

## A STUDY TO ANALYSE THE EFFECTS OF SCHOOL PRIVATISATION ON DIVERSE SOCIOECONOMIC GROUPS.

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### ABSTRACT

In response to the increasing need for additional teaching opportunities, private enterprises are acquiring educational institutions around the country. Officials assert that the educational system will achieve more efficiency upon the transfer of educational responsibilities to private enterprises by the government. This will result in more equitable access to high-quality education, increased rates of student engagement and course completion, and overall savings. The policy objectives can be attained by concentrating on these areas. The educational system, and thus a nation's destiny, is significantly influenced by decisions about the education of its youth. The private education sector has expanded swiftly in recent decades, resulting in both positive and negative consequences for society. There are far more private schools than state ones. The issues resulting from privatisation require comprehensive investigation. In response to the increasing demand for education nationwide, the privatisation of education has escalated in recent years. The state's delegation of educational provision to private firms aims to augment participation and access to basic education, promote equity in educational possibilities, and improve learning outcomes and overall efficiency. The delegation has articulated the following objectives. Both elements may be profoundly influenced by a nation's strategy regarding its youth in terms of education and knowledge. Many individuals are concerned about the rapid ascent and swift expansion of the private education sector, despite its numerous positive impacts on society. Examining the challenges posed by privatisation is essential from a pragmatic standpoint and its effect on different socio-economic groups in China.

**Keywords:** Privatization, School education, Class of the society, Implications, Socio-economic Groups, China.

### INTRODUCTION

The country's education system was privatised due to the increasing demand for education. This enabled private entities, including individual organisations, religious groups, and non-governmental enterprises, to engage in the education sector. The privatisation of education is the primary catalyst for the swift transformation occurring in China's educational sector. Consequently, private organisations are recognised worldwide for their importance. As state and municipal governments

increasingly struggle to meet the demand for competent labour, a growing number of individuals are seeking superior educational opportunities elsewhere. Private education is becoming increasingly attractive to a growing array of populations for this reason. Although students' access to education has improved, schools have become increasingly competitive due to the influence of business groups. Private schools frequently struggle due to difficulties in attracting new students and retaining existing ones. The increasing trend of families enrolling their children in private schools instead of public ones indicates that these institutions offer superior education. The primary reason is that public schools inadequately impart essential skills. Private schools are comparatively more advanced, whilst public institutions are lagging. In 2014, 30.8% of rural pupils were enrolled in private schools, an increase from 18.7% in 2006. The private schools have significantly enhanced the educational standards in the area. In this context, the Confucian ideal in China posits that the state must guarantee that all citizens experience a prosperous and fulfilling life, which is both a contemporary necessity and an indicator of legitimacy reflected in China's economic achievements. Compassion for the welfare of all individuals has been a revered principle throughout Chinese civilisations, despite their distinct political histories. This is particularly evident in the prioritisation of educational funding, as education is regarded as essential and virtuous in Chinese cultures (You & Choi, 2023).

## BACKGROUND OF THE STUDY

The privatization of schools facilitates modifications to educational curricula, hence enhancing economic opportunities for individuals with lower incomes. Quotas in educational institutions constitute a form of affirmative action that may assist under-represented demographics. This institution provides kids from low-income families with the education necessary to compete with their more affluent peers. Research indicates that the proportion of private, non-profit schools is projected to increase from 42.6% to 78.6% of all schools in the country between 2001 and 2020 (Abrol, 2018). According to statistics, more than fifty percent of the nation's schools are either operated by or financed by affluent individuals. Knowledge is disseminating even in the most isolated regions. Both the federal and state governments allocate funds to reserve accounts. Enhancing youth employment opportunities and financial assistance for college both elevate foreign direct investment, which subsequently optimises firm operations and accelerates product development. Regional and individual socioeconomic inequalities had unexpectedly increased due to privatization and liberalization (Uitermark et al., 2024). The nation's educational system has been privatised to address the growing demand for education. This has facilitated the ownership of schools by non-governmental organisations, religious institutions, and for-profit enterprises. Globally, privatisation has catalysed numerous beneficial advancements. Its principal effect has been to reduce the national debt. The government has exhibited minimal engagement. The calibre of these services has significantly enhanced.

