Building a private school in China: A case study of an ordinary private school in Jiangsu Province

WIRE Paper

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Abstract

This research paper is a case study of an ordinary private school in China. It specifically looks at what sorts of strategies the school in question used in order to compete in a confusing and nebulous sector of the Chinese economy. Through the effective management of external relationships with financiers, the local government, and the educational community as well as the internal relationships with the management structure, employees, and students, the school has achieved a measure of success. By success, the researcher means that the school has been able to survive in a difficult economic environment and maintain growth prospects. This case study provides strategies and one possible template for entrepreneurs looking to navigate the education market in China.

Objective

The purpose of this research project is to conduct an in-depth case study of the founding of a private high school in Shuyang, Jiangsu Province, China. The project is split up in two main research areas. It first looks at the school's external relationships with society in the forms of financing, relationship with the government, and student and teacher recruitment. Then, it researches the school's internal organization. Specifically, it investigates the internal managerial structure, management relationships with employees, and the student school experience. Through this case study, hopefully the reader can understand one success story in founding a private high school in China. Success is defined as the school merely being able to sustain itself in such a competitive environment where many others have failed. This case study can be used as one roadmap for any others planning on becoming involved in the educational entrepreneurship area of Chinese business.

Relevance

Ever since Chairman Deng Xiaoping's economic and social reforms in 1978, China has begun to move away from the centrally planned economic model to one embracing market socialism. In the context of this change, the educational sector has gone through a massive overhaul. Whereas the government shut down many private schools during the height of the Communist regime, it has lately again shown tolerance of them, recently granting them protections with the law. These changes with regard to private schools have revived a practice that has been a part of Chinese society for thousands of years. Furthermore, they have struck at the heart of the development of China and have proven critical to continued economic growth. Hence, plenty of academic and social attention has been paid to the private schools in China; however, much of this attention has concentrated on the elite private schools in large cities such as Beijing, Shanghai, and Tianjin. On the other hand, academics and society as a whole have paid little attention to private schools in smaller cities. These private schools undergo their own

unique challenges and have their own perspectives on educational issues in China. Therefore, this study aims to uncover some of the distinctive aspects of smaller-city private schools in China.

Background

China has long valued the importance of education. There is evidence that the earliest traces of education may have occurred in 2000 BC during the Yu Dynasty (Deng, 1). Private education has played an important role in the development of learning in China. Some claim that Confucius (551-479 BC) founded the first private school (Lin, 3). Since its inception, private schools have achieved varying degrees of success in China. "Shuyuan," or private academies, achieved great popularity under the Northern Song (960-1127) and Southern Song (1127-1279) Dynasties, becoming institutions of self-study with libraries that contained up to 100,000 books (Deng, 9-10). On the other hand, the Qin (221-206 BC) and Yuan (1271-1368) Dynasties suppressed private education, and later dynasties such as the Ming (1368-1644) and Qing Dynasties (1644-1911) attempted to control the "shuyuan" (Deng, 3, 11). Despite all of these changes in policy towards private schools, the civil service examination begun in the Tang Dynasty (618-896) ensured that private education would have a place in Chinese society (Deng, 4). "Private education was always the main vehicle preparing individuals for the imperial examination", as it focused the most on the Confucian classics that the examinations tested (Lin, 4).

Private education continued to be a force in Chinese society until 1949, when the Communist party officially set up the People's Republic of China. Wanting to maintain ideological control and despising private industry, the Communists worked to eliminate private schools, and by 1956 succeeded in either closing or socializing all private schools (Lin, 5). The only private or "minban" schools allowed had "virtually no freedom" academically and "limited administrative autonomy," allowing the government to maintain control (Deng, 107). The Cultural Revolution further devastated Chinese private education, as well as education in general. Only until the 1980s, when the Communist Party's ideology became less rigid and more pragmatic, did private education revive.

By the late 1980s, private education had come back in full force, albeit under various aliases, as the government still had not formally taken a position on private schooling. These new private schools provided a variety of services public schools did not offer such as vocational training in accounting, secretarial skills, and fashion design (Lin, 7). After Deng Xiaoping made his famous South China trip in 1992, which openly declared the government's support of private schools and economic reform in general, private schooling in China exploded (Deng, 128). By 2006, China already had 16,527 private schools reported to the government, up from 2,358 in 1994 (Chan and Wang, 3). This large growth was mainly due to the government's formalization of laws protecting private schools. The Action Plan for Vitalizing Education in the 21st Century (1999) stated that private schools were "an indispensible element in the growth of education in the new millennium," while the Minban Education Promotion Law (2002) allowed for "reasonable economic returns" for private schools, which previously had been outlawed (Chan and Wang, 28). The government's current stance on private schools places them in a support role. They are looked to provide services that public schooling cannot offer due to economic considerations. This support of private schools is part of a larger backdrop in the central government's views on education that stresses decentralization of funding, management, and power (Lai-Ngok, 3).

China has a very stiff educational system due to its large population. At around seven to eight years old, a child in China starts the 1st grade. Before that time, parents send their children to daycare centers. Primary education consists of six years. At the end of the 6th grade, the children participate in the "xiao sheng zhong," or primary school standardized test. Each school district has its own test, with the test score alone determining where the child will go to middle school. Every school has its own cutoff score levels, with a lower score requiring more money to attend. If a student scores above a certain level, the school provides education for free. On the other hand, if a student scores below a certain level, he or she cannot go to the school. Middle school is for three years, with a similar test, called "zhong kao" or middle school standardized test, given at the end of those three years to determine

where the student will go to high school. Where the child goes to high school partially determines his or her chances of attending college, so people place much importance on the middle school standardized test. Likewise, high school consists of three years, with a "gao kao," or National Higher Education Entrance Exam given at the end of the third year. This test is by far the most important in the student's career, as it determines if he or she can go to college, and if so, to where. Each province gives its own standardized test, which lasts for three days. Testing occurs both in the morning and afternoon of each of the three days, with subjects tested including math, science, Chinese language and literature, Chinese history, English, and politics.

Sometime after the test, the students select three schools to apply to from four different categories for a total of twelve schools: "yi ben," "er ben," "san ben," and "zhuan ke." "Yi ben" is made up of the top schools in China. "Er ben" is the next level of schools, generally considered average. "San ben" schools are of low quality. Below "san ben" schools, trade schools make up "zhuan ke" schools. In determining whether a student goes to college, most people in China look at whether the student went to a "yi ben" or "er ben" school. Hence, all statistics are given in this fashion. These numbers play an important role in determining the quality of a secondary school's education. If a student cannot attend a college of his or her choice, he or she may retake another year of high school and try again the next year.

Research Methodology

This research was qualitative in nature and took a case study approach. It involved three main sources of data. As the research was done in China, all of these sources used the Chinese language. The researcher is proficient in Chinese, so translation was not an issue. Formal interviews with the leadership of Mengxi School comprised the first source. These interviews had carefully planned out questions (Appendix 1). The researcher first wrote the questions in English and then translated them into Chinese. Multiple sources fluent in Chinese and English reviewed these questions in order to

ensure that they retained the general meaning. All formal interviews were voice recorded in order to ensure accuracy.

Secondly, the researcher also had many conversations with some several major players in the Shuyang educational system. With each person, the researcher conversed at least three times. These conversations were less formal in nature without voice recording. The researcher also sat down twice with several Mengxi School students in order to have an informal conversation about their school experiences.

Finally, the researcher also employed documents and objective analysis when conducting the research. These documents included several of Mengxi's promotional materials, Mengxi's score acceptance guidelines, and Xiuyuan School's (Mengxi's main private school competitor) year-by-year college acceptance numbers. Vice Principal Wu provided Mengxi School's year-by-year college acceptance numbers. These raw materials allowed for a more balanced view of how the school was run.

The advantage of this research methodology was that the researcher could get a clear picture of Mengxi School from multiple sources: leaders, founders, investors, government officials, Mengxi teachers, public school teachers, and Mengxi students. Along with these varied sources, the researcher also had the objective materials to conduct his own analysis. Hence, the researcher ended up with a well-rounded picture of the running of Mengxi School and what contributed to its success.

Educational Landscape in Shuyang

Shuyang is located in Jiangsu Province, in southern China. Situated around 280 kilometers north of Nanjing, the city has a population of 410,000 people. It is the capital of the local county, also known as Shuyang. The county has 1,770,000 people. As of 2008, the average income in the city was 10,171 yuan per year. Conversely, the average income for rural citizens in the county stood at 5,540 yuan per year (Shuyang County Government Website).

