large amount of literature has investigated the impact of teachers’ salaries on student outcomes, with mixed results (Lavy, 2002; Glewwe, Illias and Kremer, 2003). Teachers
of private commercial schools interviewed felt that their peers at public schools are
being rewarded higher than them. They see higher pay as one of the main
motivational factors to work harder. This paper does not aim to present any direct
evidence on the educational benefits of increased pay, though the use of incentive
payments raises a presumption that it has a positive motivational effect on teachers’
commitment and teaching quality.

Contrary to popular assumptions, private commercial schools in Singapore pose no
significant competition to public schools. Teachers at private commercial schools do
not receive as much training and development as those in public schools. Profit
seemed to be the main driver for these commercial schools. With the strong financial
support from the government, private commercial schools could not compete with
public schools.

This paper also concludes that the Edutrust Certification Scheme is discriminatory
towards local students. It should be amended and made compulsory to all Private
Educational Institutes (PEIs or private schools) regardless of whether they enroll
international or local students. Currently, it is a voluntary scheme applicable to those
institutions which enroll international students. The original objective of the scheme
was to differentiate PEIs with higher standards in key areas of management and the
provision of educational services. The fact that it is applicable to institutions which
wanted to enroll international students creates a discriminatory effect on local
students. This scheme have discriminated local students as its main focus is the well-
being of the international students. The scheme should be broaden to cover all
private schools registered with the Council for Private Education (CPE) and not
selectively to those which enroll international students.

**Background of the private education industry**

A majority of private commercial schools are occupying premises below 200 square
meters with no proper facilities such as libraries, recreational facilities and computer
labs. Many schools cut costs by providing only very basic facilities and compromise
on teaching quality by hiring unqualified teaching staff. Many of the teaching staff
are either part-timers or are unregistered with the Council for Private Education.
While many private commercial schools have been deregistered since the
implementation of CPE Act in 2009, many more schools have mushroomed as
business enterprises discover creative ways to overcome the restrictions imposed by
the CPE Act. There is, thus, a need for the governing authority to check the
exploitation of the loopholes in the Act. It needs to review the existing audit
processes of private commercial schools to weed out errant school operators. Only
through a comprehensive and effective oversight of private commercial schools can
it enforce the CPE Act for public good.

While private schools have mushroomed, there are no clear differences in quality
between larger schools and smaller schools as many small schools with no proper
facilities are awarded with a 4-year registration status. This gives the public a very
misleading picture as they may perceive the 4-year registration status as an
endorsement of quality. The attainment of the four-year EduTrust mark does not
guarantee that the quality of education provided by the private commercial schools
is of high standard. The management of many of these schools have put in much
efforts to "dress-up" the school’s environment and various records (admission,
NEED FOR REGULATORY REVAMP OF PRIVATE INSTITUTIONS

In January 2016, the Singapore government announced the formation of a new statutory board, the SkillsFuture Singapore (SSG) which will focus on the implementation of SkillsFuture, coordinating pre-employment training and continuing education and training. The CPE, which currently regulates the private-education sector, will be subsumed under the SSG. This is timely as there are a wide variety of training programmes which do not come under the CPE. As the SSG assumes oversight of the private education sector, it should increase the competencies of CPE’s auditors and inspectors to include skills such as understanding company accounts in relation to student fees and staff compensation. These two areas are often exploited by the management of private commercial schools and CPE’s auditors and inspectors should recognize the skills gaps in their current job roles.

Many smaller private schools are unable to comply with the regulatory requirement of having an Examination Board and Academic Board. Advisory boards play an important role in assessment and improving curriculum. An improved curriculum ensures that students will receive an education responsive to community needs (Taylor, Marino, Rasor-Greenhalgh and Hudak, 2010). While members of the Examination Board are tasked to ensure the quality of the programs, the assessment process and learning outcomes, many of those listed as members of the Examination and Academic Boards are not actively involved with these processes. The inclusion of their names with their impressive credentials in the school websites should be considered deceptive business practices if they are not actively engaged in developing examination and assessment procedures, moderating examination and assessment marks and handling appeals from students with regards to examination or assessment matters.

The independence of the Academic and Examination Board have often been compromised in private commercial schools as very often the school’s management dictates the curriculum, the assessment criteria and examination matters. Advisory Board members offer support to institution administrators and faculty (Conroy, Lefever, and Withiam, 1996). They comprised of accomplished experts offering innovative advice and dynamic perspectives (Stautberg and Green, 2007). In some private commercial schools, the principals took the initiative to change the examination marks of students without consulting the other Examination Board members. This conflict of interests of the school principal is evident as he may serve multiple roles as the CEO, principal, member of Academic Board and member of Examination Board.