## PURPOSE OF THE STUDY

This research aimed to objectively examine the advantages and disadvantages of school privatisation through a survey of relevant literature. Consequently, there exists an abundance of literature that assesses and compares diverse theoretical frameworks within the discipline. The rationale for certain families opting for private education for their children and the impact of that decision on their own upbringing. The objectives of this research were to ascertain the variables contributing to the prevailing trend of school privatisation in China and evaluate the impacts on diverse socioeconomic groups.

## LITERATURE REVIEW

A comprehensive literature review formed the basis of the study, assessing the advantages and disadvantages of school privatisation. Recent study seems to be juxtaposing various perspectives on the issue. Parents' personal backgrounds frequently influence their decision to enrol their children in private schools. Due to limited choices in public education, numerous families choose to enrol their children in private institutions. The success of private schools in China significantly influences student enrolment numbers. All concurred that the school's exemplary reputation mostly derived from its outstanding academic performance, which subsequently influenced their decision to register their children. Concerned about their children's future achievement, they scrutinized the school's academic grades. Sixteen percent of parents believe that a private school will enhance their child's education. The advantages of private entities overseeing public school administration (Sharma, 2019).

Opportunities for higher education, once exclusive to a privileged few, are now accessible to the general populace. Additionally, enhancements to the subterranean infrastructure were implemented. The private sector has undeniably enhanced infrastructure by offering a cutting-edge technology base. Their achievements are indisputable and unequivocal. Assessment of parents' decisions to enrol their children in private schools, they all agreed that the school's academic accomplishments were a major factor in the school's reputation, which was a major factor in their decision to enrol their children there. The parents cared about the school's academic achievement because they wanted to know that their children would have a good foundation for their future. When asked why they choose a private school, respondents (parents) overwhelmingly agreed (61.7% agreed) that private schools provided a higher quality education. The advantages of entrusting the management of public schools to private organisations such as making accessible and readily opportunities of educational opportunities, advancements made to the underlying infrastructure, and educating students at the best possible level. In addition to this, extensive growth in the number of schools and colleges and better extracurricular activities ensure efficient improvement of educational scope in

Chinese education sector. Some of the disadvantages of privatisation are considered to be one of the most significant drawbacks of privatisation, the possibility of bribery and corruption must always be kept in mind. Increasing the number of bridges between prosperous and underprivileged neighbourhoods. The business models used by private organisations are strictly adhered to. Numerous social classes in China have profited from the transformations spurred by privatisation. The proliferation of schools, colleges, and universities enhances the accessibility of higher education (Liu et al., 2023).

Ensuring that the students receive the highest quality education. To enhance students' overall performance and increase the efficacy of learning, contemporary pedagogical techniques were employed. Modern instructional technology encompasses devices such as tablets and other electronic gadgets, in addition to software applications like ClassFlow and similar programs. Parents already possess an unprecedented array of options for selecting a school or university for their children, attributable to the proliferation of educational institutions. This is attributable to the remarkable increase witnessed by educational institutions (Ding et al., 2021). As a result, families will own greater authority over their children's educational prospects. Additionally, participating in activities unrelated to academic obligations may prove beneficial. It appears that each private school currently has its own perspective on extracurricular activities. These concepts facilitate a child's learning and foster an interest in various subjects. To cultivate children's interest in their surroundings, numerous activity recommendations have been presented.