Before the turn of the century, public schools dominated Shuyang's educational system. The oldest modern school in Shuyang, Shuyang Middle School, first opened its doors in 1922 (Shuyang Middle School History). Shuyang has long prided itself on its excellent educational system. In the past, the district has had great success sending students to college and to top notch schools in China such as Beijing and Tsinghua Universities. In 1999, a group of Shuyang Middle School teachers founded Xiuyuan Middle School, Shuyang's first private school. Since then, according to Shuyang Education Undersecretary Liu Zeming, private education in Shuyang has undergone "a terrifically fast development" (7/8/09). Riding the wave of strong economic growth in the area, which has produced a strong middle class willing to spend money on education, and employing aggressive marketing strategies and strong monetary incentives, private schools have now become a viable alternative to public schooling.

According to Mr. Zhong Gantong, a prominent schoolteacher at Mengxi Middle School, founder of Xiuyuan Middle School, and previous school teacher at Shuyang Middle School, one can currently divide the schools in Shuyang into three categories based on academic excellence. Shuyang Middle School, as a four-star certified provincial key school, solely occupies the top spot in education at Shuyang. Most of the high-scoring middle school students go to Shuyang Middle School, and the school sends by far the most students to college. Mr. Zhong states that no other school in the district can compete with Shuyang Middle School in recruiting high school students. The top notch private schools, such as Xiuyuan and Mengxi, and second-tier public schools such as Jianling Middle School, are placed at the second level. These schools generally have no issue recruiting students, but must compete for the few top-level students who do not go to Shuyang Middle School. Finally, at the bottom rung of education in the Shuyang district resides the village schools in the area. Most families choose not to send their children to these schools even for free, and would instead prefer to spend extra money in order to send them to a private school in the city.

Whether schooling in the past few years has improved or deteriorated is a subject that is up for debate. A few former students of the Shuyang school system the researcher conversed with believe that the school system has generally deteriorated. They cite the relative lack of students who go to the top level colleges in China when compared to surrounding school districts as evidence that Shuyang education has devolved. Mr. Hu Yilu, a philosophy and ethics teacher at Miaotou Middle School, a village school in the county, also agrees with that assessment. He asserts that low pay in public schools and a lack of flexibility in student development have hurt schooling in Shuyang. He says, "Teachers aren't gods. They need to eat, take care of their families, and have fun. How do you stay motivated if others make two or three times what you make?" Furthermore, he adds that "to be honest, I wouldn't want to send my kids here (Shuyang schools)" (7/3/09).

On the other hand, others see the situation differently. Undersecretary Liu believes that both public and private education have developed quickly over the past few years. He characterizes private schools' two greatest contributions towards education in Shuyang as giving "the sons and daughters of Shuyang's citizens more opportunities to receive schooling" and "motivating public schools in Shuyang to reform their internal organization" (7/8/09). Due to these reasons, Undersecretary Liu contends that private education has greatly helped strengthen the quality of education in Shuyang. Mr. Zhong also remains optimistic towards the general development in Shuyang schooling. Although he concedes that the lack of students sent to top schools is troubling, he urges more focus on the total number of students sent to college, which has increased greatly over the past few years.

Introductory Profile of Mengxi Middle School

Mengxi Middle School is a 7th – 12th grade middle school founded in 2003 as one of the later entrants in the private school market. Mr. Tang Chengjun, the current head of the Board of Directors and founding member of Mengxi, led a group of 38 teachers from Jingmao Xue Yuan, a local public technical school, and various other high-ability public school teachers to start a private school. The

goals that the founding leaders expressed were twofold: 1. to help solve the lack of secondary education opportunities for the students of Shuyang and 2. to achieve societal recognition by providing an enriching, high-quality educational experience. Profit goals unequivocally fell behind these two main goals, and the founding leaders took great care in communicating this fact to all of the investors they initially brought on.

The school is located in the southern portion of Shuyang city. Right next to the school sits

Jingmao Xue Yuan, where Mr. Tang recruited most of the first wave teachers. The surrounding area
also includes housing districts as well as various shops. Suzhou West Road, which runs right in front of
the school, is one of the city's main roads with a multitude of high-rise buildings being constructed
along it. A large metal fence surrounds the school grounds in order to ensure the students' safety. At
the main door sits an automatic gate with a security guard. All of the school's classrooms and study
areas have fully equipped modern educational equipment, including computers, projectors, and
televisions.

During its first year opening in the 03-04 school year, Mengxi by design only had six classes per grade in the middle school (7th grade – 9th grade) and eight classes per grade in the high school (10th grade – 12th grade). After the first year, Mengxi has since added more students to each grade yearly. The school currently has around 7,000 students and 300 teachers. These 7,000 students are split into 16 classes and 950 students in a grade for middle school and 20 classes and 1,300 students per grade for high school. Each class has around 65 students. The school leadership, pleased with its current size, plans on keeping the school at around this operating capacity.

The school offers eleven basic areas of study. They include literature, English, math, physics, biology, chemistry, politics and moral education, history and geography, computer skills, fine arts, and physical education. The gao kao examination covers most of these topics, but one cannot find fine arts, physical education, or computer skills on the test.

The school year begins in early September and ends in mid-July. For high school seniors, the year ends with the gao kao in early July. After the test, they have no other educational responsibilities. All of the other students have end-of-the-year tests in all of their classes, so they must stay until the end of the school year.

External Relationships

External relationships are defined as the school's relationships with the outside factors. A private school does not exist in a vacuum. It must interact with society and develop relationships with other important players. The three main external factors Mengxi Middle School has had to deal with are 1. Financing, 2. Government, 3. Teacher and Student Recruitment.

Financing

Mengxi Middle School's financing completely comes from the equity capital it raises. In its developmental stage, the school has yet to rely on debt-based financing. The founders used around 4,000,000 yuan in startup capital, invested by roughly 100 teachers who followed Mr. Tang in starting the school. As of this year, the school has operating revenues of around 30,000,000 yuan. Because the school has not had to rely on government funds to operate, it does not have to deal with the confusion many dual-financed schools face about the rights and responsibilities of the government as opposed to the private investors in running the school (Shuyang Private School Investigation, 3). The lack of bank debt means that the school does not contend with restrictions from Chinese banks, which discriminate against private enterprises due to an information asymmetry problem in giving out loans (Bai, Lu, Tao, 2).

According to the founding leaders' wishes, the school's main goal has an educational nature, while profit goals take a back seat. Mengxi's investment regulations accomplish this vision by reinvesting most of its profits back into the school, requiring that all investors be employees, and staying away from fiscal relationships with businesses. Reinvesting profits back into the school ensures that the

school's teachers receive adequate pay and that the school's facilities are up-to-date. Furthermore, many private firms in China self-finance in this way as it avoids the problem of asymmetric information associated with external financing (Bai, Lu, and Tao, 2). Requiring that investors be employees of the school gives both employees extra incentive to perform and also makes sure that all of the investors in the school retain the same vision of education before profits. One problem with private education in Shuyang is that investors do not put weight on the quality of the school but instead on profit maximization, which leads to overcrowding problems (Shuyang Private School Investigation, 5). As Mr. Tang states, keeping all investors in-house "makes sure that all investors have the same vision in improving education in Shuyang" (7/6/09). Finally, unlike some private schools in China, Mengxi also does not have any sponsoring partnerships with large businesses or industries in the area (Mok and Wat, 7). Again, this strategy avoids the complication of dealing with businesses, which almost always have tax shielding, profit making, and product advertising goals in mind when they invest in private schools (Lin, 53).

The school practices share-based investment, with the amount of shares allotted based on how much capital the investor puts in. It uses an "AB system" to split the shares. The A group of investors consists mainly of teachers and occupies a slightly larger portion of the total share base. Management mainly makes up the B group and forms a smaller portion. The groups generally vote in blocs according to this divide, which provides a check on managerial decisions. There are also investment requirements based on rank, but Mr. Tang adds that the invested amounts were "generally similar" (7/6/09). The school has stopped offering shares for buyers, and anyone who wants to invest in the school now has to buy shares from another shareholder.

Interpersonal relationships were highly important in finding investors at Mengxi Middle School.

Mr. Tang and other founding leaders personally found the entire initial wave of teachers who came to

Mengxi. According to Mr. Tang, the teachers he brought over initially came due to a belief in his ability

and the school's success developed from "years of interaction" with him in the educational community (7/6/09). Even with this deep connection fostered by an entire career in the Shuyang education system, Mr. Tang admits that it was difficult at first to find investors. They became more willing to invest in the school once it achieved a respectable amount of social impact.