Another area of concern is the number of qualified full-time lecturers. All private commercial schools face difficulties in recruiting full-time lecturers. The 2014 annual report of the CPE showed that there are 16,079 teachers and that 36% of this figure (5,788) are on full-time basis. This figure requires further investigation as it gives an average of 19 full-time teachers to each school, based on the figure of 312 schools as at end 2014. Many large private commercial schools do not have such a high figure of full-time teachers. They normally engage part-time teachers which may teach in more than one school. The trend is for most institutions to use part-time lecturers to reduce labour costs (Alston, 2010). Part-time teachers have become an important cost-cutting strategy for many schools (Allen-Collinson and Hockey, 1998). The CPE needs to relook at the teachers who have been registered with more than one school and ensure that schools do not just list the names of the teachers in their website to
give an impression that they have sufficient qualified teachers. This has negative implications to students as part-time teachers may not be able to commit to teach at a particular school if he has already had a prior commitment with another school. Part-time lecturers face the insecurity of their employment relationship and the dilemma between the need to earn an income and attending to their personal development (Allen-Collinson and Hockey, 1998, Bryson, 1988, Hey, 2001). In such instance, the school may opt for a lesser qualified or unqualified teacher as a replacement. This will lead to an inferior class of part-time lectures which serve as shock absorber (Entin, 2005). Part-timers are likely to be less prepared for classes and their availability for further consultations is minimal. These factors will affect the learning process of students negatively and lead to the decline of quality education.

**Purpose of the Study**

The purpose of this paper was to ascertain the probable reasons some small private commercial schools are still operating despite not having proper facilities. The study examined the perceptions of students regarding the quality of education in their private commercial schools. It also ascertained the perceptions of teachers regarding the availability of motivating factors in their schools. Finally, it made some recommendations which the governing authorities could adopt to ensure that private commercial schools are contributing to the improvement of quality education in Singapore

**Research Questions**

Consequently, the study intends to answer the following research questions:
1. What are some of the reasons smaller private commercial schools are still operating despite not having proper facilities?
2. What do students feel about the quality of education in their schools?
3. What are the motivating factors for teachers?
4. What recommendations could be made to the governing authorities, specifically the Council for Private Education?

**Organization of the study**

This paper consists of five parts. The first part includes background information, research objectives and research questions. The second part consists of review of literatures relating to the study and the third part describes the research methodology. The part four covers the presentation of the research findings. Finally the paper ends with recommendations and conclusions derived from the findings as they relate to the importance of greater supervision of private commercial schools by the relevant authorities.

**Review of the literature**

There have been many concerns about the relatively lax regulatory environment which has enabled the establishment of private schools where they are not
commercially viable or where there are other issues which should preclude them from setting up (Nicholls 2004). Financial and regulatory controls are inadequate or have been selectively ignored. Those planning to establish new schools or are running existing schools know the loopholes in the CPE Act and this has enable them to circumvent existing rules and policies.

Many studies have shown that private schools are more superior to public schools, in terms of educational efficiency and cost-effectiveness (Jiminez, Lockheed and Wattanawaha, 1988; Kingdon, 1994; Govinda and Varghese, 1993). However, this may not be the case in Singapore where public schools receive substantial funding from the government.

Mowday, Steers and Porter (1979) concluded that employees commitment to an organization depends on three factors: (1) strong identification with the organizational goals and values; (2) willingness to "go an extra mile" and (3) a strong desire to remain with the organization. Shore and Martin (1989) conducted studies to attempt to link organizational commitment with desirable work outcomes such as increased employee satisfaction, improved attendance, improved job performance and a reduction in employee turnover. Similarly, Baruch (1998) concluded that high organizational commitment lead to workforce stability in terms of fewer turnovers and higher attendance. Numerous research studies have been carried out to identify the antecedents of organizational commitment. Hawkins (1998) noted that perceived autonomy, perceived organizational support, and perceived support as the primary predictors of organizational commitment in his studies of school principals.

It is important to note that organizational commitment cannot be expected without reciprocity (Aityan and Gupta, 2012). To gain high levels of commitment from employees, an organization is expected to show a similar or even higher level of commitments to its employees.

**School’s climate and school’s culture**

School climate characterizes the school at the building and classroom level while school culture is the shared values, attitudes and beliefs that give the school its identity and standard for expected behaviour. Reid, Hopkins and Holy (1987) in their research study listed the characteristics of effective schools as having strong and skilled principals, clearly autonomous management, conducive school climate, clear and consistent school discipline, teacher accountability for student learning and professional development, coordination of curriculum, favourable student-teacher relationship, conducive environment, high expectation of student learning and small school size. Lee and Smith (1993) showed that higher academic achievements are associated with smaller schools, and that being small is a characteristic of private school. The school climate is a significant factor affecting teachers’ motivation (Anderson, 1982; Hoy and Miskel, 1996).

Major components which contribute to school’s climate include school’s appearance, faculty relations, students’ interactions, leadership, disciplined environment, learning environment, school-community relations. Broadly, we could categorize the school’s climate into: a) physical environment, b) social environment, c) affective environment and d) academic environment (Figure 1).

Research studies have shown that school climate have a significant impact on student’s physical and mental health. The school climate affects the self-esteem of students (Hoge, Smith and Hanson, 1990). It is strongly correlated with the
emotional and health outcomes of students (Power, Higgins and Kholberg, 1989; Shochet, Dadds, Ham, and Montague, 2006; Way, Reddy and Rhodes, 2007). A positive school climate has also been shown to reduce student absenteeism (deJung and Duckworth, 1986; Purkey and Smith, 1983; Reid, 1982; Rumberger, 1987; Sommer, 1985) and lower rates of suspension (Wu, Pink, Crain, and Moles, 1982).

\[\text{FIGURE 1. SCHOOL CLIMATE}\]