Enhancing the accessibility of educational opportunities while simultaneously improving school operations. A diverse array of educational institutions, encompassing schools, community colleges, and universities, has expanded significantly in recent decades. The affluent can now access educational possibilities previously exclusive to the privileged (Cui & De Costa, 2022). Aside from this, modifications were implemented to the foundational structure that facilitated the privatisation of schools. The private sector has undeniably made significant advancements in improving infrastructure, establishing a framework that leads in technological innovation. Such successes are indisputable.

Ensuring that the students receive the highest quality of education. They employed modern educational methods that enhance students' learning and overall performance. Modern instructional technology encompasses devices such as tablets and other electronic gadgets, in addition to software applications like ClassFlow and similar platforms. Parents today possess an expanded array of choices about the educational institutions for their children, attributable to the expansion of schools and universities. This is due to a surge in the number of educational institutions. This enables families to have increased control over the educational opportunities accessible to their children. Students can enhance their skills through

extracurricular activities. It seems that each private school currently possesses an own viewpoint regarding extracurricular activities. These concepts facilitate a child's learning and engagement in several facets of life. In reaction to the privatization of China's education sector, several initiatives have been proposed to stimulate youth engagement with their surroundings (Ping & Paramalingam, 2024).

## RESEARCH QUESTION

What is the influence of quality of education on different socio-economic classes in China?

## METHODOLOGY

**Study Design:** The study comprised a comprehensive cross-sectional analysis. The cross-sectional design was cost-effective and efficient, necessitating data collection at a single time point. Owing to limitations in time and funding, the researcher employed quantitative approaches. Using Rao-soft software, we determined a sample size of 600 items; 775 surveys were disseminated; 662 were collected; and 13 surveys were excluded owing to incompleteness. A total of 649 Chinese nationals participated in the poll. The survey was conducted with each participant selected randomly. Participants were apprised of the study and permitted to enquire with the researcher while they awaited the conclusion of their shopping. Individuals who are illiterate or wheelchair-bound would get the survey questions and response alternatives verbally from the researcher. Subsequently, they would obtain instructions for submitting their opinion through the survey form. Individuals in designated regions were asked to complete and submit surveys simultaneously.

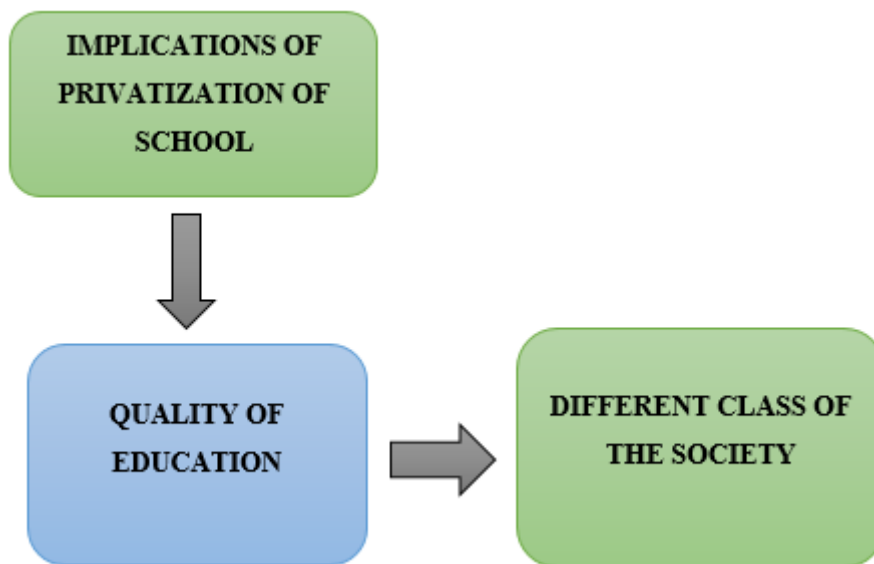
**Study Area:** The survey was administered at various sites around China, encompassing retail clothes marketplaces, shopping centres, fashion districts, and apparel producers. Their ability to easily access a wide variety of brands at the research sites greatly impacted their decision.