As with most schools in China, student fees along with a side-business make up the bulk of revenue at Mengxi (Lai-Ngok, 62-63). Out of the total operating revenue of around 30,000,000 yuan, student fees cover around 23,000,000. Tuition, book fees, and boarding costs make up the student fees, with tuition covering the main bulk. The tuition figures are based on a student's zhong kao test scores. This year, students who score above 680 on the zhong kao test do not have to pay tuition. Students who score lower on the test must pay extra based on a gradated system. Along with tuition, book fees are also required by the school. Furthermore, students who live in the school dorms must pay an extra 400 yuan per year. As around 80% of students board at Mengxi, this amount also makes up a significant portion of the school's revenue. To earn extra money, the school also runs a convenience store that sells snacks and drinks to students. Each year, the store earns "several million yuan," according to Mr. Tang, and is the main secondary revenue source for the school (7/6/09).

Government

For any private business in China to succeed, it must garner government support. Government agencies can provide access to resources and aid to private businesses that entrepreneurs otherwise cannot exploit. A lack of government support means competitive disadvantages against other business or state-run enterprises. Governmental influence looms even larger in private education. In the education decentralization process, the central authority has charged local governments with "providing local educational development within the developmental plan offered by the central authority" (Lai-Ngok, 3). As the directives offered by the central authorities are often vague or silent on key areas in private education, much power has been granted to local governments (Chan and Wang, 5).

The past two Shuyang governmental appointees in charge of education have expressed much support for increasing private education, which has led to its flowering in the district. The government helps out private schools mainly in areas such as land, school permits, and taxation. In the Shuyang district, the government grants land for projects such as private schools. The school does not have to compete in an auction or other free-market purchasing process for the land. Hence, the government controls key developmental aspects of the school such as the size of its campus and local community environment. In granting permits, the government looks at the quality of the founders, organization, and general climate in order to make sure that they are conducive for education. The government follows a "first found, then regulate" rule in granting permits for private schools according to Mr. Tang (7/6/09). It is relatively easy to obtain a permit, while governmental restrictions and regulations become more tightly enforced as the school becomes more mature. Finally, in areas of taxation, the government lays out and follows a strict code. Private and public schools are taxed according to the same code with no special privileges granted to either of them.

In general, the local government has been supportive of private schools mainly because the authorities believe that they have helped improve education in Shuyang. Undersecretary Liu believes that the influx of private schools has provided countless numbers of Shuyang students with an alternative option for education. This in turn makes the Shuyang education system more robust without the government having to spend extra money. Through his own experiences and conversations with other educational figures, Mr. Tang has noticed that the local government becomes more helpful to well-run, high-impact private schools. Because these schools' successes also line up with the government's vision of educational success, local authorities will go to great lengths to help solve any problems they have.

The government has been remarkably helpful in aiding Mengxi specifically. When Mr. Tang first introduced the idea of founding a private school to the local government, it granted a special

privilege allowing him to retain his position as head of Jingmao Xue Yuan while founding the school. Without this support, Mr. Tang likely would not have decided to go ahead with his plan or been able to attract so many teachers from Jingmao Xue Yuan. Furthermore, the land granted to the school had good economic growth prospects, a stable local population, and also no other schools in the area. Mr. Tang, however, is wary of the governmental support and understands that it can change quickly. He claims that the government's attitude towards private schools is "partly determined by the successes of public schools in the area" (7/6/09). If the public school system is weak, the government becomes more lax towards private schools. As the public school system strengthens, the authorities begin tightening their regulations on private schools as they begin to question the usefulness of their existence.

Recruitment

In order to thrive in the education market, private schools must compete in recruiting students and teachers. According to Mr. Zhong, a successful high-school student (ie. one that can attend a prestigious university), is formed by two factors: high ability and good teachers. Missing either severely hampers his or her chances of going to college, which in turn hurts the reputation of the school. Hence, in order to survive in the education market, private schools must be able to successfully lure in students and teachers.

Students

Students targeted by Mengxi Middle School can be divided into two categories: students from other schools and those who have attended Mengxi. The school recruits students from other schools during both its middle school and high school admissions processes. On the other hand, the school considers in-house students only during high school admissions, as it does not have an elementary school.

The marketing strategies that Mengxi uses to attract students outside of the school span across all media. The school has a website, www.sygjxx.com, which shows up as the first link on Google as well

as Baidu (a search engine popular in China) when searching with keyword 梦溪中学 (Meng Xi Zhong Xue or Mengxi Middle School). The website has news regarding the school, pictures of various school events, and articles written by teachers. The school also does the most television advertising in the district, according to Mr. Wu Yongbo, Vice Principal of Mengxi.

Although Mengxi's multimedia advertising has been strong in contrast to others in the area, the school's, as well as other schools', main route of advertising is still via print. In this area, Mengxi values originality. The school uses two main forms of print media: magazines and fliers.

A yearly magazine was first used to attract the initial wave of students. It mostly contained articles written by Mengxi students about their life experiences. The final few pages had information about the school. Mr. Wu wanted to create an advertising product that contained mainly what students wanted to read. He claims that the content of these magazines has "90 percent of what students are interested in" (7/7/09). Hence, students would naturally pick up the magazine for the stories, but would read about Mengxi Middle School as well. The 2008 copy is titled "Brilliant Wings" (Appendix 2) and is 57 pages long. It contains 25 different articles ranging across all grade levels at Mengxi. The final 20 pages have the names of all the award winners the school has produced over the past academic year, the names of all the teachers who published award-winning articles over the past year, the names and scores of all the middle school students accepted into Mengxi with scores of over 658 in 2007, the names and colleges of all graduating high school seniors accepted into "yi ben" and "er ben" schools in 2007, the names, scores, and colleges of all graduating high school seniors accepted into "yi ben" schools in 2008, and finally two articles introducing Mengxi.

Mengxi Middle School uses two different types of fliers. The first type is the standard flier introducing the school and touting its strengths. This type of flier is printed on high-quality, glossy paper, has lots of different colors, and has pictures of the school (Appendix 3). Most schools in the district, however, hand out these fliers, so their effectiveness is limited at best. As Mr. Wu said, "When

all of the schools give out fliers to potential students introducing the school and trumpeting its educational strengths, what makes your flier stand out?" (7/7/09) Along with the standard flier, the school also hands out more specialized, creative fliers to attract specific groups of students. For instance, an important portion of every high school's recruitment is students who failed the gao kao examination and have to study in order to retake it. In marketing to these students, Mr. Wu noticed that many local schools took a direct approach with a flier that stated something to the effect of "Failed the gao kao? Come to our school to study and retake it!" According to Mr. Wu, this type of marketing approach is not effective in China, as people care a lot about their image. Plainly stating that a school provides services for "gao kao failures" would make the students feel bad. As an alternative approach, Mr. Wu drafted a heartfelt essay regarding his thoughts on the gao kao exam and what to do after it. The essay covered both those who reached success and those who failed to fulfill their potential. In writing about what to do if one wants to retake the exam, Mr. Wu introduced Mengxi as an option. He then used this essay as the centerpiece of a professional-looking flier. This type of style, Mr. Wu claimed, better suited the culture in China.

Attending Mengxi Middle School as a middle school student does not necessarily guarantee admission to its high school. As students must take a middle school examination after the 9th grade, particularly high-scoring students may go to Shuyang Middle School or may attend schools in nearby districts while low-scoring ones may not qualify to attend high school at Mengxi. The leadership at the school, however, understands the importance of retaining students from the middle school. "While high school performance determines a school's ranking, high school test scores are directly linked to the middle school students the high school attracts, so having a quality middle school and retaining those students are important as well," Mr. Zhong said (7/12/09). In order to keep most of the in-house students, the school employs various strategies. The school gives in-house students cost and zhong kao score advantages. Mengxi subtracts off 10 points from its cut offs for each tuition level. Thus, the in-

house students do not have to score as well to pay a small tuition fee. Also, the in-house students accepted into the high school may score lower than students from other schools, as under the system, the acceptance score cutoff would be lowered as well. In order to retain the particularly high-scoring students, the school takes them on an all-expenses paid trip to a tourist destination in China after the zhong kao exam. On the surface, Mengxi touts the trip as a reward for finishing middle school and doing well on the exam. The school, however, plans the trip exactly during the testing time for nearby districts. If the students go on the trip, they cannot partake in the zhong kao exam for other districts, thereby increasing their chances of going to Mengxi. Furthermore, by "wining and dining" them, the school also pressures the students into staying.

Mengxi's student recruitment strategy centers on attracting students with high zhong kao scores as well as students who must pay a lot of money to attend the school. The former helps build the school's reputation. Because students who have high zhong kao scores are more likely to attend college, the school relies on these students to increase its college acceptance rates. The latter helps finance the school's operation; however, it has low expectations about those students' chances of reaching college.