Many private commercial schools in Singapore do not have a strong school culture. They may have a Vision and Mission statement, but that do not adequately reflect the school culture. A school culture that supports learning will encompass values whereby administrators, teachers, students and parents participate in decision making. Conversely, a school culture which impedes learning involves making decisions without the participation of teachers and parents. The school culture is influenced by the students and their social class background. Thrupp (1997) reiterated that the social mix of the school affects how it functions. Students who attend the school favour it in a certain way through their own student culture. Deal and Kennedy (1983) stressed that each school has a different reality of mindset of...
school life. Real improvement in private commercial schools can only come about through the changing mindset of the school administrators. It is not just about changing the school’s curricula, teaching and learning strategies, assessment structures and entry requirements. It involves placing academic quality as the main objective rather than profit-making as the main objective (Yu, 2009). Sustainable improvement of private commercial schools depends on its ability to reculture. Reculturing is the process of developing new values, beliefs, and norms. It involves transforming mindsets, paradigms, images, beliefs and shared meanings.

**School’s policy**

Sanders and Krautman (1995) suggested that entering private schools could reduce the dropout rate of students significantly. Lee and Bryk (1989) and Raudenbush and Bryk (1986) found that student achievement of private Catholic schools was greater than those in public schools. Lee, Smith and Croninger (1997) stated that student achievement was associated to school organization of curriculum and instruction. Private school students’ higher achievement can be attributed to the excellent school organization. Schools which emphasize student academic achievement showed lower absenteeism (Heyns, 1978).

Teacher friendship for students has a significant correlation with students’ academic achievement. Reid, Hopkins and Holy (1987) found that class teacher attitude has an effect on students’ academic achievement.

**School’s structure**

Chubb and Moe (1990) stressed that political environment affects school organizations. Public schools are more bureaucratic and are accountable to many stakeholders. The structure of the school affects its values and beliefs. Private schools are subjected to the forces of competition and they have more freedom to hire and fire teachers. Hirschhorn (1997) recommended the movement of the traditional school structure towards multidirectional communication and away from top-down hierarchical structures. Hoy and Sweetand (2001), and Langer (1992; 1997) emphasized on self-reliance and self-worth among teachers by advocating empowerment of teachers. Rousseau (1978) asserted that an organization formalized rules and procedures have a strong correlation with absenteeism, the propensity to leave the organisation, physical and psychological stress, and job dissatisfaction. There is a high level of frustration associated with bureaucratic controls (Bonjean and Grimes, 1970)

**Teacher motivation**

A key determinant of job satisfaction is remuneration. Salary has been the greatest motivational issues for private commercial schools teachers. Teachers’ salaries at private commercial schools are relatively lower than their counterparts at public schools (Table 1). This is due to the strong emphasis by the government to attract good teachers to public schools. Private commercial schools face stiff competition from public institutions to recruit qualified full-time teachers and have to opt for more part-time teachers.
Besides salary, the motivation of teachers is affected by factors such as social economic status, classroom environment, students’ behaviour and respect from principals. School’s leadership and management style can either motivate or lower teachers’ morale and commitment. Teachers feel highly motivated when they are being consulted about decisions regarding their work. Conversely, unfair administrative and supervisory practices tend to demotivate teachers. Teachers who experience a low level of job satisfaction are more likely to leave (Steel and Ovalle, 1984). Promoting teachers without basing on proper appraisal and evaluation mechanism also tend to demotivate teachers. A highhanded and autocratic principal dealing with teachers tend to lower teachers morals.

Demotivated teachers tend to have a negative impact on students’ performance. Teachers who are highly motivated in their teachings will raise the self-esteem of their students (Peck, Fox, and Morston (1977). Students see teachers as their role model. There are significant differences in the scores of students taught by teachers with high job satisfaction and of those taught by teachers with low job satisfaction (Brumback, 1986). A motivated teacher will generally be satisfied with his job. This motivation will then bring about positive learning attitudes and self-esteem of the students.

**Figure 2. Motivation Cycle**
School management needs to pay particular attention to the way they deal with teachers. Treating teachers with respect, providing good working environment and developing teachers skills and competencies will motivate teachers to perform better. Sirgy, 1986 stressed that when the higher order needs such as esteem and self-actualization needs are met, teachers will move towards a higher level of development. The more motivated teachers are, the greater commitment they will place in their work. When teachers see that their students are progressing and achieving their targets, they become motivated as their esteem needs have been met. Motivated teachers direct their work towards achieving their goals of teaching (Vroom, 1964; McClelland, 1985; Maehr, 1984).

Studies by Wilby, 1989 found that teachers were motivated when they are involved in discussions regarding school policies and when they are valued as professionals. Principal leadership behaviours and organisational structures affect teachers’ job satisfaction (Miskel, 1974, 1979; Yu, 2009). Principals’ recognition of teachers’ contribution and professional development of teachers have a high correlation to teachers’ productivity (Holdaway, 1978).

Figure 2 illustrates a cycle whereby principals first motivate teachers, who in turn motivate students. The higher the students’ achievement, the more motivated are the teachers. It is, therefore, essential that principals pay attention to the way they interact with teachers.

**Methodology**

The research study was carried out on four private commercial schools in the Western and Central part of Singapore, using both qualitative and quantitative methods. Two of the schools could be categorized as small with less than 100 students while the other two have between 100 and 200 students. The two larger schools are located in the Central part of Singapore while the smaller schools are located in the West. A random sample of 100 students and 12 teachers was interviewed.

