





**C.U.S.T.**

**CAPITAL UNIVERSITY OF SCIENCE & TECHNOLOGY  
ISLAMABAD**

**The Comparative study of Private School Chain in Pakistan;  
A project on Allied schools vs. its competitors**

By

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A research project submitted to the Department of Management & Social Sciences,  
Capital University of science and technology, Islamabad in  
partial fulfillment of the requirements for the degree of

**MASTER OF SCIENCE IN MANAGEMENT SCIENCES  
(MARKETING)**



**DEPARTMENT OF MANAGEMENT & SOCIAL SCIENCES  
CAPITAL UNIVERSITY OF SCIENCE AND TECHNOLOGY  
ISLAMABAD**

**CERTIFICATE OF APPROVAL**

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By  
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## **Certificate**

This is to certify that Arsla qazi has incorporated all observation, suggestions, and comments made by the internal evaluator and project supervisor. The title of his project is The Comparative study of Private School Chain in Pakistan; A project on Allied schools vs. its competitors.

Forwarded for necessary action

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## **Dedication**

This project is dedicated to my family, teachers and all those friends who have supported me since the beginning of this project. I would specially dedicate this project to my supervisor Mr. Arif Vaseer for his guidance, also I would specifically dedicate this thesis to my mother for her encouragement and support.

## **ACKNOWLEDGEMENT**

“Starting with the name of **ALLAH** the most beneficent and the most merciful whose blessings are abundant and favors are unlimited.”

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## **The Comparative study of Private School Chain in Pakistan;**

### **A project on Allied schools vs. its competitors.**

#### ***1. Introduction***

In an environment of ups and downs in Pakistan, a business sector that has boomed is private education. There are numerous private schools like Beacon house (which self-acclaim to be the biggest private school system in Pakistan), followed by City Schools, Roots Schools and Lahore Grammar Schools, etc.

While many of the abovementioned private schools focus the relatively high segment of society, there are some others institutions like Dar-e-Arqam Schools and Allied Schools, which mainly focus on middle-income groups – a larger part of the total population. Dar-e-Arqam has a religious strategy or focus as well, but it cannot be completely classified as a madrassa.

Although private education system in Pakistan has got a lot more importance in the last 20 years. (With more than 140 institutions of higher education registered with the Higher Education Commission), the actual growth has been achieved with in primary and secondary education levels. So motivating is the educational scenario of the country that so numerous new private-sector schools flourished and emerged with passage of time.

In this project our main focus is on the competition between the allied school system and other competing private schools. This project will try to focus on the developing private school systems of Pakistan which are focused on middle class, by strategically analyzing their mission, objectives, market performance and market share and on the basis of which we conclude the performance of each school comparable to each other.

The selected schools are allied school system and their competitors are educator's school system, smart school and dar e arqam. We tried to analyze their performance by conducting their SWOT, PEST, competitor, KSF and other analysis, which enabled us to get a better overview of market share of each school. The scope of this project also expands to the market strategies adopted by each school system and to which limit they are successful in creating a powerful impact in market. After completion of this project we would be able to conclude that which school is more successful as compared to their competitors on the basis of their market share, customer care satisfaction and numerous other factors.

The major areas focused are:

- Market share
- Market & Sub Market Analysis
- Fee Structure Analysis
- Forces Affecting Profitability
- KSF's of Allied Schools
- KSF's of Competitors
- Red Ocean Strategies

## **Scope of study**

This project is based on the comparative study of private educational school chains in Pakistan and their competitive market analysis according to market share. Schools included are,

Allied school system,

The educator's schools,

The smart schools,

Dar e arqam schools.

Our major focus is on the allied school system as they hold strong position in market because it's owned by Punjab group, which is a strong name in education sector. The other competitive schools are also working under strong school brands such as educators is franchisee of beachonhouse and the smart school is franchise of city schools, whereas dare aqram is operating through different branches itself..

We will try to conduct market competitive analysis by looking into their internal strengths and weaknesses and their external opportunities and threats. Along with that their number of branches and fee structures will also highlight their market share.

This project will enable the readers to understand the market dynamics of the private educational systems in Pakistan and how these schools are incorporating with their network associates (NWA, S). Also it highlights the future potential areas which are still untapped and have growth potential in future, so the educational systems other than included in this project, would be able to get benefitted from this study.

This study also highlights the important factors which affect the profitability level of private educational systems, their relationships with their NWA,s , how they satisfy their needs and wants and to what extent they are successful in meeting their demands and needs. I am hopeful that this study will high light the grounds on which allied school is competing better than its competitors.

### **Research objectives**

The preceding information highlights the nature of research and why it is conducted. The research objectives and questions have been designed in order to examine the market competition existing between the private school organizations in Pakistan.

The objectives of the study are:

- To compare the competitive organizations internal strengths and weaknesses.
- To compare their external threats and opportunities.
- To analyze their KSF, s.
- To compare their market share on the basis of number of branches.
- To compare their fees structures.
- To analyze their future growth areas.

➤ **Research Questions:**

- The study intends to investigate the market situation of different competing schools in Pakistan. The aforementioned questions have been derived in order to satisfy the research objectives:
- What are the strengths and weaknesses of competitors?
- What are the threats and opportunities of competitors?
- What are their key strength factors?
- What are the number of branches of each school chain?
- How much market share they have captured?
- What is their comparative fee structure?
- What are the factors which affect their profitability level?
- Which are the future growth areas for these organizations?
- What steps are they taking to address different complaints?

## **Operational definitions:**

### **INTERNAL AND EXTERNAL FACTORS:**

The aim of any SWOT analysis is to identify the key internal and external factors that are important to achieving the objective. SWOT analysis groups key pieces of information into two main categories:

- Internal factors – The strengths and weaknesses internal to the organization.
- External factors – The opportunities and threats presented by the external environment.

The internal factors may be viewed as strengths or weaknesses depending upon their impact on the organization's objectives. What may represent strengths with respect to one objective may be weaknesses for another objective. SWOT Analysis is a strategic planning tool used to evaluate the Strengths, Weaknesses, Opportunities, and Threats involved in a project or in a business venture. It involves specifying the objective of the business venture or project and identifying the internal and external factors that are favorable and unfavorable to achieving that objective



## **Key Success factors**

Those functions, activities, or business practices, defined by the market not the company, and as viewed by customers that are critical to the company/customer relationship.

Key Success Factors (KSF) are generally three to five areas that a company may focus on, to attain its vision. KSF may also be major flaws that need to be addressed before other goals can be completed or strengths that must be preserved.

Here in business sector we have focused on following ksf,s of competing organizations such as,

Fee structures.

Competitive Factor.

Resource utilization

Technical competencies

Promotional activities.

Market share

**ALLIED SCHOOL SYSTEM.**



*Growing Together*

## *2. Situational analysis*

### *2.1 Company analysis:*

#### **2.1.1. Company profile of Allied schools**

##### **VISION**



*“To create a community that is increasingly entrepreneurial and ever more reliant on technology”.*

##### **MISSION STATEMENT**



“To train students to develop their skills to think cogently: to act rationally; to express themselves coherently; to work diligently and to function compassionately in all avenues of life as they strive to build a cohesive, proud and sovereign nation”.