Table 1

Test Ranking in District	School Award (yuan)
Top 100	18,000
101-200	15,000
201-400	12,000
401-600	9,000
601-1100	6,000

Source: Shuyang Mengxi Middle School 2009 Freshman Enrollment Guidelines (Appendix 4)

In order to recruit the high-scoring students, the school has to completely waive its tuition, and in some cases, even give the family money. Referring to Table 1, one can see that the school is willing to give extravagant amounts to students who test well. Furthermore, it waives tuition to all students ranked below 1100 but above 2500. Considering that the average income in the Shuyang area is 10,171 yuan per year, the amount given to the family is a strong incentive to attend Mengxi. On the other hand, Mengxi has little problem at this point in recruiting average-performing students who must pay tuition. It has become a viable option for students who do not score well enough to attend a key school, but still would like a quality high school education. Furthermore, rural schools in China suffer from poor funding, lack of facilities, and low-quality teachers, so many peasants would prefer to pay money and send their children to a private school in the city such as Mengxi (Lin, 76).

During the 2008 recruiting period, Mengxi had its best turnout yet of high-quality students. Out of a high-school grade of 1300 students, the school managed to attract around 200 students deemed "high-performing" by Mr. Wu, which he claims was one of the best among private schools in the Shuyang area (7/7/09). The school's ability to retain many of its middle school students proved critical in achieving this result. It managed to keep around 600 students out of a graduating 9th grade class size of over 800. Of the 200+ students let go, many failed to meet Mengxi's internal score cutoff. Relatively few jumped from Mengxi to elite schools such as Shuyang Middle School. With its aggressive awards package this year, the school hopes to recruit 300 high-performing students.

Teachers

Mengxi Middle School has generally found success in recruiting teachers. For each teaching position that opens, usually five applicants vie for the spot. The school considers only those applicants who have either had teaching experience or have a college degree. Its leadership hand-picks the former teachers based on their prior interactions and invites them to come to Mengxi. On the other hand, the college graduates go through a selection process.

When reviewing applicants, the school looks at their "responsibility to students, responsibility to the school, responsibility to society, and responsibility to the country," on the criteria that Mr. Wu spearheaded (7/7/09). Potential teachers are evaluated holistically, with student test scores, student evaluations, and potential effects on the work environment taken into consideration. Teachers must not only teach well, but also relate to students and the other faculty. Mr. Wu spoke of a former public school teacher colleague who has expressed interest in teaching at Mengxi. His students have consistently tested well and Mr. Wu has no doubts about his teaching ability; however, based on past interactions in the educational community, Mr. Wu noticed that the teacher does not get along well with many people – students or teachers. Hence, despite his excellent academic record, Mengxi could not accept him.

According to its leadership, Mengxi Middle School has had success recruiting teachers because of three main factors: high societal impact, sound organization, and high pay. These factors have put Mengxi Middle School in a position where other private schools cannot legitimately compete with it in personnel hiring. While Mengxi has had success luring quality teachers away from other private schools in the area, no teacher has yet left Mengxi for another private school.

First off, because many of the leaders at Mengxi were once important educational figures in the Shuyang area, the school immediately developed clout in the community. Teachers understood why Mr. Tang founded Mengxi. Furthermore, with its quick expansion in size and ascension into the upper echelons of education in Shuyang, the school itself also developed a name in the area. Secondly, the school's management and organization adheres to strict guidelines laid out by the charter. Since its founding, the school's leadership has not had any major departures or changes. As the share split shows, Mengxi employs a checks and balances system where the schoolteachers can check the decisions of management. Finally, Mengxi Middle School's incentive structure compares favorably to public schools in the area. For the first three years, the school offered shares to all of the teachers who came.

Furthermore, Mr. Tang estimates that a college graduate who leads a class can earn around 2,000 yuan a month. In comparison, Mr. Hu heads the Moral Education and Discipline department at Miaotou Middle School and teaches a moral and political education class, but still only earns around 2,000 yuan a month.

Mengxi Middle School tries to minimize the unfavorable areas of working at a private school while capturing the favorable aspects. While the higher pay is nice, a lack of security keeps many away from working at private schools in China. Private schools sometimes have an unstable economic outlook. Because usually only a few major players keep the school running, it cannot continue if even one or two decide to leave (Shuyang Private School Investigation, 5). If the school goes bankrupt or is sold to the government, the teachers suffer, as many will lose jobs. The societal impact and healthy organization add an important element of security in the minds of teachers. Mengxi Middle School's combination of dedicated leadership not solely after profit and structured organization system make it less likely that the school will fail.

Internal Environment

For a school to find success, it must not only foster productive external relationships with important members of society, but also have a strong internal environment. The internal environment part of this case study looks at three factors: 1. Management, 2. Employees, and 3. School Experience.

Management

School management is a critical area of the internal school structure that many private schools in China fail to execute well. According to the Shuyang Private School Investigation, the lack of standardized management procedures at schools causes many of these problems. In areas such as power distribution, asset allocation, and teacher management, many schools fail to follow the guidelines they

set down. Because of this, they experience power struggles between the board of directors and the principal, embezzlement of school property, and low teacher morale due to high-handed and arbitrary management (5-6). Mengxi Middle School does have a standardized managerial system laid out in its charter that it follows. Although the school management is not completely standardized, the leadership has continuously tried to improve the situation.

Management is divided into the board of directors, school operations committee, and auditing and financial committee. The board of directors sits above these other two committees, with the main responsibility of determining the general direction of school development as well as making the important decisions on school policy. Headed by the principal, the school operations committee executes the directives issued by the board of directors. Furthermore, it also conducts the day-to-day business in running the school. All of the financial details are handled by the auditing and financial committee. This committee also acts as a check on the other two committees by making sure that the decisions made adhere to government regulations.

Mengxi embraces a democratic process in choosing the heads of the board of directors and auditing and financial committee. A general shareholder meeting takes place where all shareholders have a vote in proportion to the amount of shares they have. They first elect the members of the board of directors. After they complete the election of the board of directors, they vote on the auditing and financial committee head. The board of directors picks the members of the school operations committee, most importantly, the principal. All of the leadership positions have official terms of three years.

Mengxi Middle School's leadership has valued the principles of stability and transparency in its running of the school. It feels that these two ideals have been critical to Mengxi's rapid rise and success. Both Mr. Tang and Mr. Wu preach that this leadership style has led to good internal morale. Furthermore, it has also attracted many outside teachers to take interest in working at Mengxi.

The school's emphasis on stability can be seen both with regard to its leadership and teaching force. Officially, leadership positions at the school must go up for reelection after three year terms. Mr. Wu, however, stated that the positions would not change if the person wanted to stay and he or she did "a good job" (7/7/09). In fact, since its founding, none of the main leadership positions have changed people. With regards to the teaching force, the school has only had six teachers leave since it started. Either the school let them go or their families relocated. None have left on their own will due to dissatisfaction with the school. Possessing this sort of stability, Mengxi does not have to constantly look for replacements to its human capital. Continuity makes sure that the policies and plans put in place are seen all the way to completion.

Along with stability, the leadership at Mengxi also strives for transparency. All of the school's large expenditures are made public so that its employees understand how the school spends its money. Any expenditure that the school employees make must first go through approval by the auditing and financial committee. A group of teachers also oversees the purchases. To ensure bureaucratic transparency, the auditing and financial committee independently reviews all complaints about unlawful practices against employees. This transparency both avoids the problem of asset embezzlement that some schools in the area face and also creates an environment where employees understand what goes on in the school.

Teacher management is an area where Mengxi Middle School has had more mixed results in standardization. In the area of teacher evaluations, the school has a completely standardized system. At the end of each semester, the school evaluates teachers based on four criteria: 1. Work Attitude and Relationships with Faculty, 2. Teaching Success, 3. Morality, 4. Students' Attitude. The school evaluates the work attitude and relationships with faculty as well as the morality criteria in a more qualitative way, based on observation. On the other hand, Mengxi uses monthly and semester test scores to evaluate teaching success and a student satisfaction survey to grade student attitude. Successes

in these evaluations, especially high test scores, result in large bonuses. If a teacher does poorly in certain areas, the management has an end-of-the semester talk about the problems. Continued poor performance leads to the school letting the teacher go.