Two researchers were appointed to be engaged in interviews and collection of other relevant data from the students. The student sample consists of 55 male students and 45 female students. The students were interviewed outside their schools to avoid any pre-prepared answers and also not to alarm the schools’ principals. Approximately 20 students were interviewed from each of the small school while 30 students were interviewed from each of the larger school. The students were interviewed regarding curriculum, student support, school facilities, commitment of teachers and classroom size. The data was collected over a four-week period.

A typical 5-point ordinal Likert scale was used by the respondent to rate the degree to which they agree or disagree with the interview statement. The students and teachers were given different sets of questionnaires to measure the attitudes or opinions under investigation.

The students were asked to fill up a survey (Appendix 1) form which consists of 20 questions. Survey respondents were asked to give their views on how much they agree with the statements relating to curriculum, student support, facilities and adherence to school policies. No incentives were provided for the participants and their participation was entirely on a voluntary basis. During the interviews, different prompts and probes were used to encourage participants to talk and in their own
way (Drever, 1995). Prompts and probes may include questions like "are you sure?" and "why is that so?" to get the participants to clarify an answer or explain further.

Four teachers from each of the two larger schools and 2 teachers from each of the smaller schools were contacted through e-mails to gather their participation in the interview process. A set of questionnaires were sent to the teachers’ e-mail. The teachers were asked to give their views on the motivational factors in their jobs. They were interviewed regarding their issues relating to salary, experience, qualifications, training and development, welfare and benefits, students’ performance, students’ attendance, and students’ profile.

Results and discussions

Analysis of students’ survey

Table 2 shows the means and standard deviations of the different variables. The variable "fairness" has the highest mean with 3.13, followed by "school environment" with mean of 3.1 and "receiving quality feedback" with mean of 3.07. The variable "fairness" has a standard deviation of 1.05 which meant that there is a wide dispersion in the sampling distribution of the sample mean. Similar situations exist for the variables "school environment" and "receiving quality feedback" with standard deviations of 1.07 and 0.99 respectively. The large standard deviations reflect a large amount of variations in the sample being studied.

<table>
<thead>
<tr>
<th>Variable</th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Choice</td>
<td>100</td>
<td>1.00</td>
<td>5.00</td>
<td>2.9200</td>
<td>.87247</td>
</tr>
<tr>
<td>Stressed</td>
<td>100</td>
<td>1.00</td>
<td>5.00</td>
<td>2.8400</td>
<td>.99209</td>
</tr>
<tr>
<td>Wellbeing</td>
<td>100</td>
<td>1.00</td>
<td>5.00</td>
<td>2.9800</td>
<td>.90988</td>
</tr>
<tr>
<td>Opportunity</td>
<td>100</td>
<td>1.00</td>
<td>5.00</td>
<td>2.9100</td>
<td>.91115</td>
</tr>
<tr>
<td>Feedback</td>
<td>100</td>
<td>1.00</td>
<td>5.00</td>
<td>3.0700</td>
<td>.99752</td>
</tr>
<tr>
<td>Money</td>
<td>100</td>
<td>1.00</td>
<td>4.00</td>
<td>2.7400</td>
<td>.76038</td>
</tr>
<tr>
<td>Enthusiastic</td>
<td>100</td>
<td>1.00</td>
<td>5.00</td>
<td>3.0400</td>
<td>.97359</td>
</tr>
<tr>
<td>Qualified</td>
<td>100</td>
<td>1.00</td>
<td>5.00</td>
<td>2.6100</td>
<td>1.00398</td>
</tr>
<tr>
<td>Concerned</td>
<td>100</td>
<td>1.00</td>
<td>5.00</td>
<td>3.0300</td>
<td>.92611</td>
</tr>
<tr>
<td>Curriculum</td>
<td>100</td>
<td>1.00</td>
<td>4.00</td>
<td>2.8100</td>
<td>.77453</td>
</tr>
<tr>
<td>Discipline</td>
<td>100</td>
<td>1.00</td>
<td>4.00</td>
<td>2.3600</td>
<td>.92682</td>
</tr>
<tr>
<td>Control</td>
<td>100</td>
<td>1.00</td>
<td>5.00</td>
<td>2.3900</td>
<td>.88643</td>
</tr>
<tr>
<td>Attendance</td>
<td>100</td>
<td>1.00</td>
<td>4.00</td>
<td>2.3500</td>
<td>.83333</td>
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<tr>
<td>Absenteeism</td>
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<td>1.00</td>
<td>4.00</td>
<td>2.2400</td>
<td>.81798</td>
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<tr>
<td>Respect</td>
<td>100</td>
<td>1.00</td>
<td>5.00</td>
<td>2.5200</td>
<td>.95853</td>
</tr>
<tr>
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<td>5.00</td>
<td>3.1300</td>
<td>1.05078</td>
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<tr>
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<td>1.00</td>
<td>5.00</td>
<td>3.0000</td>
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<tr>
<td>Environment</td>
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<td>1.00</td>
<td>5.00</td>
<td>3.1000</td>
<td>1.07778</td>
</tr>
<tr>
<td>Rules</td>
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<td>1.00</td>
<td>5.00</td>
<td>2.8600</td>
<td>.87640</td>
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<tr>
<td>Recommendation</td>
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<td>1.00</td>
<td>5.00</td>
<td>2.9700</td>
<td>.88140</td>
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<tr>
<td>Valid N (listwise)</td>
<td>100</td>
<td></td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

Schools should assess how students feel about their school. If a student feels that the school does not care about him, it will impact the student’s behaviour in classroom and his motivation in class. Studies have shown that a high-quality school...
climate may counter the negative effects of self-criticism and low levels of learning abilities.