Allied school, can be termed as the main largest private education system in the Pakistan.

“Established in November 1985 as the star Montessori Academy for toddlers, Allied school has since grown into a large network of private schools, institutes, and universities, imparting distinctive and meaningful education to students from pre-school to post-graduation”.

The Allied school Group has mission to increase the ability of human capital and to motivate the appropriate advancement through operating comparatively successful enterprises.

Allied school system is a big organization which has an expanded group profile. Within the Head office there is proper departmentalization of Punjab colleges, Allied school, University of central Punjab, Mohammad Ali Jinnah University and many more.

Head office of Educational Services Private Ltd is situated in Lahore

There is proper departmentalization in the Head office.

Head office is administered by managers in along with regional offices of the company. The financial analysis proves that it has large business volume. The idea behind its achievement can be viewed by the SWOT analysis of the company and it can also highlight its weaknesses.

We have thoroughly study the working environment of Allied schools. We have suggested some recommendations that can improve and increase its performance level and will definitely encourage the employees to give their maximum output.

## ORGANIZATIONAL CHART



Source. Allied schools.edu.pk

## LEVELS OF EDUCATION

The purpose of this admission policy is to standardize the Registration for Admissions

Junior School	Primary School	Secondary School	Comprehensive School
Toddlers	Toddlers	Class VI	Toddlers
Playgroup	Playgroup	Class VII	Playgroup
Nursery	Nursery	Class VIII	Nursery
Prep	Prep	Class IX	Prep
Class I	Class I	Class X	Class I
Class II	Class II		Class II
Class III	Class III		Class III
	Class IV		Class IV
	Class V		Class V
			Class VI
			Class VII
			Class VIII
			Class IX
			Class X

Source. [alliedschools.edu.pk](http://alliedschools.edu.pk)

## Organization's assets and skills

### SWOT Analysis of Allied Schools System:

#### Strengths

- Quality Education
- Pleasant Atmosphere
- qualified Teachers
- Caring for students
- Advance Extracurricular Activities
- Inter-School and Inter-Regional Competitions  
outdoor activities

#### Weaknesses

- Having no ongoing teacher training department.
- No proper departmentalization.

#### Opportunities

- International Expansion.
- New markets allow Allied Schools System to expand their business and diversify their portfolio of products and services.

#### Threats

- Increasing competition.
- Changing technology
- Government policies against private schools.

Source. Direct interviews with managers and questionnaires.

[alliedschools.edu.pk](http://alliedschools.edu.pk)





### **2.1.2. Company profile of Educators schools**

#### **Vision**

"**THE EDUCATORS**" envisions quality education as the key resource for national development, delivered to a cross section of our society through sustainable projects”.

#### **Mission Statement:**

"**THE EDUCATORS**" aims for a quality learning experience for the students and quality training for the faculty by providing excellence in education within our socio-cultural framework, bringing forth benefit to students, community and the country”.

“Established in 2002 in Pakistan, The Educators is a parallel private school network owned and operated by Beaconhouse that aims to impart a standardized quality of education across the nation at a tuition fee that is a fraction of the fee charged at Beaconhouse. The Educators operates through a model of network associates (franchisees) in which Beaconhouse is the franchisor/service provider”.



Expanded on 37 years of achievement and experience in private education, The Educators has focused on potential growth to emerge as the country's largest school network. “With over 600 Schools and a student body exceeding 150,000, The Educators has created over 9,000 job opportunities in a relatively short period of time”. The focused ambition of the organization is to deliver a quality learning and innovative environment for students and provide required training for the faculty which will create excellence in education, while considering within the socio-cultural framework of Pakistan.

The Educators' success lies both in its strong brand as well as its ability to continuously add new products and services for its Network Associates including, most recently, the Edu Card, The Educators Edge (newsletter), student’s health insurance and much more.

### **Types of Schools:**

A school building may be constructed easily on available land or an already constructed building reequipped according to the defined parameters.

\* The relative Network Association royalty fee are as defined for each school.

\* All areas should be measured in square feet.

Franchise Models:

\* Pre school

\* Primary school

\* Secondary school

\* Comprehensive school

## *Organization's assets and skills*

### *SWOT Analysis of the Educators:*

#### *Strength*

- Quality Education
- High student retention
- Strong Management.
- Advance curriculum

#### *Weakness*

- Fees Structure is not constant.
- Liberal Atmosphere:
- Low salary for staff.

#### **Opportunities**

- Use of TAB and IPOD for student learning.
- Their own on Going Training Department

#### *Threats*

- High dissatisfaction level of nwa,s
- High royalty fees
- Increasing market competition.

**Source. Direct interviews with managers and questionnaires.**

[www.educators.edu.pk](http://www.educators.edu.pk)



### **2.1.3. Company profile of The Smart schools**

The Smart Schools Offers World class education right in Pakistan. Established under the aegis of the City Schools System. The Smart School promotes and encourages co-curricular activities in all of its campuses. Students are encouraged to learn new skills, take responsibility, assume leadership, work under a leader, organize events, conduct programmers and experience real-life situations.

The smart school is the franchise of The City School it promotes The Smart Schools as mediums of holistic and creative learning, the management wishes every student to get something good from the opportunities we have to offer. The smart schools will be furnished with equipment's that enable students and parents to cater the benefits of quality and distinct education. We believe in overall solidary management so the each franchise will be allowed to operate with least interference. However, as we do want to establish standardized systems, few operations functions will be centralized to help the school authorities and management.



## **Academic Philosophy and Curriculum:**

At The Smart School, “They offer the best learning environments to ensure that your child becomes confident, articulate, aware of their surroundings, and actively engaged with the world around them. We want our students to achieve their maximum academic and social potential, to be engaged and responsive learners and to be, in other words, the best that they can be”.

They are of the view that the education system provided by them enables the students to respond in a way towards the increasing challenges of the fast changing trends in world. Today, the most of the must be equipped to cope with economic shifts including the increasing globalization and the rapid increase of communication sciences and technologies. Our education must also focus our commitment towards the concept of traditional values – to the virtues of truth, justice, honesty, trust and a sense of duty.

For all major schooling years, they provide a comparative and skills-based curriculum structure based on (but not completely focused on) the aims and objectives of the National Curriculum for the United Kingdom. Our curriculum, structure, shares same principles and constructs a sound structure for future education.

## Organization's assets and skills

### SWOT Analysis of the Smart Schools:

#### Strengths

- Developed brand name of city schools.
- Advanced student motivation
- Use of advanced technologies.

#### Weaknesses

- Liberal Atmosphere.
- Outdate information on the website.
- Lack of technology training.
- Lack of Parents interaction.

#### Opportunities

- International Expansion
- High fees structures.

#### Threats

- Political Risk
- Increased market salaries for teachers.