While the school has completely standardized employee evaluations, it does not yet have a good system to deal with employee complaints. The auditing and financial committee only deals with large, unlawful actions by the school. When asked about how the school deals with employee complaints, Mr. Tang states that the leadership "evaluates the merits of the complaint on a case-by-case basis" (7/6/09). He dismisses many of the problems as due to teacher dissatisfaction with pay which happens in all industries. Mr. Wu, on the other hand, acknowledges that many teacher complaints come from other areas such as teaching conditions. The school has begun to address these issues by adding in air conditioning to all classrooms. Mr. Wu also wants to build a teacher cafeteria on campus. The school's lack of standardization for addressing complaints puts it at risk of falling out of touch with teacher needs. After a long time with this problem, the teaching force may adopt a "passive work attitude" (Shuyang Private School Investigation, 6).

Employees

The types of teachers employed by a school directly affect the quality of students who both come and leave. An elite teaching class can not only attract students who test well, but also train these students towards greater success on the gao kao examination. Many private schools face issues dealing with maintenance of the teaching force. Some must rely on mostly retired or part-time teachers to form their cruxes (Lin, 75). Compared to other private schools, Mengxi Middle School does not run into as many issues with retaining its teachers.

The school employs around 300 teachers to teach 7000 students. All of the teachers come from the Shuyang area either as teachers at other schools or college graduates. Ages range from around 27 to

45. Very rarely does the school recruit older teachers and only a select few teachers are older than 45. Unlike in many of the other local private schools, Mengxi Middle School does not suffer from any age gaps (Shuyang Private School Investigation, 8). The split between former teachers and college graduates is around 50/50. About half of the former teachers come from public schools while the other half come from private schools.

Teacher pay is heavily based upon workload and performance more than rank or seniority.

Factors include how many classes taught, whether or not the teacher leads a class, the amount of time spent watching the students outside of class, and student performance. As the vice principal, Mr. Wu sets the employee payroll. Middle school teachers receive slightly less pay than high school teachers.

All teachers have medical insurance and retirement benefits, which the law now mandates. The school, however, does not provide other benefits such as housing relief.

Along with regular teachers who form the backbone of Mengxi's teaching force, the school also employs a few famous ones, such as Mr. Zhong, from around the area. Most of these teachers have an extraordinarily large salary when compared to the rest of the workforce. In fact, Mr. Zhong will only teach one class per day this upcoming semester while earning somewhere between 4,000-5,000 yuan per month, over double what many of the other teachers make. Many of these famous teachers only serve the purpose of school advertising.

The school at this time does not employ any full-time foreign teachers. One of its goals, however, is to begin bringing in foreign teachers to the full-time faculty. Right now, the school has foreign teachers who teach two classes a week in a part-time fashion. It also has contacts with sources from Singapore, Malaysia, and the Philippines and Mr. Wu estimates that the school could see these faces as soon as three years in the future. For more of a long-term goal, Mengxi wants to bring in teachers from Canada, United States, Great Britain, and Australia to teach English.

Mengxi expects a lot out of its regular schoolteachers. A teaching job not only requires satisfactory teaching but also student interaction outside of the classroom. Teachers must watch students in the cafeteria and dorms. Because many students board at the school and have very little communication with their parents, teachers are also expected to play the parental role as well, helping students both with schoolwork and personal life problems. Mengxi wants its students to not only grow academically but emotionally as well.

Due to the high level of stability, Mengxi Middle School has invested heavily in teacher development. The school uses what Mr. Wu calls the "go out, come in" system (7/7/09). Every semester, the school picks a few teachers and sends them out for a one semester sabbatical to elite schools across China in order to learn about teaching. This sort of system allows for teachers to bring new ideas back to Mengxi. Along with "going out," the school also regularly invites famous educators to come give talks at the school, or "come in." This happens a few times a semester, and the school takes teacher surveys as to which educators they would like to see next.

In addition to this system, Mengxi Middle School also encourages teachers to pursue a master's degree in education. It pays all of the fees necessary to complete the degree. In fact, the school has started an in-house master's program that it encourages teachers to take. Together with providing the education for free, the school also covers peripheral expenses, such as providing a laptop for all teachers taking the course.

Although the school has a robust standardized system for teacher training, perhaps the most effective tool Mengxi takes advantage of is the large diversity in teachers. The public school teachers who came at the founding of the school and the teachers brought over from private schools were hand-picked by the school founders for their excellence in education as well as their love of students. On the other hand, the recent college hires do not have the teaching experience but have learned up-to-date material. This creates an interesting dynamic where the older teachers can guide the younger ones on

strategies to effectively lead a class and help increase student test scores while the new college graduates can teach the older educators the new knowledge that they learned in school.

School Experience

Like at most schools in China, students at Mengxi Middle School lead an intense, academicsoriented life centered on the zhong kao and gao kao examinations. Students at Mengxi attend school six
days a week. The school does not have courses on Sunday. High school students take a maximum of
six courses per day, four in the morning and two in the afternoon. Middle school students generally take
four courses per day, two in the morning and two in the afternoon. School starts at 7 AM, usually with a
supervised self-study time. Students attend the first class of the day at 7:45 AM. Officially, classes end
at 2 PM. All students, however, stay until 9 PM for supervised nighttime self-study. At this time,
students who board at the school go back to their dorms while commuting students go home. Because
the nighttime self-study ends so late, it is not uncommon for students to get home at around 10 PM. Due
to this system, however, many students do not have to do homework outside of school hours.

The school teaches all students using the rote learning style. It has never experimented with Western styles of teaching. Mengxi also does not have classes teaching useful job skills such as leadership and communication training. In defense of this purely academic learning style, Mr. Tang states that the atmosphere is simply "too competitive" for students to divert any attention away from studying for subjects on the gao kao examination (7/6/09). Students are evaluated using the traditional testing methods. Every month, the school sets aside a few days for testing, which are common across each grade level for each class. Along with monthly tests, teachers also give out weekly quizzes to random students throughout the year. During the summer, students have summer homework, and must go to the school every few weeks to hand in completed homework and pick up newly assigned work.

Mengxi Middle School completely follows the government-sponsored curriculum. Although the government gives private schools many freedoms in the financing, management, and recruiting areas, it

still has an interest in making sure that the school teaches what it wants the students to learn. The government sets out guidelines regarding how schools should teach the core classes on the gao kao examination (Hawkins, 449-450). In order to control the schools, the government uses the public examination system (Lai-Ngok, 67).

Although Mengxi offers extracurricular activities, it does not strongly emphasize them to students. The school does have activities ranging from athletics to music. Because of the large variety, however, each particular activity is not funded well. The school does not keep good statistics regarding the number of students participating in extracurriculars, but Mr. Tang estimates that each student usually participates in at least one.

The students interviewed generally like Mengxi Middle School. They have great respect for the teachers and will act with extreme deference in front of them. The chief complaints students have are that there is too much schoolwork and that they do not have enough time to play, although they comparatively have more time to themselves in the summer. When asked about their educational goals, all wanted to at least attend a college. Beyond that, they realize that they face extreme competition in attending the top-ranked schools. Furthermore, given that they could not even test into Shuyang Middle School, which at best only sends one or two students to Beijing and Tsinghua Universities based on academic merit, the students have basically resigned themselves to attending a mid-level university. One had the goal of attending Nanjing University, which consistently ranks in the top five.

The school punishment system goes a long way in teaching students the difference between right and wrong. It aims to show students why their actions were wrong instead of just using fear to keep them in line. For this reason, the school does not officially endorse corporal punishment. If the administrators find that teachers are hitting their students or forcing them to do embarrassing actions as punishment such as standing up in front of the class, they will immediately take extreme action which could lead to firings. Despite these policies, according to the students interviewed, a minority of

teachers at Mengxi still do use these methods. Ms. Hu Ying, an elementary school teacher at a top elementary school in Shuyang, speculated that part of the reason why these practices still persist is that many parents encourage teachers to use these methods on their students. Hence, many infractions go unreported to the authorities.

One of the problems with the Chinese education system involves parental involvement with the children's lives. Because most students board at the schools in China, with some starting in elementary school, parental interactions with students are often limited only to breaks. In fact, some parents use the boarding school as "a dumping ground" for their children (Lin, 61). Because of this fact, the school has to both make sure that teachers provide a good role model for children and keep the children's parents involved in their education.

Mengxi Middle School uses many techniques to keep parents informed. At the beginning of the semester, teachers give all of the students their personal cell phone numbers. Students are then required to give these numbers to their parents, with the understanding that the parents can call the teachers at any time with questions. Along with that, the school gives a report card to parents detailing the student's progress every semester. If a student commits a serious infraction or has academic troubles, the teachers will take the initiative to contact the parents. As an educator, Mr. Tang understands the importance of this problem of keeping parents informed, and he has "spent lots of time thinking about this issue" in order to come up with more effective strategies (7/6/09).