The variable with the lowest mean is "absenteeism" with mean of 2.24. This essentially indicates that students place very little emphasis in school attendance and do not see attendance as an important factor. "Enforcement of discipline" is another concern as mean of 2.36. Students do not see adherence to school discipline as important and have placed very low priority in this factor.

School climate affects the student’s perception of belonging and closeness with others at the school (Loukas, 2007). A student who feels connected to the school will be less likely to be absent from schools (deJung and Duckworth, 1986; Purkey and Smith, 1983; Reid, 1982; Rumberger, 1987; Sommer, 1985). Principals should implement programs to improve school’s climate. These include: (a) upgrading teachers’ knowledge and skills; (b) ensuring order and safety; (c) enhancing parent-school-community ties; and (d) improving curriculum and instructional guidance.

Table 3 contains a column containing "Corrected Item-Total Correlation" for each of the item. It displays the correlation between a given variable and the sum of the other variables. For example, the correlation between "Choice" and the sum of the other variables is 0.845. What this means is that there is a strong positive correlation between "Choice" and all other variables. This indicates that the students’ assessment of whether a school is their choice school is being influenced by many other factors such as school environment, wellbeing, attendance, and so on.

We also investigated the dimensionality of the scale by using the Principal Component Analysis. Internal consistency is concerned with the interrelatedness of
the test items while homogeneity measures the degree of unidimensionality. The concept of reliability assumes that unidimensionality exists in a sample of test items.

We also look at the Eigen Values of the various items. Eigen Values tell us how much of the variances in the items are captured by the factors. We see that the Eigen Value for the first factor accounted for 40.9% of the total variance, the second factor 18.4%, the third 7.8% and fourth 5.5%. All the other remaining factors are not significant (Table 4).

The Extracted Sum of Square Loadings columns showed four rows which correspond to the number of factors retained. The values in this panel are based on the common variance and are smaller than the total variance.

### TABLE 4. TOTAL VARIANCE EXPLAINED. (STUDENTS' SURVEY)

<table>
<thead>
<tr>
<th>Component</th>
<th>Initial Eigenvalues</th>
<th>Extraction Sums of Squared Loadings</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>% of Variance</td>
</tr>
<tr>
<td>1</td>
<td>8.185</td>
<td>40.923</td>
</tr>
<tr>
<td>3</td>
<td>1.572</td>
<td>7.859</td>
</tr>
<tr>
<td>4</td>
<td>1.094</td>
<td>5.471</td>
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<tr>
<td>5</td>
<td>.925</td>
<td>4.625</td>
</tr>
<tr>
<td>7</td>
<td>.644</td>
<td>3.218</td>
</tr>
</tbody>
</table>

Note: Extraction method: Principal component analysis.

### TABLE 5. RELIABILITY STATISTICS

<table>
<thead>
<tr>
<th>Cronbach's Alpha</th>
<th>Cronbach's Alpha Based on Standardized Items</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>.897</td>
<td>.903</td>
<td>20</td>
</tr>
</tbody>
</table>

The Cronbach’s Alpha is chosen as a measure of internal consistency or reliability. The acceptable values of alpha ranges from 0.70 to 0.95 (Devellis, 2003; Nunnally and Bernstein, 1994). Values of between 0.71 and 0.80 represent a good reliability, and between 0.81 and 0.95 is considered to be very good reliability (Zikmund et al., 2010; Sekaran and Bougie, 2010). Table 5 shows a Cronbach’s Alpha of 0.897 which indicates a high level of internal consistency for our scale. This means that respondents who select high scores for one item also select high scores for the others. Likewise, those who select low scores for one item will also select low scores for the other items.

The column on "Cronbach's Alpha if Deleted" indicates that removal of a variable will improve the overall Cronbach Alpha. For example, the removal of Question 2 which relates to the variable "stress" faced by students would lead to small improvement in Cronbach’s Alpha and we could see that the "Corrected Item-Total Correlation" was a low 0.133 for this item. Similarly, the removal of the variable "respect" will improve the Cronbach Alpha marginally to 0.901. However, as the "Corrected Item-Total
Correlation" was much higher at 0.222, we may consider retaining this item in the questionnaire.

**Analysis of teachers’ survey**

An analysis of teachers’ survey showed that the variables "salary", "training", "recognition", and "teaching requirements" all have means above 4. This meant that many teachers are dissatisfied with their current schools. The low standard deviations of below 1 indicate that all their views are quite similar in the sample being studied.

Principals of private commercial schools must develop the necessary skills to manage a school. While some skills may be developed through formal principalship training, others are learned while on the job. Principals have to cultivate relationships with their staff and their attempts to be successful within the school environment is dependent on their leadership styles (Scribner, Hage and Warne, 2002).

Improvement of relationships with teachers must be a core strategy for change. How principals interactions with teachers will determine the educational setting of the school. Deal and Peterson (1998) define school culture as "the underground streams of norms, values, beliefs, traditions and rituals that have built up over time as people work together, solve problems and confront challenges".