**Data collection:** The research employed a survey within its mixed-methods approach. The survey methodology is elaborated in the subsequent section. The respondents were initially posed control questions concerning the Chinese textile market prior to being requested to forecast the growth and equity of their organization's brand. The final outcome was a sample of 600 individuals that satisfied Rao Soft's criteria. Surveys frequently employ a Likert scale, a rating system, to assess individuals' feelings, attitudes, and ideas. Participants may choose from six predetermined answers in response to a statement or inquiry: "strongly agree," "agree," "did not answer," "disagree," or "strongly disagree." Numerous studies include number codes to signify various response kinds; nevertheless, these codes must be explicitly defined for each investigation. For example, a score of 5 indicates strong agreement, 4 signifies agreement, 3 represents no response, 2 denotes disagreement, and 1 reflects significant disagreement. Researchers

considered the following criteria in their demographic analysis: respondents' gender, age, occupation, tenure, technical competence, surveillance proficiency, income, and duration of work. All of this information is available in the demographics.

**Sample:** The data for the study was gathered using a specific approach. The researcher established a sample size of 600 utilising the Rao-soft tool. The researcher disseminated 775 questionnaires, gathered 662 responses, and discarded 13 for incompleteness. A total of 649 questionnaires were employed for the study, consisting of 297 females and 392 males. The individuals involved in the survey for the study were: Among the responders, 137 were educators (21.0%), 123 were designers (19.0%), 96 were engineers (15.0%), 89 were physicians (14.0%), 107 were business analysts (16.0%), and 97 were private sector personnel (14.0%).

### CONCEPTUAL FRAMEWORK



### RESULTS

**Factor Analysis:** A common use of Factor Analysis (FA) is to investigate the fundamental component structure of a collection of measurement items. It is posited that latent factors directly affect the scores of the examined variables. Accuracy analysis (FA) is an approach reliant on models. This research primarily seeks to uncover correlations between observable phenomena, their underlying causes, and measurement errors. The Kaiser-Meyer-Olkin (KMO) Method is a technique for evaluating the suitability of data for factor analysis. Both the overall model and each individual model variable are assessed for adequate sampling. Statistical methods enable us to measure the degree of shared variance among several variables. Factor analysis is generally more appropriate for data sets with lower percentages.

The KMO output is an integer between 0 and 1. An appropriate sample size is indicated by a KMO value between 0.8 and 1.

A KMO score under 0.6 signifies insufficient sampling, requiring remedial action. Render a prudent assessment; a value of 0.5 is utilised by certain authors for this purpose, thus the range is 0.5 to 0.6.

A KMO value close to 0 signifies elevated partial correlations relative to total correlations. Pronounced correlations present a considerable obstacle to component analysis.

The subsequent conditions for admission to Kaiser are as follows: Declining from 0.050 to 0.059.

- Substandard by 0.60 to 0.69

Standard range for middle school: 0.70-0.79 cm.

Ranging from a quality point value of 0.80 to 0.89.

The interval from 0.90 to 1.00 is quite remarkable.

**Table 1: KMO and Bartlett's Test.**

<b>KMO and Bartlett's Test</b>		
<b>Kaiser-Meyer-Olkin Measure of Sampling Adequacy.</b>		0.956
<b>Bartlett's Test of Sphericity</b>	<b>Approx. Chi-Square</b>	3252.968
	<b>df</b>	190
	<b>Sig.</b>	.000

Bartlett's Test of Sphericity further substantiated the overall significance of the correlation matrices. The Kaiser-Meyer-Olkin metric of sample adequacy is assessed at 0.956. Researchers calculated a p-value of 0.00 using Bartlett's sphericity test. The researcher determined that the correlation matrix does not satisfy the requirements of a correlation matrix due to the significant result from Bartlett's sphericity test.