Discussion

This case study of Mengxi Middle School reflects a few of the strengths and weaknesses other research studies have shown are characteristic of private schools in China. In this circumstance, the founders had initial goals of helping relieve the lack of educational opportunities for Shuyang residents and achieving societal impact through the founding of an elite secondary school. It is highly difficult to assess the success or failure of the school based on these goals. In determining the relevance and

importance of this endeavor, however, the researcher urges the reader to classify the school's success as surviving in the competitive educational environment and having growth prospects.

As discussed above, private schools in China need to overcome a bevy of roadblocks to their goals. They must deal with securing financing in an environment biased against them and high-handed governmental regulations. Furthermore, private schools have to survive amidst intense competition, both from other private schools and public ones in the area. Internally, many private schools have managerial issues that plague their development. Teacher personnel problems such as age gaps and high turnover also threaten to ruin the school. The fact that Mengxi Middle School has been able to thrive despite all of the handicaps and potential hazards means that it has found a successful formula in navigating the market landscape.

Mengxi Middle School has achieved these initial successes for a few reasons. First off, the school's leadership and founders have built up a large amount of social capital in the Shuyang area. Secondly, Shuyang's environment is remarkably conducive towards private schools. Finally, the school's top leadership has developed a vision that its employees can believe in.

As prior research has shown, the relationships between firm managers and other key figures in the market make a large difference to a firm's success in China. In their study, Peng and Luo found that managerial ties to managers at other firms greatly impact a small firm, more so than a larger one. Furthermore, they also found that ties with other managers and government officials greatly impact both the return on assets and market share of service-oriented firms (10-12). Specifically to Mengxi Middle School, the founders' vast connections in the educational market allowed the school to find and hire over many qualified teachers. By understanding how Mr. Tang and Wu work, the teachers were more likely to believe in the success of the school. These sorts of connections also helped in finding investors who mainly were local schoolteachers. Also, because of the large influence the founders have had on the Shuyang educational landscape, the government has treated the school quite well, giving it a good

piece of land to build on and Mr. Tang lots of flexibility in blurring the lines between a public and private employee. The school has also received a lot of government help in the various problems that it has gone through.

Shuyang's developmental atmosphere makes the district highly conducive towards the growth of private schools. The local government, spurred on by the attitudes of the past two leaders, has created a fair environment which encourages competition between public and private schools. Schools in the area primarily compete based upon their reputations and merits, which does not necessarily happen everywhere given the large amounts of discretion the local governments have on this issue. Furthermore, the Shuyang district has a relatively weak public school system. Although Shuyang Middle School has had educational successes in the past, it recently has had trouble sending its students to elite schools. With some of its best teachers leaving to found private schools or finding employment opportunities at private schools, the school's teaching force quality has declined. These developments have given private schools the opening to compete with the public school system. In fact, in its three-year plan, Mr. Wu states that Mengxi wants to achieve the same four-star certification that Shuyang Middle School possesses. At the nearby Huaian district, which boasts a much stronger top public school, private schools have had much less success.

One of the keys to Mengxi's success that Mr. Tang and Wu stress over and over was the employee's trust and belief in the leadership. From the beginning, the founders stressed their vision of creating a high-quality school that has high societal impact. They claim that the overall employee morale remained high because these employees had faith in the school they worked for. Research also seems to back up this observation. In a study, Goleman found that an authoritative leadership style, which he defined as the ability to inspire and drive employees, most strongly leads to a positive employee climate. Furthermore, he claims that this leadership style is most effective when the

organization most needs direction (81-83). Mengxi Middle School, as a recent startup in a crowded field of competitors, is at a juncture where this sort of style is most needed.

Conclusion

This research study has achieved the goal of performing a case study on an ordinary private school in China. It has used the framework set up by other studies about private schooling in China to evaluate Mengxi Middle School.

During the process of research, several difficulties were also encountered that limit the amount of knowledge gleaned. The people who have the most knowledge about the school also have the most bias. Although the interviews with Mr. Tang and Mr. Wu revealed a lot of information about how the school worked, much of the less flattering aspects of the school had to come from other sources, such as the students or teachers. Some of the presentation of the information and interpretation of the statistics were sugar-coated as well. Furthermore, Undersecretary Liu, the government official, also did not want to reveal much personal information and insights about Mengxi. As there was no independent source on the school to consult, the researcher had to rely on his own analysis to reach conclusions in areas such as school finance and government relationships.

Also, it should be reemphasized at this point that this research project is a case study. It does not employ quantitative methods to show statistical significance about the observations and conjectures made. Any of the facts related can only apply to Mengxi Middle School. The research study can only serve as one example of a possible avenue of success for private schools in China.

Further research on private schooling in China should focus more on the ordinary and rural private schools. Many research studies have already drawn extensive conclusions about the organization, culture, financing, and societal impact of elite and urban schools in China. This mainly stems from the Chinese public's fascination with elite private schools and the government's worry of the social instability caused by their displays of income inequality (Lin, 142-143, 150-151). As most of the

Chinese populace still lives in rural areas and almost all citizens cannot afford to attend elite private schools, the development of ordinary and rural private schools carries a much greater impact on the future prospects of educational change in China. More research studies regarding the economics and growth of these types of schools would greatly increase the amount of knowledge researchers and policymakers know about this critical area.

Appendix 1 – Transcript of Questions (English and Chinese)

Important people to interview:

Founders (创办者)

Head of Board of Directors (董事会长)

Principal (校长)

Private School Teachers (学校老师)

Public School Teachers (公办学校老师)

Investors (投资人)

Government official (政府领导)

State of education in Shuyang

- How do you feel the educational system in Shuyang has progressed in the past few years?
- 沭阳教育状况像么样? 跟以前有什么不一样?
- What steps are being taken to advance education in Shuyang?
- 沭阳政府和学校怎样提高沭阳的教育?
- What educational practices can Shuyang learn from other successful provinces?
- 沭阳教育领导可以从别的县的领导学到什么?
- Where do you think Shuyang education will head in the next few years?
- 你觉得过几年沭阳的教育状况会怎么样变化?

Purpose for beginning the school

- Why did you leave the public school system?
- 为什么你离开公办学校?
- Educational goals (办学目标)
 - o What are the educational goals for the school?
 - o 学校的办学目标是什么?
- Profit goals (盈利目标)
 - o What are the profit goals for the school?
 - o 盈利(ying li)
 - o How do you decide between profit goals and goals about social impact?
 - o 你如何权衡(quan heng)这两个目标?
- School's values, mission, etc (学校核心价值)
 - o What does the school look to promote?
 - o 学校的核心价值(理念,校风)是什么?学校是如何提升它的核心价值?
 - o How does the school value the quality of its education?
 - o 学校对教学质量重视到什么程度?质量的标准是什么?

External Relationships

Financing

- How important was having a large personal network to successfully securing financing?
- 个人关系对创办者筹措(chou cuo)资金有多大影响?
- Finding investors (找投资人)

- o How did you find people to invest in the school for startup capital/after school was founded?
- o 你如何找到首轮投资者?你如何找到下一轮投资人?
- o How did you convince them to invest? (what advantages to investing did you cite?)
- o 你怎样说服投资人?
- o How many of the investors in the school were found by leveraging contacts that you already had?
- o 在投资人当中,多少是靠个人关系拉来的?
- o Did you use the formalized Chinese channels of financing? How effective were they?
- o 你们有没有一个规范化集资 (gui fan hua ji zi)的途径(tu jing)? (银行)
- o How difficult was it to find investors?
- o 找投资人难不难?
- What sort of minimum investment was required during startup/while the school was running?
- o 你们对投资人有什么基本要求? (至少投多少)
- o Shareholders who want to withdraw
 - What policies are there for shareholders who want to divest?
 - 学校如何处理退出的投资人?
 - How does the company stay liquid when large shareholders/founders withdraw?
 - 你怎么维持(wei chi)资金周转?
 - How many large shareholders have withdrawn?
 - 有多少主要投资人退出?
- Borrowing from banks (从银行借钱)
 - o How easy was it to borrow from banks?
 - o 容不容易从银行借钱?
 - o What sort of financing rate did you get?
 - o 银行的利息是多少?
 - Were there any requirements the bank placed upon the company?
 - o 借银行的钱银行有没有什么特殊要求?
 - o Was there any government help in borrowing from the bank?
 - o 政府有没有帮助学校从银行借钱?
 - Were there any contacts leveraged to borrow from the bank?
 - o 从银行借钱需不需要个人关系?
- Borrowing from government (从政府借钱)
 - o Risk from quick changes to policies about government debt
 - Has the school had to borrow money from the government? Why or why not?
 - 学校有没有需要从政府借钱?为什么?
 - 从政府借钱时政府有什么规定?
 - Has the government instituted any quick policy changes regarding the government debt? How has the school dealt with them?
 - 从政府借的钱的规定是否经常变化?你们怎么办?
 - How were contacts leveraged in borrowing from the government?
 - 从政府借钱需不需要个人关系?
- Taxation (税)

- o What sorts of tax advantages does the school enjoy because it is working for "the social good"?
- o 公有学校有在税收(shui shou)上享受(xiang shou)什么好处?
- o What sorts of extra taxes is the school subjected to because it is a private company?
- o 私立学校跟公立学校税收上比有什么好处或不好的地方?
- Student fees (学费)
 - o How much is collected from student fees?
 - o 学校一年总共收多少学费?
 - o What percentage of the school's revenue is from student fees?
 - o 学校还有没有其他收入? 学费收入占总收入多少?