Principals need to have better communication with teachers and be aware of the various factors which motivate them. From our survey, teachers agree that giving incentives will be a way of motivating them. Pay-for-performance or merit pay is a powerful motivational tool when used effectively. High performers prefer performance-based pay systems more than low performers. Incentive pay for teachers can be in various forms such as career ladder pay, merit pay, and pay for performance (Hatry and Greiner, 1994). A major concern arises in the entry requirements of students. Teachers felt that the schools have not adhere to the entry requirements and have accepted students without the proper qualifications. Students who do not meet the entry requirements are more likely to perform poorly in school and this demotivates teachers. While profit motive may undermine private commercial schools strict adherence to entry requirements, principals have often compromised the professionalism of teachers by admitting unqualified students. This may include students who have not attained the proper English language proficiency or who have not meet the basic academic qualifications for entry into a program.

Training and development is another area which have not received high priority in private commercial schools as principals are not willing to invest in upgrading the skills of lecturers and staff for fear that they may leave after gaining the additional skills and knowledge. Training and development promote significant and worthwhile change in teachers' practice and principals need to be supportive of this if they are determined to bring about improvement in the school. Teachers need to develop not only the factual knowledge but also the procedural knowledge of when, how and under what conditions to apply their new skills. Teachers’ job satisfaction is influenced by factors such as participation in school decision making, influence over school policy, control in the classroom and recognition of contribution. Blasé and Balse (1994) showed that principals using shared governance strategies and participatory management were able to motivate
teachers and give them a sense of ownership and empowerment. Principals need to know how best to motivate teachers to bring about improved performance of teachers, which in turn bring about improved performance of students.

The column on "Cronbach’s Alpha if Deleted" indicates that removal of a variable will improve the overall Cronbach Alpha. For example, the removal of Question 19 which relates to the variable "branding" would lead to small improvement in Cronbach’s Alpha.

Our analysis of Eigen Value shows that the first factor accounted for 20.9% of the total variance, the second factor 16.7%, the third 11.6% and fourth 10.8%. A total of eight factors have been chosen. The Extracted Sum of Square Loadings columns showed eight rows which correspond to the number of factors retained. The values in this panel are based on the common variance and are smaller than the total variance.

Johnson (1986) suggested three theories of motivation and productivity: Expectancy theory which describes that individuals are more likely to work if there is an anticipated reward that they value; Equity theory which states that individuals are dissatisfied if they are not justly compensated for their efforts and accomplishments; and Job enrichment theory which indicates that workers are more productive when their work is challenging and varied.

A Cronbach’s Alpha of 0.715 which indicates a high level of internal consistency for our scale. This means that respondents who select high scores for one item also select high scores for the others. Likewise, those who select low scores for one item will also select low scores for the other items.

**Recommended New Compliance Audit Framework**

This new audit framework addresses the current shortcomings of the current audit process. The shortcomings have given the opportunity to private commercial schools operators to circumvent the various requirements of the Private Education Regulations of the CPE Act. The areas which require special focus include the following:

1. Enrolment verification
2. Attendance
3. Entry requirements
4. Training and learning
5. Program approval
6. Registration of faculty (full time and part time)
7. Compliance with accounting policies

A robust compliance program is essential to ensure that private commercial schools comply with their obligations under the relevant legislation (CPE Act) and that instances of non-compliance are addressed by enforcement or other actions.

The new framework promotes effective monitoring and review of the current processes by requiring CPE auditors and inspectors to look at loopholes which are being exploited by private education providers. Achieving audit quality requires careful audit and quality control procedures. Such a disciplined and structured approach would encompass careful planning of the audit process as well as
impromptu and unannounced visits to private commercial schools. It is imperative that when auditors and inspectors perform the audit, they understand the particular school’s environment at normal times and not just during the audit period where much insincere efforts have been put in by the school administrators to project an image of efficiency and compliance.