Source. Direct interviews with managers and questionnaires.  
[thesmartschools.edu.pk](http://thesmartschools.edu.pk)



#### **2.1.4. Company profile of Dar e Arqam schools**

##### **Vision**

“Excellence in this world and the world hereafter”.

##### **Mission**

“To provide our students, education of the highest quality, groom their personality and inculcate in them a sense of responsibility, confidence, commitment & dedication towards their society”.

“Being submissive and humble to the will of Almighty ALLAH, we relate this institution to the very first educational centre of Islam, “Dar-e-Arqam” established at Hazrat Arqam Bin Arqam’s house in the plains of Koh-e-Safa by Hazrat Muhammad (S.A.W).”.

Beside the present aimless system of private education based on purposeless, materialistic and modern approach, the approach of Dar-e-Arqam System of education is based on the basics of Faith, trust and Sublime beautiful aims of Islam and is furnished with advance modern scientific theories about education to enable the young saplings of the future generation, along with the



latest centers of education so that they can stimulate with the learning's of the Holy Quran and Sunnah at the same time with the advanced education, and when they are grown up can stand up to the status of "Ummah" and lead them out of the echoes of darkness.

The first branch Dar-e-Arqam School was established in province of Punjab and city of Sargodha in 1991. Then, some people with same thoughts gathered and focused on spreading the rays of knowledge in a very peculiar time. These schools are expanding and increasing in terms of number at large scale. The Dar-e-Arqam school can be termed as largest growing school systems which has more than 120,000 students and with around 470 branches all over Pakistan. This expanding level of appreciation and recognition from the society is very high because of its different way of delivering modern education linked with Islamic values. Alhamdulillah, many accomplishments

### **Core Values**

- Commitment
- Excellence
- Leadership
- Responsibility
- Respect
- Citizenship

## Salient Features

In this era of purposeless materialistic and modern approach towards education, Dar-e-Arqam is one out of a private schools of formal and informal education where you may see quite easily, a combination of high standard necessary education with exposed moral and ethical values. This is our mission to equip

our young generation with advanced education along with ethical training for enabling them to become competent citizens and true believers in their upcoming respective fields. In traditional religious formal education system, Dar-e-Arqam focuses on the goods and wellbeing of both worlds.



## *Organization's assets and skills*

### *SWOT Analysis of Dare Arqaam:*

#### *Strength*

- Learning of Nazra Quran is compulsory for all students.
- Hifz Workshops.
- Mix of modern and religious education.

#### *Weakness*

- No training facilities for staff.
- Unable to adopt new technologies.
- Low salary for teachers and employees as compare to student's fee.

#### *Opportunities*

- Integrate Research and Development Department (R&D) into religious education.
- International and off-campus study and exchange programs.

#### **Threats**

- Changing cultural trends
- Advanced curriculum needs
- Political pressures on religious education

**Sources.** Direct interviews with managers and questionnaires.

[www.dar-e-arqam.org.pk](http://www.dar-e-arqam.org.pk)

## **Chapter 3. METHODOLOGY**

### **Population**

The population of study are the private school chains of Pakistan. . However that is too vast area for research point of view, so we have narrow down this population for the purpose of reliability. In country like Pakistan conducting such type of research is very difficult due to lack of resources i.e. cost, time and such other factors which affects the validity of the research. So we have segmented our sample to achieve our research objective in the education market of Pakistan to the head offices of all these schools systems to get the better overview of their operations.

### **Sample**

We personally administered the data from these schools through personal sources. Thus feedback from these various educated personal source is valuable for getting accurate data for our research. Therefore, convenience sampling was used through questionnaires. A structured questionnaire, having open ended items was used to collect data from respondents. The data were collected through self-administered questionnaire from head offices employees, selected network associates and different teachers of these of these branches.

### **Data Collection**

The questionnaires were given to the respondents in free time and with proper help, during the time in which they can answer the questionnaire. We preferred to collect the first hand data by

personally visiting the concerned employees of these organizations and filling out these questionnaires. By using these techniques we have selected suitable respondent who have little bit serious in answering the questionnaire. We have personally visited the head offices and corresponded with the concerned people. Along with that we also collected data from their websites.

head office Employees	Network associates	teachers
53%	29%	18%

### ***Internet***

Secondly the other source of information which is extensively used is the websites of these organizations. A heavy amount of information on these sites to interpret the data and reuse it to strategically analyze against their competitors.

[www.dar-e-argam.org.pk](http://www.dar-e-argam.org.pk)

[thesmartschools.edu.pk](http://thesmartschools.edu.pk)

[alliedschools.edu.pk](http://alliedschools.edu.pk)

[www.educators.edu.pk](http://www.educators.edu.pk)

## Chapter 4. Result analysis

### 4.1. Strengths and weaknesses analysis of competitors

<i>schools</i>	<i>Allied schools</i>	<i>educators</i>	<i>Smart schools</i>	<i>Dar.e.arqam</i>
<b>Strengths</b>	Quality Education Pleasant Atmosphere qualified Teachers Caring for students Advance Extracurricular Activities Inter-School and Inter-Regional Competitions outdoor activities	High student retention Strong Management. Advance curriculum	Developed brand name of city schools. Advanced student motivation Use of advanced technologies.	Learning of Nazra Quran is compulsory for all students. Hifz Workshops. Mix of modern and religious education.
<b>weaknesses</b>	Having no ongoing teacher training department. No proper departmentalization	Fees Structure is not constant. Liberal Atmosphere: Low salary for staff.	Liberal Atmosphere. Outdate information on the website. Lack of technology training. Lack of Parents interaction.	No training facilities for staff. Unable to adopt new technologies. Low salary for teachers and employees as compare to student's fee.

**Question no.1. What are the strengths and weaknesses of competitors?**

[www.dar-e-arqam.org.pk](http://www.dar-e-arqam.org.pk)

[thesmartschools.edu.pk](http://thesmartschools.edu.pk)

4.2 opportunities and threats analysis of competitors

<i>schools</i>	<i>Allied schools</i>	<i>educators</i>	<i>Smart schools</i>	<i>Dar.e.arqam</i>
<i>opportunities</i>	<ul style="list-style-type: none"> <li>• International Expansion.</li> <li>• New markets allow Allied Schools System to expand their business and diversify their portfolio of products and services.</li> </ul>	<ul style="list-style-type: none"> <li>• Use of TAB and IPOD for student learning.</li> <li>• Their own on Going Training Department</li> </ul>	<ul style="list-style-type: none"> <li>• `International Expansion</li> <li>• High fees structures.</li> </ul>	<ul style="list-style-type: none"> <li>• Integrate Research and Development Department (R&amp;D) into religious education.</li> <li>• International and off-campus study and exchange programs.</li> </ul>
<i>threats</i>	<ul style="list-style-type: none"> <li>• Increasing competition.</li> <li>• Changing technology</li> <li>• Government policies against private schools.</li> </ul>	<ul style="list-style-type: none"> <li>• High dissatisfaction level of nwa,s</li> <li>• High royalty fees</li> <li>• Increasing market competetion.</li> </ul>	<ul style="list-style-type: none"> <li>• Political Risk</li> <li>• Increased market salaries for teachers</li> </ul>	<ul style="list-style-type: none"> <li>• Changing cultural trends</li> <li>• Advanced curriculum needs</li> <li>• Political pressures on religious education</li> </ul>

***Question no.2. What are the opportunities and threats of competitors?***

[www.dar-e-argam.org.pk](http://www.dar-e-argam.org.pk)

[thesmartschools.edu.pk](http://thesmartschools.edu.pk)

[alliedschools.edu.pk](http://alliedschools.edu.pk)

[www.educators.edu.pk](http://www.educators.edu.pk)

***Question no.3. What are the key strength factors of competitors?***

***KSF OF ALLIED SCHOOLS SYSTEM:***

**Low Fee:**

Allied school system having low fee structure as compare to his competitor. For example fee structure in Allied schools system is same from Play Group to Matric Level. On other hand our competitors increasing fee class by class.