Government (政府关系)

- How important was it to have support from the government?
- 政府对学校的支持重要性如何?
- Was it necessary to have friends and personal contacts in the government?
- 在政府里有个人关系是否重要? 为什么?
- In what aspect did the government have the greatest effect in founding the school?
- 在什么方面政府对办学校的影响最大?
- Land laws
 - o How was the school able to secure the land to build the facilities on? (bidding, auction, etc)
 - o 教学用地从什么地方来?
 - o What were the relevant laws regarding the building of facilities?
 - o 对学校建房有什么法律规定?
 - o How did the school protect the buildings and land that it had developed?
 - o 如何保护学校财产?
 - o Where, if any, was there confusion regarding the relevant land laws?
 - o 法规清不清楚?
- Standards for certifications of private schools
 - o What sort of standards are there in founding private schools?
 - o 私立学校申请规则是什么?
 - o How strictly does the government follow these standards?
 - o 政府对私立学校申请有哪些要求?
- Legitimacy among government
 - o How legitimate are private schools in the eyes of the government? Are there any laws in place that protect the rights of founders of private schools? How strictly does the government follow these laws?
 - o 政府对私立学校的合法性有什么看法?
 - o Ownership issues: state controlled or private controlled
 - Have there ever been any ownership issues between the government and the private founders?
 - 政府和投资者之间对学校的所有权是否有过矛盾?如何解决的?

Student recruitment (招生)

• What sort of recruitment strategies do you use for students?

- 学校招生的策略(ce lue)?如何竞争的?
- What system is there put in place to evaluate students?
- 在招生中如何评价学生?
- How many student applicants are there?
- 每年有多少学生报考你的学校?
- What percentage of students does the school accept?
- 学校收多少人?
- Payment scheme
 - o 学校的收费标准是什么?
 - Tuition based
 - 学费多少?
 - o School construction fee, education savings fund
 - 除了学费还有什么费用?
 - o Is there financial aid for students who cannot pay for the entire tuition?
 - o 对困难的学生学校有没有补助?
- Split between local/national students
 - What is the demographic split between local and national students? How much does the school concentrate on local students vs. nationwide students?
 - o 学生来源是什么? (本地,外地)
- Recruitment criterion
 - o What are the recruitment criteria for students?
 - o 学校招生标准是什么?
 - o Are there different requirements for local vs. national students?
 - o 对外地和内地学生是否同一标准?
 - o Does the school ever admit students below the requirement for extra tuition?
 - o 学校收不收成绩差的学生如果他们愿意付更高的学费?
 - o Does the school take into account parental influence when recruiting students?
 - o 有个人关系的学生是否会享受优惠 (you hui)?
- What kind of students do you get?
 - o 学校招生水平怎样?
 - o Academic wise
 - o 学习成绩
 - o Parents and social condition
 - o 家庭收入
 - o Are these the types of students that you originally wanted to recruit?
 - o 你们收到的学生是不是你们想要的?

Teacher recruitment (招聘老师)

- What sorts of teachers is the school looking for?
- 学校的师资水平如何?
- How many people usually come looking for jobs at the school? What percentage of applicants does the school usually accept?
- 多少老师愿意到你的学校工作?你们有多少教师?全校有多少学生?
- What system is put in place to evaluate teachers?

- 你们选择老师的标准是什么?
- Difficulties in wooing teachers from public schools
 - o How do you deal with the difficulties in recruiting teachers/competing with public schools?
 - o 你们怎么样跟公立学校竞争师资?
 - Lack of title
 - 老师的名誉(yu),地位
 - Inability to transfer back to public schools
 - 从公立学校出来的老师是否还想再回到公立学校?这样做是否可能?
 - Pension benefits/housing packages
 - 教师有没有退休医疗保险和住房补贴?
- Recruitment strategies
 - o What sorts of recruitment strategies do you use?
 - 你们用什么办法吸引优秀老师到学校工作?
 - Wage breakdown
 - 高工资
 - More opportunity to teach students in innovative ways
 - 老师可以自由选择教学方式

Market Landscape (沭阳教学情况)

- Other local private schools
 - o How many local private schools are there?
 - o 本地有多少私立学校?
 - o How has other local high school affected student recruitment/teacher recruitment?
 - o 沭阳其他私立中学对你们的生源和师资有什么影响?
 - o How has the government dealt with the multiple private high schools in the area?
 - o 政府对这些私立学校有什么影响?有没有偏心?
 - o What differentiates your school from the others?
 - o 你的学校有什么特色?
- Local public high schools
 - o How many local public high schools are there?
 - o 本地有多少公立学校?
 - o How do they affect student recruitment/teacher recruitment?
 - o 公立学校在生源和师资上有没有竞争压力?
 - o What has been the government policy regarding the relationship between private and public high schools?
 - o 政府对公立和私立学校的政策是不是一样的?
- Key schools closeby
 - o Are there any key schools nearby?
 - o 这个地区有没有重点高中?
 - o How have they affected the schools development?
 - o 他们对私立学校的发展有什么影响?

Organizational Climate

• Formalization of practices (管理标准化)

- o Has the school worked to formalize management practices?
- o 学校如何实行标准化管理? (同一个标准,同一个管理模式)
- o What sorts of management practices have been formalized?
- o 在哪些管理方面实行了管理标准化?
- o What effect does this have on efficiency of running the school?
- o 标准化对你办学的效益有什么影响?
- Hierarchy (管理结构)
 - o What is the hierarchical structure of the school?
 - o 学校的管理结构是什么?
 - o Who makes the final decision in areas such as personnel hiring/retention, uses for school revenue, etc?
 - o 在学校管理中(财权,人权),谁是决策人?
 - What sort of checks and balances system is there between shareholders, management, government?
 - o 持股者(chi gu zhe),管理者,和政府之间制衡的机制是什么?
 - o What is management's relationship with shareholders?
 - o 管理者和持股者之间的关系是什么?
- Decision of leadership between owners
 - o How do the founders of the school decide who takes the leadership position?
 - o 学校创办者如何决定谁来帮助他们管理这个学校?
 - o What conflicts develop based on this decision?
 - o 在这过程当中出现了什么矛盾?是如何解决的?
- Board of directors (董事会)
 - o Who sits on the board of the directors?
 - o 董事会有哪些人组成? 是怎么产生的?
 - o Power of the Principal vs. the Board
 - How is the power distributed between the principal and the board of directors?
 - 校长和董事会的权力是如何分配的?有没有过矛盾?
- Regulation from local government education agencies (政府影响)
 - What sort of government presence is there within the school's internal management structure?
 - o 学校管理人员当中有没有政府工作人员?
 - o What kind of areas do the government officials look to influence?
 - o 政府对学校的管理在哪些方面有影响?
 - o How much influence do the government officials wield?
 - o 政府有多大影响?

Employees (僱员)

- Breakdown of school teachers' demographics (学校老师)
 - O What is the breakdown of the teachers' ages?
 - o 老师的年龄结构怎么样?
 - o Are there a lot of retired teachers/part-time teachers/young teachers?
 - o 有没有很多退休的老师/兼职老师(jian zhi)/年龄轻的老师?
 - o Are there any large age gaps within the teaching organization?
 - o 学校教师中有没有大得年龄断层?