**Figure 3. Recommendation for a New Compliance Audit Framework**

<table>
<thead>
<tr>
<th>Achieving Regulatory Compliance and Excellence</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Organisational Structure</strong></td>
</tr>
<tr>
<td>• Physical &amp; Technological Resources:</td>
</tr>
<tr>
<td>• Is this a shared premise? Does school have proper facilities and equipment? Verify that the requirement of the program has been met by the specific hardware and software</td>
</tr>
<tr>
<td>• Financial Resources - Are all fees accounted for? Match fee payment record with attendance record to ensure no “ghost” students</td>
</tr>
<tr>
<td>• Accounting Policy - Does the school follow the standard accounting policy?</td>
</tr>
<tr>
<td>• Students - Foreign students’ compliance with attendance requirements. Any ghost students? Verify against students assignments and exams</td>
</tr>
<tr>
<td><strong>Teaching &amp; Learning</strong></td>
</tr>
<tr>
<td>• Teachers - students’ relationship - Does school has a qualified counsellor?</td>
</tr>
<tr>
<td>• Are the Teachers (Part Time and Full Time) registered with CPE? Verify against salary payment records. How active are the Part Time teachers?</td>
</tr>
<tr>
<td>• Learning Outcomes - Have learning outcomes been achieved? Verify against course syllabus</td>
</tr>
<tr>
<td>• Training and Development - What training are provided? Is this a fully-subsidized training? Evidence of post-training report</td>
</tr>
<tr>
<td><strong>Curriculum</strong></td>
</tr>
<tr>
<td>• Is the program registered with CPE? Verify all programs offered by school against approval from CPE</td>
</tr>
<tr>
<td>• Foreign program - validity of the agreement with foreign partner. Is this an accredited program? Is the duration of program in Singapore in line with the duration in the partner’s country? What is the basis of offering an accelerated program?</td>
</tr>
<tr>
<td>• How relevant is the program in meeting students’ academic needs?</td>
</tr>
<tr>
<td>• Is there an internship component? Has approval been obtained from the Immigration Authority for the internship component?</td>
</tr>
<tr>
<td><strong>Leadership, Management, Decision-Making</strong></td>
</tr>
<tr>
<td>• Leadership style - Who makes decision? Qualifications of directors and managers</td>
</tr>
<tr>
<td>• Collaboration - Are teachers’ views taken into consideration in decision-making processes?</td>
</tr>
<tr>
<td>• Decision-making process - How involved are Academic and Exam board members? Verify against Minutes of Meeting</td>
</tr>
<tr>
<td>• Staff appraisal - Has staff been consulted about their appraisal and are they agreeable to the decision?</td>
</tr>
<tr>
<td>• Conflict Resolution - Evidence of proper documentation</td>
</tr>
</tbody>
</table>

The new audit framework takes into account the four elements of education institutions (Dimmock, 2007). The first element of Organisational Structure involves how human and physical resources are established and deployed. The second
element of Leadership, Management and Decision-Making Processes deals with leadership styles and performance appraisals. The third element of Curriculum looks at the objectives, breadth and depth, and relevance of the curriculum offered. The last element of Teaching and Learning examines the delivery of courses, teacher-student relationship and learning outcomes.

This paper recommends the establishment of a new framework for compliance audit incorporating the various variables in our questionnaires. With the new framework, auditors and inspectors of private commercial schools could have a tool to improve on the existing audit processes of private commercial schools (Figure 3).

**Recommendations of items to be included in Compliance Audit Checklist**

The items to be included in the audit checklist include the following:

**Enrolment verification**

Objective: To ensure that all students enrolled in the school are accounted for
- Identify the presence of phantom (ghost) students. Match students record with fee payment record
- Match attendance record with transcripts
- Match foreign students record with attendance record
- Verify that students meet the entry requirements. Match students admission record with transcripts to ensure that all students sit for the required tests or exams

**Revenue / Reimbursement:**

Objective: To ensure that financial records reflect all the funds collected from students and refunded to students
- Student fees - Verify that all fees accounted for and match them with students’ attendance record
- Highlight any contribution in kind not accounted for
- Verify the use of standard accounting policies

**Training and learning:**

- Staff training and development provided by external parties or in-house training
- Match with invoices and payment record
- Evidence of post-training report

**Faculty members:**

To ensure that the faculty members listed in the website are actually involved in teaching at school
- Full time faculty members - Verify against salary record
- Part time - match against pay slip. Determine the level of involvement of part-time teachers over a certain period
- Part time faculty - Are they registered with the Council for Private Education?

**Academic and Examination Board Members:**

- To ensure that the academic and examination board members are contributing to the assessment and examination processes in the school. Verify against documentary evidence of level of activity and regularity of involvement. Evidence of minutes of meeting

**Programs:**

- Are foreign programs offered accredited by reputable organizations?
- Are all programs offered registered with the Council for Private Education?
- Lecture notes in line with the course curriculum and teaching plan
- Verify achievement of learning outcomes against course syllabi
- Are the programs offered on an accelerated basis? If so, what is the reason for the shortened duration as compared to the duration at partner’s institution? Evidence of proper course matching by partner institution.

**Award of diploma:**

- Match against transcripts. Have students fulfilled the graduation requirements?

**Physical facilities / equipment:**

- Are there sufficient facilities and equipment to conduct the class?

**Limitations of study**

The main limitation of the study is the small sample size. The study focused only on private commercial schools and did not cover other private schools. In the future, further studies could be done to analyse the contribution of all private schools in Singapore. These could include private international schools, arts schools, tutorial schools and enrichment schools.

The other difficulty is getting the cooperation of the principals of the private schools as they were unwilling to participate in the survey. The small sample size of both the students and teachers could reduce the statistical accuracy and reliability in analysis. Further research needs to be conducted on how principals of private commercial schools motivate their teachers and non-academic staff.

The differences between responses from male and female students and male and female teachers were not investigated. Male and females may have different preferences and interpretations of factors which may be of importance to them. It would be worthwhile to conduct further studies in this subject area.

Private commercial schools have the choice to not advocate public values and national interests. They have the right to turn away students of different ethnicity and religious backgrounds. There is no need to promote social values as they do not rely on government funding. There is nothing much the authorities could do if they refuse to conform to community values such as inclusiveness and tolerance which
the Singapore government is promoting. It is really up to the management of each private school to determine whether it would like to engage in discriminatory practices. The contribution of private commercial schools to the education landscape in Singapore could be a subject of further studies.