**Competitive Factor:**

Allied school system not only offering low fee structure but also providing best education environment as compare to his competitors. Main focus is to impart quality education to meet the required educational standards of 21st century i.e. Concept Based Teaching. Curriculum is designed in such a way to cater the individual needs of the students. Academic Department is responsible for preparing lesson plans, scheme of studies, academic calendar, textbooks and providing technical support to Allied Schoolbook's and worksheets are specially designed for the better implementation of the curriculum. Supportive Software Packages are designed with Lesson Plans and Books. Organize and conduct specialized training sessions for the professional development of the staff.



### **Resource Requirement:**

Allied Schools system have full fledged HRM department which make sure timely induction of employees in all the departments. Allied Family is funded by Punjab group of collages having good market reputation and financial asset to meet all the requirements regarding any upgrading. Our competitors don't have such big portfolio like us to handle any internal and external change.

### **Technical Requirements:**

Allied schools system have their own ICT department that fulfill all the technological needs they required. This group have also their own software house named Tower Tech who design and implement required software's and other IT equipment. Like other competitors Allied schools recently introduced interactive learning boards.

### **Marketing & Advertisement**

- All the advertisement related to school
- CEO & CP interviews are to be held on Different channels on TV
- School marketing in terms of promotion of schools
- Visit to different historical places and foreign countries and northern areas to be made.
- Issuance of brochures and Prospectus
- Publishing annual Diary about the kids and schools.

## **KSF's OF COMPETITORS IN MARKET:**

### *Current and future key success factors:*

- Innovativeness
- Advanced Technology
- Strategic Alliances
- Market Knowledge
- Service Quality
- Relative Supplies Cost
- Good People and Team
- Flexibility
- Business Reputation
- Distribution Networks
- Information system

*KSF's*

*The Educator*

*The Smart*  
*Schools*

*Dare*  
*Arqaam*  
*Schools*

<b><u>Technological</u></b> <b><u>KSF's</u></b>	Have their own IT department this department will always deployed new technological needs the organizational required.	Smart Schools also have efficient IT team that develop their IT infrastructure as per requirements	Drae Arqaam recently deployed Portal system in their schools and trying to follow new technological needs.
<b><u>Distribution</u></b> <b><u>KSF's</u></b>	Have their own Warehouse in Lahore and good distribution channel to provide books and stationary and all other promotional material to all schools in time.	Smart Schools system also have join venture with TCS to provide all the order as per campus requirements in time.	Dare Arqaam Schools distribution channel spread region wise regarding all the supplies.
<b><u>Marketing</u></b> <b><u>Related</u></b> <b><u>KSF's</u></b>	The educators schools system is very keen to attract customers through Tv Ads , Newspapers, Short documentaries and events. Newsletters, Brochures etc.	The Smart Schools System having Marketing department. This department remain busy in marketing campaigns all the time.	Dare Arqam Schools system target local cable ads for their promotion. Other channel they use for marketing is Newspaper
<b><u>Skills &amp;</u></b> <b><u>Capabilities</u></b> <b><u>Related</u></b> <b><u>KSF's</u></b>	Having R & D department. They provide ongoing trainings to their staff.	They have joint venture with UOP to enhance skills and capabilities of staff and teachers	Dare Arqaam arrange Monthly training session for their staff and teachers.

[www.dar-e-argam.org.pk](http://www.dar-e-argam.org.pk)

[thesmartschools.edu.pk](http://thesmartschools.edu.pk)

[alliedschools.edu.pk](http://alliedschools.edu.pk)

[www.educators.edu.pk](http://www.educators.edu.pk)

## **KSF'S OF COMPITITORS**

**The Educator**

### **Technological KSF's**

Have their own IT department this department will always deployed new technological needs the organizational required.

### **Distribution KSF's**

Have their own Warehouse in Lahore and good distribution channel to provide books and stationary and all other promotional material to all schools in time.

### **Marketing Related KSF's**

The educators schools system is very keen to attract customers through Tv Ads , Newspapers, Short documentaries and events. Newsletters, Brochures etc

### **Skills & Capabilities Related KSF's**

Having R & D department. They provide ongoing trainings to their staff.

## **The Smart Schools**

They have joint venture with UOP to enhance skills and capabilities of staff and teachers

### **Technological KSF's**

Smart Schools also have efficient IT team that develop their IT infrastructure as per requirements

### **Distribution KSF's**

Smart Schools system also have joint venture with TCS to provide all the order as per campus requirements in time

### **Marketing Related KSF's**

The Smart Schools System having marketing department. This department remain busy in marketing campaigns all the time.

### **Skills & Capabilities Related KSF's**

They have joint venture with UOP to enhance skills and capabilities of staff and teachers

## **Dare Arqaam Schools**

### **Technological KSF's**

Dare Arqaam recently deployed Portal system in their schools and trying to follow new technological needs.

### **Distribution KSF's**

Dare Arqaam Schools distribution channel spread region wise regarding all the supplies

### **Marketing Related KSF's**

Dare Arqam Schools system target local cable ads for their promotion. Other channel they use for marketing is Newspaper

	<i>Major regions captured by schools</i>
--	--

### **Skills & Capabilities Related KSF's**

Dare Arqaam arrange Monthly training session for their staff and teachers

## ***4.4.MARKET PRESENCE OF THESE SCHOOLS NATION WIDE***

**Q.4.What are the number of branches of each school chain?**

<u>Regions</u>	<u>Allied</u>	<u>Educator</u>	<u>Smart</u>	<u>Dare Arqaam</u>
<u>Central</u>	<u>317</u>	<u>279</u>	<u>55</u>	<u>121</u>
<u>North</u>	<u>117</u>	<u>75</u>	<u>39</u>	<u>73</u>
<u>South</u>	<u>112</u>	<u>95</u>	<u>42</u>	<u>71</u>
<u>Sindh Region</u>	<u>46</u>	<u>110</u>	<u>52</u>	<u>29</u>