- o How many former public school teachers are there?
- o 有多少教师从公办学校转来的?
- What is the breakdown of local vs. national school teachers?
- o 学校大多数招来的老师是地方人还是外地人?
- Foreign teachers (外籍老师)
 - o Do you attempt to hire foreign teachers?
 - o 学校有没有外籍(wai ji)老师?
 - o Are foreign teachers treated better than domestic teachers?
 - o 外籍老师的工作条件与其他人有什么不同?
- Employee-relations (学校和教师的关系)
 - o What are areas of complaints that teachers have with how the school is run?
 - o 教师有没有不满意的地方?
 - o How does the school look to fix these problems?
 - o 学校是如何解决这些问题?
 - o How is the teacher's pay structure organized?
 - o 教师的工资标准是什么?
 - o What steps do you take to encourage teachers to embrace innovations in teaching style, etc at school?
 - o 学校是怎么鼓励教师提高自身的教学水平?
 - o How do you reduce workload for teacher/sustain motivation?
 - o 学校如何减少教师的压力/鼓励老师工作积极性的?
 - o What benefits outside of salary does the school offer the teachers?
 - o 除了工资之外,老师还有什么福利?
 - o How do you address the lack of security private school teachers face?
 - o 公办学校老师和私立学校老师的工作稳定性是不样的。你们是如何解决这个问题的?
 - o Teacher development
 - How does the school attempt to train teaching forces?
 - 学校怎样培养教师队伍?
 - Turnover rate
 - What is the turnover rate for the school teachers? What are reasons for the high/low turnover rate?
 - 老师队伍的稳定性怎样?辞职(ci zhi)和开除的老师多不多?百分比?是什么原因?
 - What effects does the turnover rate have on the school teaching?
 - 这对学校教学有什么影响?
 - What steps does the school take to reduce the turnover rate?
 - 学校怎么样减少这个百分比?
 - o Respect for the teachers
 - Does the school take into consideration the traditionally respected status of teachers in Chinese society? How does the school work with the teachers to maintain this level of respect?
 - 学校如何树立尊敬老师的风气?

School Experience

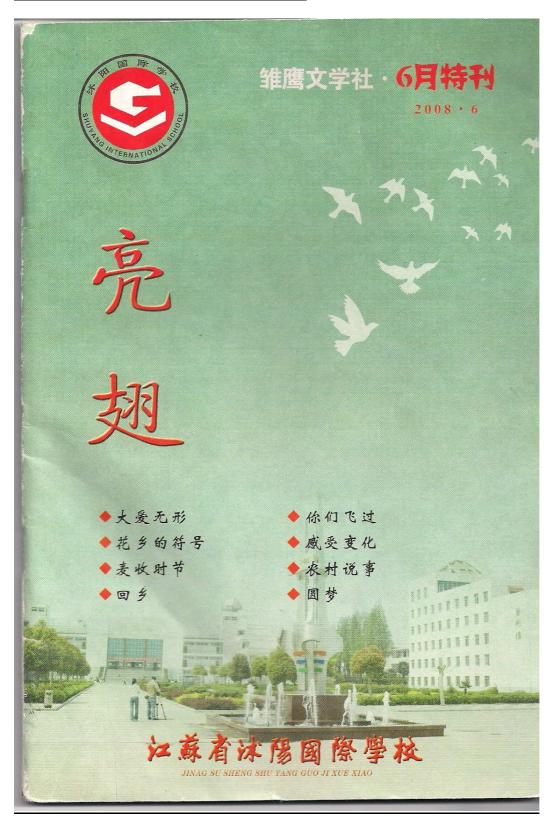
- Classroom experience (课堂)
 - How is the usual semester set up academically (based around how many exams, group projects, etc)?
 - o 学校是如何评价学生学习情况? (多少次考试)
 - o Teacher quality
 - How do teachers try to aid students in their work?
 - 教师是如何帮助学生达到他们的学习目标?
 - Do the teachers try to help students in areas outside of their studies?
 - 教师是否帮助解决学生学习以外的问题?
 - o Teaching philosophy (traditional vs. western)
 - What sort of philosophy do the school/teachers endorse? Why do the school/teachers embrace that kind of philosophy?
 - 老师教学理念 (philosophy) 是什么?
 - 为什么教师采用这个教学理念?
 - How is the choice of philosophy implemented in teaching?
 - 如何把这种理念应用在教学中?
 - How do teachers try to motivate students?
 - 教师怎样调动学生的学习积极性?
 - How much influence does the school place on what students study?
 - 学生是怎么决定学工科还是理科?学校对学生的决定有没有影响?
 - o Class Size
 - How large are most classes?
 - 每个班一般有多少人?
 - What kind of one-on-one attention is given to the students?
 - 老师做不做一对一的教学?
 - o Equipment quality/Technology
 - What sorts of equipment do most classrooms come equipped with?
 - 每个教室的教学设备是怎样设置的? (电视,投影仪,计算机)
- Curriculum choice (科目):
 - o What are the school's main subjects of study?
 - o 学校教哪些科目?
 - o Do you use government textbooks?
 - o 是不是政府制定的教科书还是老师自由选择?
 - o Training "all-around students"
 - What steps do you take to embrace skills of the students outside of academics?
 - 学校是否为学生提供像音乐,绘画,等课外活动?
 - How do train life experiences such as life skills, leadership, communication, etc?
 - 学校是不是帮助学生提高他们的独立生活能力,领导能力,社交能力,和工作能力?
 - o Constrained by College exams?
 - How constrained is the school in preparing for "gao kao"?
 - 学校的课程选择是不是以高考为主?
 - How often does the school "study for the test"?
 - 学校帮助学生准备高考?
 - Have you had to cut non-core subjects?

- 对那些不在高考范围(fan wei)内的课程学校是怎么对待的?
- Student Life (学生生活)
 - o Planned school activities
 - What kinds of student clubs are there in the school?
 - 有什么样的课外活动小组?
 - How much emphasis does the school place on these student activities?
 - 学校支不支持学生组织这些课外活动小组?
 - What kind of attendance is there at these planned activities?
 - 多少学生参加这些课外活动?
 - o Parental relationship with the school
 - How much parental involvement is there in the students' education?
 - 家长在孩子的教育过程中是个什么样的角色?
 - How are parents updated on the academic status of their students?
 - 家长怎样知道他们小孩在学校的学习情况?
 - What steps did the school take to maintain a close relationship between the parents and children?
 - 学校如何保证家长与学校保持密切联系?
 - o Boarding school vs. nonboarding
 - o 你们学校是以住校生为主还是以走读生?
 - o General student schedule
 - o 一天的课程表像什么样子?
 - o Moral education (德育教育):
 - 学校重视学生的德育教育吗? 学校怎样进行德育教育的?
 - What sort of disciplinary techniques are used in the school?
 - 如果学生犯了错误学校怎样处理?

Future Plans(前景规划)

- Strategy of development
 - What does the school want to look like 5-10 years down the road?
 - o 学校5-10年的展望是什么?
 - o Who is in charge of this developmental plan?
 - o 谁来做这些前景规划?
 - O What steps are being taken to execute this plan?
 - o 怎么来保证这些规划的实行?
 - o How much success has there been in this plan?
 - o 在执行(zhi xing)这些计划的时候感觉到这个计划很成功还是有失败的地方?

Appendix 2 – Cover Page of Brilliant Wings



Appendix 3 - Shuyang Mengxi Middle School Flier



Appendix 4 – Shuyang Mengxi Middle School 2009 Freshman Enrollment Guidelines

沭阳国际学校(梦溪中学)2009年高一招生简章

根据《宿迁市 2009 年中等学校招生办法》的精神,现将我校 2009 年招生简章公布如下:

- 一、招生计划: 我校 2009 年高一年级面向全市计划招收初三优秀毕业生 1200 人,其中免费生 300 人,其余为择校生。
- 二、收费方式和奖励办法: 计划生不收培养费、择校生按中考成绩采取小坡度、低收费方式,进入全县中考前 2500 名的应届生,凡第一志愿填报我校均为我校免费生,进入全县前 100 名者发给奖学金 18000 元,进入全县 101—200 名者发给奖学金 15000 元,进入全县 201—400 名者发给奖学金 12000 元。401—600 名者发给奖学金 9000 元,601—1100 名者发给奖学金 6000 元。

三、照顾对象:

- 1、初三阶段获得省教育厅规定的数学、外语、物理、化学学科竞赛省一等奖以上免费录取,其它学科优惠 10 分录取。
 - 2、市级以上三好生和优秀学干降两档进档录取。
- 3、革命烈士子女、省级以上劳动模范子女、驻沭部队现役军官子女、在我市 投资的外地客商子女和兄弟学校教师子女降档录取。
 - 4、第一志愿填报我校优先录取。
- 5、体艺特长生根据获奖级别和面试成绩,且中考成绩达到我校规定艺术生分数线的,面试成绩优秀者加分录取。
 - 四、录取办法:中考成绩公布后,按我校的收费标准录取。

五、报名地点及联系电话:

- 1、报名地点: 沭阳国际学校(梦溪中学) 招办
- 2、报名热线: 83595088 83582000 83583100 83587656 83595010
- 3、学校地址: 沭阳县城沭师路13号(青少年广场南侧)
- 4、学校网址: http://www.sygjxx.com

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