Conclusion

From the analysis of the questionnaire to students, we find that some of the reasons students choose private schools include the low entry requirements, the lax attendance policy, the low discipline control and the possibility of pressuring the principal for higher examination marks. This is particularly worrying as such a school environment will have negative implications for both students and teachers. Students who have not met the entry requirements may not have a similar level of knowledge as his other classmates. This may slow down the learning process of the whole class. In addition, teachers will be demotivated to teach those students who should not have been admitted into a program in the first place. Principals must become more sensitive and aware of their teachers’ needs. They have to learn the skills to motivate teachers and to keep teachers’ enthusiasms and interests high. Motivated teachers are school assets. The more motivated the teachers, the greater is their work commitment. Providing a good working environment and giving teachers more resources are not quite enough as teachers strive towards a higher stage of personal development.

**Figure 4. Possible non-adherence areas**

- Lacking of Management Responsibilities
- Compromising on academic quality (Exam Marks)
- Failure to conduct evaluation exercises
- Admitting non-eligible students
- Failure to adhere to procedures
Failure to implement a stringent attendance policy will only encourage "ghost" students to enrol in private commercial schools. Many of these students are working illegally without the approval of the Immigration Department or the Ministry of Manpower. Schools tried to circumvent the 90% attendance policy set by the Immigration Department by declaring false attendance records to the authorities. Students working illegally are a cause of social problems and many private commercial schools are contributing to this problem as profit-making is their main objective.

Principals of private commercial schools are more likely to give in to the pressure of students to increase their exam grades. They may make the decision alone without consultation of the other Examination Board members. As most principals of private commercial schools are also members of the Academic and Examination Boards, there are normally no higher management level person to oversee his actions. The non-adherence of schools’ procedures by principals are mainly due to the pressure of increasing students’ numbers. They may compromise on academic qualities and be pressured by students to pass or raise the students’ exam marks (Figure 4).

Feedback from students showed that they were generally quite indifferent about the quality of education in their schools. This may be due to their lower expectations of the schools in terms of quality education and facilities. They felt that while the teachers have the qualifications to teach them in class, they are less concerned about the learning outcomes of students. This may be due to a number of demotivating factors of teachers which include the quality of students in class, the attendance of the students, the lack of interactions with students, the salary of the teachers, and the relationship with the principals. Figure 3 illustrates some of the areas of concerns raised about private school principals actions to circumvent existing regulations.

Most teachers at private commercial schools were not satisfied with their job. The reasons include the perception that they are being paid lower than the peers at public schools and public universities. They felt little recognition for their contribution and that the quality of students and their poor attendance were some of the major issues that have not been addressed by the principals.

Private schools, however, remain competitive in Singapore. They cater to students who may not have achieved the basic entry requirements into a program. A large proportion of their students are from overseas and also working adults who may not fit into the rigorous schedule of public schools. The Council for Private Education needs to relook at the ways it monitors private commercial schools for compliance related issues.

The recommended new compliance audit framework serves as a tool to assist CPE auditors and inspectors to conduct a more thorough and diligent assessment of private schools. They have to pay particular attention to the physical facilities, attendance records, entry requirements, and faculty members. Many small private commercial schools operate from premises which have an area no more than 200 square metres. While many of these schools are owned by entrepreneurs, the authorities have a duty to ensure that there is proper compliance of the regulations and that enforcement actions need to be stepped up to deter errant school owners.

The Edutrust Certification Scheme is discriminatory towards local students. It should be amended and made compulsory to all private schools regardless of whether they enrol international or local students. The original aim of the Edutrust Scheme was to
differentiate high quality schools from low quality private schools and is only applicable to those private schools which recruit international students. Local students deserve the same protection as international students, regardless of whether they study in an Edutrust certified school or not. Further shake-up is inevitable to weed out low quality schools. Only then, can the authorities claim that Singapore has a high standard of private education which caters to both local and international students.

References

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Appendix 1

Students Survey:
1) I feel that I have found the school of my choice
2) I feel stressed in class
3) I feel that the school is not concerned with our well-being
4) I receive sufficient opportunities to demonstrate proficiency on learning
5) I receive quality feedback from teachers on my progress in school
6) I feel that the school is only concerned with making money
7) Most of my teachers are enthusiastic about their teaching
8) Most of my teachers are qualified to teach the subjects allocated
9) Most of my teachers are concerned about whether I learn in class
10) Most of the curriculum are planned well
11) I feel that the discipline in the school is lax
12) Teachers have little or no control of students in class
13) I feel that the school does not follow strict attendance policies
14) Many students skipped class
15) I feel that the principal does not respect students
16) The principal deals with problems and conflicts in a fair manner
17) I feel that the school’s facilities are adequate
18) I feel that the classroom environment is quite comfortable
19) I feel that school rules are not enforced in any fair way
20) I will recommend the school to my friends
Appendix 2

SAMPLE SURVEY QUESTIONS FOR STUDENTS

Q1) Do you agree that this is the school of your choice?

<table>
<thead>
<tr>
<th>Strongly agree</th>
<th>Agree</th>
<th>Neutral</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
</tr>
</thead>
</table>

Q2) Do you agree that it is stressful in school?

<table>
<thead>
<tr>
<th>Strongly agree</th>
<th>Agree</th>
<th>Neutral</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
</tr>
</thead>
</table>

Q3) Do you agree that the school shows concern in your well-being?

<table>
<thead>
<tr>
<th>Strongly agree</th>
<th>Agree</th>
<th>Neutral</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
</tr>
</thead>
</table>