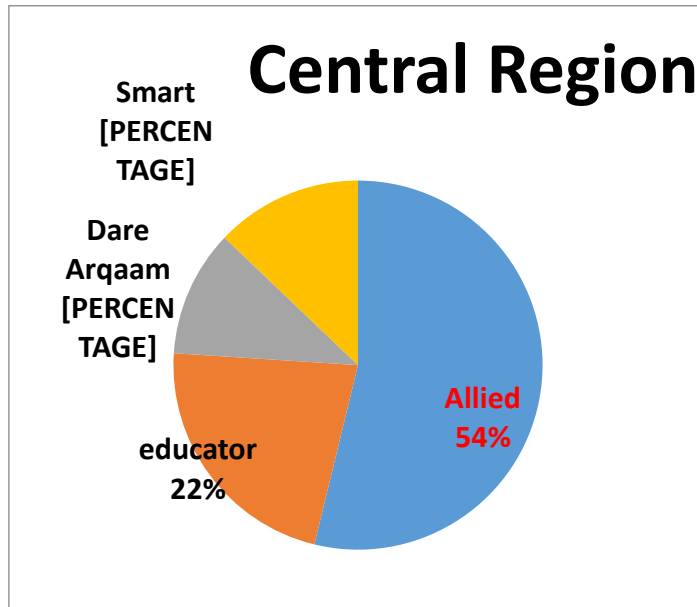
The central region of Pakistan is comprised of cities like Islamabad and Rawalpindi. In other words we can say that the major competition is in these major cities. Competitors who are successful here in these cities are termed to be most successful. The north region is comprised of northern areas of Pakistan mainly kpk and FATA. Next region is the Sindh province. Major cities included in this region are, Karachi, Hyderabad, larkana, nawabshah, sukkhur etc. Lastly it comes the south region of Pakistan which is comprised of cities of Punjab like Lahore, Multan, sahiwal, Jhelum, Gujranwala, khanewal etc.

Source. Direct interviews with managers and questionnaires and data available on internet.



#### 4.5. MARKET SHARE

Q.5.How much market share they have captured?



Sources.

[www.dar-e-argam.org.pk](http://www.dar-e-argam.org.pk)

[thesmartschools.edu.pk](http://thesmartschools.edu.pk)

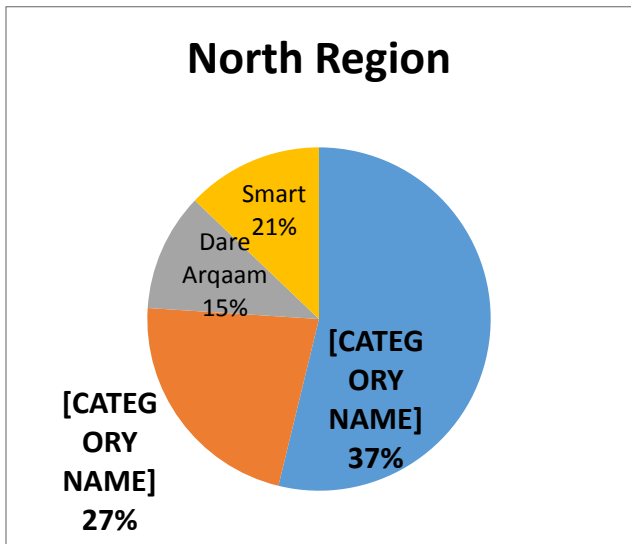
[alliedschools.edu.pk](http://alliedschools.edu.pk)

[www.educators.edu.pk](http://www.educators.edu.pk)

The central region of Pakistan is comprised of cities like Islamabad and Rawalpindi. In other words we can say that the major competition is in these major cities. Competitors who are successful here in these cities are termed to be most successful. As the cities of Rawalpindi and Islamabad are growing at great pace so as their need for education.

The above mentioned pie graph shows the market share captured by each school in this region. We can clearly see the blur area is for allied schools which shows that it has captured more than half of market of this region which is 54%. Whereas the educators is on second number with 22 % share in market, dare arqam with 11% and smart schools with 13 % market share. This percentage shows the number of schools in each region and it clarifies that the number of

branches of allied schools in relatively very high in this region which shows its overall success in the current market scenario.



Sources.

[www.dar-e-arqam.org.pk](http://www.dar-e-arqam.org.pk)

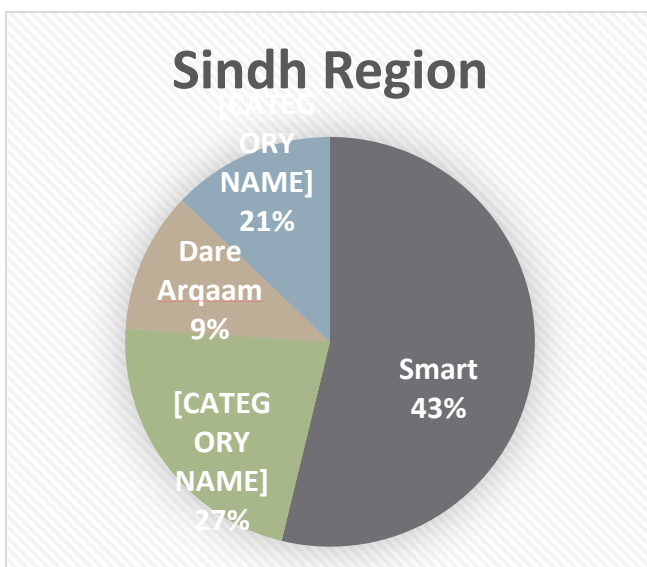
[thesmartschools.edu.pk](http://thesmartschools.edu.pk)

[alliedschools.edu.pk](http://alliedschools.edu.pk)

[www.educators.edu.pk](http://www.educators.edu.pk)

The north region is comprised of northern areas of Pakistan mainly KPK and FATA. THE NORTHERN AREAS of Pakistan were previously deprived of education and other facilities in the past, but with the advancement in time, things are changing now. People are betting well averse with the importance of education. Number of private educational institutions have opened up in these areas and are increasing day by day.

The above mentioned pie graph shows the market share captured by each competitor. Here the market completion seems to be high as the areas are developing and every competitor wants to capture the market share as quickly as possible. Allied schools has captured almost 37 % of market share, whereas educators have 27% shares which shows a close competition between allied and educators. Whereas smart schools and dar e arqam comes after them with 21% and 15 % respectively. So we can say that is market is segregated with close competition between all the competitors.



**Sources.**

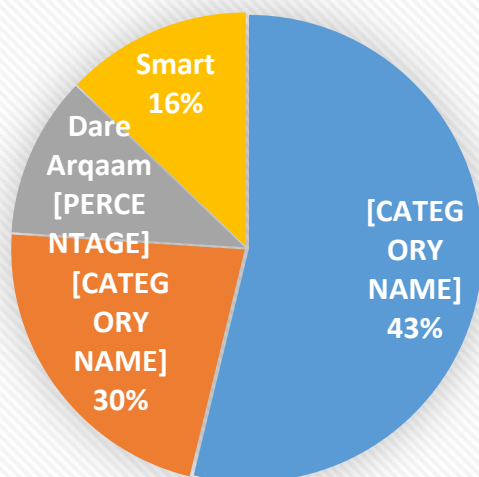
[www.dar-e-argam.org.pk](http://www.dar-e-argam.org.pk)

[thesmartschools.edu.pk](http://thesmartschools.edu.pk)

Next region is the Sindh province. Major cities included in this region are, Karachi, Hyderabad, larkana, nawabshah, sukkhur etc. In the big cities like Karachi and Hyderabad the education business is already in full bloom so capturing market share in such tight competition zone is not easy. Private educational institutions are striving hard to remain successful in this tough market environment. Keeping up with their curriculum and academic excellence quality along with other many factors play a pivotal role in their success.

If we look at this pie graph we can see that the market competition is high here again. But we can see that smart schools are the market leaders. The reason behind this success is the fact that they have their governing body and head office located in Karachi so their major focus is in this region whereas the other competitors are competing from the central region so their focus is comparatively low. We can see that smart schools have about 43% of market share, and leading the market whereas allied schools have 27% market share, then educators with 21% share and lastly dar e arqam with 9% market share.

## South Region



Sources.

[www.dar-e-argam.org.pk](http://www.dar-e-argam.org.pk)

[thesmartschools.edu.pk](http://thesmartschools.edu.pk)

[alliedschools.edu.pk](http://alliedschools.edu.pk)

[www.educators.edu.pk](http://www.educators.edu.pk)

Lastly it comes the south region of Pakistan which is comprised of cities of punjab like Lahore, Multan, sahiwal, Jhelum, Gujranwala, Khanewal etc. this is the main region of Pakistan with very high competition. As the people are highly educated and literacy rate is very high. The private educational sector is flourishing at large scale with the great inventions in teaching methods.

We can see from the pie graph that the allied school here again captured the major part of this market with 43% market share. Then educators with 30% share. Along with that comes smart schools with 16% share and lastly educators with 11% market share.

#### 4.6. MARKET ENTRY STRATEGY:

##### Future Potential Areas First Phase



**Q.6. Which are the future growth areas for these organizations?**

##### Potential Untapped Areas

- AJK  
(Bagh, Rawalakot, Dir Kot, Kotli)
- KPK  
(Abbottabad, Mardan, Nowshera, Bannu, Laki Marwat, Sawat)

**Sources. Questionnaires and interviews.**

[alliedschools.edu.pk](http://alliedschools.edu.pk)

The future potential areas tells us about the scope of future market competition in first phase.

First phase development tells us that the most potential areas for growth are the above mentioned areas where the future growth opportunities are very high as the market is in the developing phase. Market conditions tells us that the market competition is low in the areas like azad Kashmir and developing areas of Khyber phaktun khawa.

These areas could be termed as untapped areas because the competition is scarcely present there.

As these areas of KPK are termed as underdeveloped and literacy rate is very low there, but with the passage of time the advent of education is becoming more feasible there and these areas are becoming the most potential ones for the growth of educational sector.

Allied school has developed a market growth strategy in which advancement will be in two phases i.e. first phase will focus on the areas of KPK and AJK because comparatively they are less underdeveloped and opening up new ventures in these is considerably easier.

## Future Potential Areas Second Phase



### Potential Untapped Areas

- **AJK**  
(Neelam, Poonch, Haveli, Sudhnoti)
- **KPK**  
(Batagram, Dir Lower , Dir Upper, Shangla, Buner, Kohistan, Balakot)
- **Gilgit**  
(Gilgit, Skardu, Hunza)



**Sources. Questionnaires and interviews.**

[alliedschools.edu.pk](http://alliedschools.edu.pk)

Now comes the second phase of growth in those areas which are untapped because the growth in such areas is not easily possible because of many factors such as distant from head office, lack of educational facilities, low literacy rate, lack of basic necessities of life in these areas, etc. but still they have enough potential for growth with the advancement in time and technology.

These areas include the underdeveloped areas of Kashmir such as neelam valley, poonch, haveli, , areas of KPK such as batagram, lower dir, upper dir, shangla, areas of gilgit hunza and skardu.

As these areas are getting developed with the passing time so as their needs for education, so they could be termed as future potential areas for business growth.

Allied schools have the developing strategy to focus on these underdeveloped areas in its second phase.

## Future Potential Areas Second Phase



### Potential Untapped Areas

- Sindh  
([Golarchi](#), [Sakrand](#), [Sujawal](#), [Ratodero](#), [Sehwan](#) etc.)
- Baluchistan:  
([Awaran](#), [Barkhan](#), [Zhob](#), [Jhal Magsi](#), [Ziarat](#) etc.)

**Sources. Questionnaires and interviews.**

[alliedschools.edu.pk](http://alliedschools.edu.pk)

These are again the highly underdeveloped areas of Pakistan where there is growth potential but due to many factors such as distant from head office, lack of educational facilities, low literacy rate, lack of basic necessities of life in these areas, etc., they don't have much educational facilities in these areas.

In second phase allied school have the market growth strategy to focus on these areas such as far flung areas of Sindh such as golarchi, sakrand, sehwan etc and areas of Baluchistan such as awaran, zhob, magsi, ziarat etc.

<u>Potential Areas</u>	<u>The Educator</u>	<u>The Smart Schools</u>	<u>Dare Arqaam</u> <u>Schools</u>
------------------------	---------------------	--------------------------	--------------------------------------

<u><b>Balochistan</b></u>	No presence yet	No presence yet	No presence yet
<u><b>AJK</b></u>	Kotli, Bagh, Barnala, Neelam, Ponch, etc	Kotli, Bagh, Barnala, Neelam, Ponch, etc	Kotli, Bagh, Barnala, Neelam, Ponch, etc
<u><b>KPK</b></u>	Low Dir, Upper Dir, Gilgit, Sakardu, Malakand etc	Low Dir, Upper Dir, Gilgit, Sakardu, Malakand etc	Low Dir, Upper Dir, Gilgit, Sakardu, Malakand etc
<u><b>SINDH</b></u>	Sujawal, Mitari, Jmashoro, Moro, Sehwan, Ratodero, Talhar etc	Sujawal, Mitari, Jmashoro, Moro, Sehwan, Ratodero, Talhar etc	Sujawal, Mitari, Jmashoro, Moro, Sehwan, Ratodero, Talhar etc

### **Future potential areas for competitors**

[www.dar-e-arqam.org.pk](http://www.dar-e-arqam.org.pk)

[thesmartschools.edu.pk](http://thesmartschools.edu.pk)

[alliedschools.edu.pk](http://alliedschools.edu.pk)

[www.educators.edu.pk](http://www.educators.edu.pk)

### **4.7. Market positioning strategy**

**Q.7. What is their comparative fee structure?**

Pricing  
strategy:



	<i>Comparison of Fee Structure</i>			
<i>Fee Structure</i>	<i><u>Allied Schools</u></i>	<i><u>The Educator</u></i>	<i><u>The Smart Schools</u></i>	<i><u>Dare Arqaam Schools</u></i>
<i><u>Monthly Fee</u></i>	<i><u>Rs.2420/-</u></i>	<i><u>Rs.2450/-</u></i>	<i><u>Rs.1,800/-,</u> <u>2,300/-</u></i>	<i><u>Rs.2,800/-,</u> <u>3,000/-</u></i>
<i><u>Admission Fee</u></i>	<i><u>Rs.9,600/-</u></i>	<i><u>Rs.12,000/-</u></i>	<i><u>Rs.12,500/-</u> <u>, 15,000/-</u></i>	<i><u>Rs.10,000/-</u></i>

[www.dar-e-arqam.org.pk](http://www.dar-e-arqam.org.pk)

- [thesmartschools.edu.pk](http://thesmartschools.edu.pk)
- [alliedschools.edu.pk](http://alliedschools.edu.pk)
- [www.educators.edu.pk](http://www.educators.edu.pk)

The above mentioned table shows that the all competitors have followed the same pricing strategy by offering almost same range of tuition fee and admission fees at all levels. This shows the level of competition.

#### 4.8. RELATIONS WITH NWA,S.

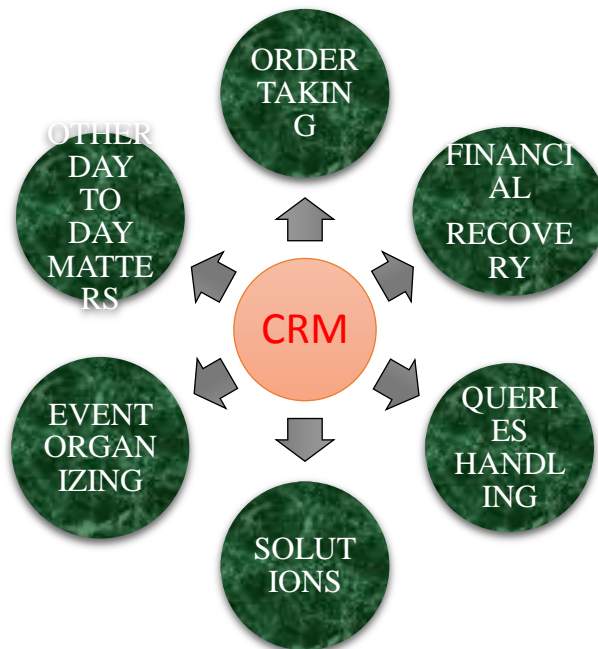
## **Q.8.How These Schools Taking Measures to Motivate Students and network associates**

### **NWA’S and Their Unmet Needs:**

NWA,S or the network associates are the franchises working under the banners of these private educational companies. Meeting their needs and providing them the assistance is the core marketing aim of these companies. All these Schools System emphasis to provide better Educational, extra Curriculum and free medical Facilities to student. Moreover these Schools system providing best Communication and problem sharing facilities to their NWA’s.

### **NWA’s Motivation & Unmet Needs in these School:**

Following diagram is showing the process of motivational factors which facilitate NWS’s in these Schools System:



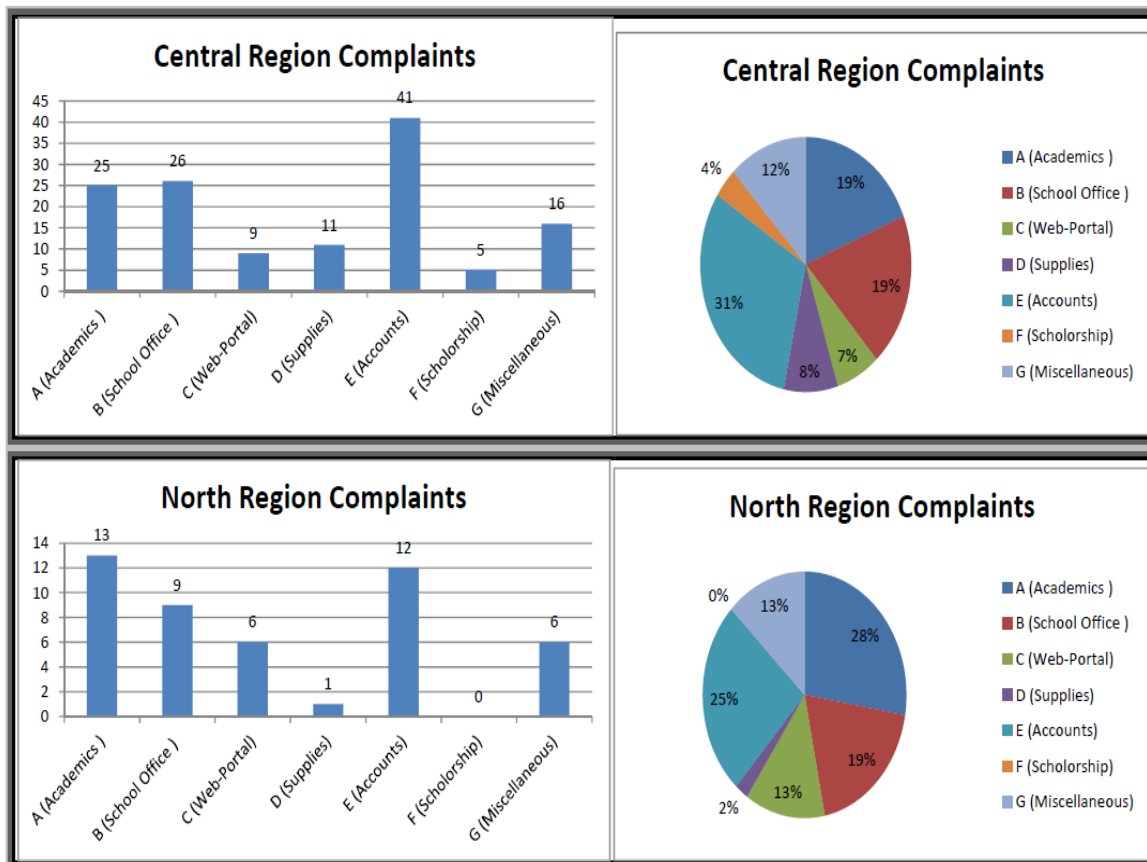
### **Student Motivation & Unmet Needs in Schooling School:**

## **4.9. COMPLAINT HANDLING**

**Q.9.What steps are they taking to address different complaints?**

Our Target Schools system established Parents/Students Complaint Cell in their all regions. A parent Cell officer in all the regions listen parents/Student complaints via email/Phone Calls and take steps against their complaints and resolve the issues on time and also take permanent feedbacks from parents regarding those issue and complaints.

**Following diagram showing how these Schools system sort out different problem of student:**



[alliedschools.edu.pk](http://alliedschools.edu.pk)

**4.10. RENUEMERATION STRUCTURE OF STAFF**

**Q.10. what is average salary scale of teachers?**

<i>Salary scale of different schools</i>			
<i><u>Allied</u></i>	<i><u>Educator</u></i>	<i><u>Smart</u></i>	<i><u>Dare Argaam</u></i>
<i><u>11000-</u></i> <i><u>20000</u></i>	<i><u>11000-</u></i> <i><u>18000</u></i>	<i><u>10000 –</u></i> <i><u>17000</u></i>	<i><u>10000 –</u></i> <i><u>15000</u></i>

So

ources. Questionnaires and interviews.

This table shows how the salary levels of these schools are comparative to market. Sometimes they pay bit less or high to specific teachers depending on their certain qualifications and experiences.

**4.11. Forces Affecting Profitability:**



### **Q.11. what are the factors which affect their profitability level?**

- The major forces that can affect these systems profit and strength in the market is maximum withdrawal of students from schools. As all the campuses are working as a franchises under the monitoring body of their Head and regional Offices. These Schools system getting as per set percentage royalty per enrolled student from schools. Once any student will leave the system it will decrease profit.
- Further More NWA's of all the branches are bound to follow the SOP set by Head Office. If any of them not follow SOP it can create hurdle in shape of parent's complaints and bad name of the organization that leads to dissatisfaction of Education system.
- These school system providing three types of MoU.
  - Pre School MoU
  - Primary School MoU
  - Comprehensive Level MoU

For purchasing a franchise there is a process already define in MoU. At the time of MoU NWA have to agree on all terms mentioned in MoU. If later on any NWA want to cancel his signed MoU he have to pay the fine as per Policy.

## **5. Conclusion**

## Findings

On the basis of above mentioned data and statistics we can conclude that the competition in this business market is very high. Competitors are struggling a lot to capture as much market share as they can. they have adopted the growth strategy by focusing on their franchises and trying to maintain as much possible good relations with their NWA,s. these schools are also spending a lot of amount on promoting their branches as the competition is very high in the market. The strong brand name of Punjab group and their goodwill is the main factor behind their success. Strong academic and discipline is another plus point of allied school along with low fee structure.

On the basis of market share or number of branches we can conclude that the allied schools are competing much better to their competitors as they are providing a very strong support to their NWA,s. simultaneously the other school systems are also on these grounds to facilitate their customers and staff and maintain the level of education within their franchises.

- Salary packages are very low as compared to external market but amongst competitors its almost same.
- They share same internal strengths and weaknesses to some level as the nature of business is same but still allied schools have better strengths and less weaknesses as compared to competitors.
- The threat of new entrants in the market is same for all competitors.
- Competitors have different competency level which form the basis of their key strength factors.
- Market is divided into four regions which include north ,south, central and Sindh regions.
- Every competitor organization is present in every region.
- Allied school holds a viable position with highest presence in all regions.

- All competitor school chains take viable steps to motivate their nwa,s and meet their needs.
- Proper care for complaint handling related to all aspects of schools is taken.

## **Limitations**

- At the same time we are facing different limitations, such as.
- As these school systems are operating through franchises, so it was very difficult to analyze every branch as a franchise.
- Sometimes franchises make changes in their curriculums so it's very difficult to assess those changes.
- Getting internal data about exact qualifications of teachers was again a difficult task.
- Simultaneously number of branches is increasing or sometimes decreasing at the same time so the pace of growth is not constant.

## **Recommendations:**

- Fee of the schools systems should be affordable.
- Company should provide the conveyance to the employees.
- Discrimination b/w employees should be avoided.
- High level manger should cooperate with the lower level employees and should encourage them

- They should improve their computerized system. It should be latest to cope up with the modern need of accounting and financing system.
- In regional offices proper facilities should be provided to the employees like Air-conditioning, and latest working equipment.
- At least In Head offices laptops should be given to all employees all the instead of desktop computers.
- These System Must have their own teacher trainings departments to follow the years training schedule on time.
- There must be a proper Quality assurance department that make sure timely solution of parents, teachers, and staff complaints

## References

### PERSONAL REFERENCES AND SOURCES USED:

- a) Internet (Allied schools.edu.pk). Site prepared and designed by Allied schools Network.
- b) Prospectus of Allied schools; Prepared by Communication department
- c) Rules and regulation notes of Allied schools; Prepared by Company Secretary
- d) Mr.Usman Akbar; Face to face communication. Allied schools
- e) Mr Rashid Saleemi; Face to face communication. Educators' schools.
- f) Ms hifsa Khan; Face to face communication. The smart schools
- g) Rehan Bhatii Face to face communication. Dar.e. arqam schools.

### Internet links

[www.dar-e-arqam.org.pk](http://www.dar-e-arqam.org.pk)

[thesmartschools.edu.pk](http://thesmartschools.edu.pk)

[alliedschools.edu.pk](http://alliedschools.edu.pk)

[www.educators.edu.pk](http://www.educators.edu.pk)

Record of complaints in allied school system.

**DETAIL OF ISSUES IN PARENTS' COMPLAINTS  
PERIOD: 1<sup>ST</sup> JULY ,2013 TO 30<sup>TH</sup> JUNE,2014**

<b>A. ACADEMICS –RELATED ISSUES</b>		
<b>BOOKS LIST, SYLLABUS ,LESSON PLAN RELATED ISSUES</b>	<b>1. BOOKS USED OTHER THAN ACADEMICS BOOK LIST /AVAILABILITY OF BOOK LIST</b>	4
	<b>2. LESSON PLAN NOT FOLLOWED</b>	5
	<b>3. SYLLABUS NOT COVERED ON TIME</b>	–
<b>Sub Total</b>		<b>9</b>
<b>DATE SHEET &amp; ASSESSMENT RELATED ISSUES</b>	<b>4. ACADEMICS DATE SHEET NOT FOLLOWED/ WORK SHEET NOT AVAILABLE IN CLASS</b>	1
	<b>5. IMPROPER CHECKING OF CLASS WORK /HOME WORK</b>	4
<b>Sub Total</b>		<b>5</b>
<b>PUNISHMENT ISSUES</b>	<b>6. PHYSICAL PUNISHMENT</b>	4
<b>Sub Total</b>		<b>4</b>
<b>TEACHERS-RELATED ISSUES</b>	<b>7. BAD BEHAVIOR OF TEACHERS</b>	2
	<b>8. UN-QUALIFIED TEACHERS/UNAVAILABILITY OF TEACHERS (PARENTS NOT SATISFIED)</b>	4
	<b>9. TEACHERS TURNOVER HIGH (PARENTS OBSERVATION)</b>	3
	<b>10. TEACHER SALARY ISSUE</b>	11
	<b>11. NEGLIGENCE IN TEACHING OR LACK OF ATTENTION IN CLASS</b>	8
	<b>12. EXPERIENCE CERTIFICATE ISSUE</b>	6
	<b>13. ESCORTING OF PRE-SCHOOL STUDENT TO GATE</b>	1
<b>Sub Total</b>		<b>35</b>
<b>LABS –RELATED ISSUES</b>	<b>14. COMPUTER LAB NOT AVAILABLE</b>	–
	<b>15. INADEQUATE FACILITY AT COMPUTER LAB</b>	–
<b>Sub Total</b>		<b>0</b>
<b>CLASS ROOM RELATED ISSUES</b>	<b>16. CLASS ROOM MISMANAGEMENT</b>	1