## INDEPENDENT VARIABLE

**Implications of Privatization of School:** Specialised institutions, such as Chinese-foreign cooperative schools, offering multilingual education via international brand affiliation—beyond vocational and higher education—will exert a more significant and enduring impact. International financial corporations are operating and



managing private elementary, middle, and high schools, having penetrated the early childhood education sector. This has prompted issues regarding management, quality, ideology, and policy. Regarding admissions, course offerings, and school administration, these quasi-international institutions must adhere to the revised “Implementation Regulations” policy. Consequently, diminished confidence in the academic programs of these institutions will ensue. The fundamental objectives of these private schools should be the integration of resources, the development of locally pertinent curricula, and the enhancement of China’s education system’s competitiveness on the world stage (Liu, 2023).

## FACTOR

**Quality of Education:** Academic achievement, particularly in STEM disciplines, is highly valued within China’s rigorous educational system. A crucial component of the university admissions process is the Gaokao, and public-school curriculum are intensely concentrated on tests and rigour. The disparity in educational opportunities is compounded by the significant expenses associated with private and international universities, which provide enhanced facilities and innovative teaching techniques. Rural schools have challenges such as inadequate facilities and restricted chances, while urban schools enjoy superior funding and resources. Privatisation has intensified inequality, despite the government’s efforts to improve service accessibility. The recent enhancements in China’s educational system have grown increasingly essential for the country’s social and economic progress (Yang, 2024).

## DEPENDENT VARIABLE

**Different Class of the Society in China:** China encompasses diverse socioeconomic groups, including the command class, the new upper-middle class, the new lower-middle class, small business owners and self-employed individuals, skilled labourers, unskilled labourers, and farmers, known as household contractors in agriculture, forestry, animal husbandry, or fishing sectors. The distribution of economic interests and dominant-subordinate dynamics are categorised within the seven classifications. The distribution of a company’s profits also benefits the dominant classes. Skilled and unskilled labourers lack control rights over business income, but small business owners, the self-employed, and the management class possess these rights. A newly established middle class holds distinct control rights over business revenue at the core (Liu, 2020).

**Relationship of between Quality of Education and Different Class of the Society in China:** Disparities between low-income and affluent groups arise directly from the substantial influence of socioeconomic status on educational quality in China. Affluent children enjoy a competitive edge owing to their access to private and international schools that offer state-of-the-art facilities, challenging curricula,



multilingual education, and an enhanced academic program. Middle-class families rely on public schools for reliable education, which is particularly competitive, especially in urban areas. In contrast, students from low-income families and those residing in rural areas encounter obstacles such as underfunded schools, outdated teaching methods, and a lack of experienced educators, all of which diminish their potential for academic success. This inequality is exacerbated since the Gaokao, China's national college entrance examination, advantages students from affluent educational institutions. The monetisation of education has exacerbated this disparity by converting the expense of quality education from a fundamental necessity into a luxury. Despite the government's concerted efforts, income level continues to be a crucial factor in determining educational options, hence affecting career paths and social mobility in China (Wu et al., 2024).

The researcher expanded on the prior discussion to investigate the idea that the quality of education in China significantly affects various socioeconomic classes.

**H<sub>01</sub>: There is no significant influence of quality of education on different class of the society in China.**

**H<sub>1</sub>: There is a significant influence of quality of education on different class of the society in China.**

**Table 2: H<sub>1</sub> ANOVA Test.**

ANOVA					
Sum					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	39588.620	294	5067.312	991.064	.000
Within Groups	492.770	354	5.113		
Total	40081.390	648			

A significant discovery will arise from this inquiry. The p-value of .000 (below the .05 alpha level) indicates that the F value of 991.064 is statistically significant. Thus, we can assert that the null hypothesis is rejected and that "**H<sub>1</sub>: There is a significant influence of quality of education on different class of the society in China**" is accepted.

## DISCUSSION

The privatization process is intricate and multifarious. Both conventional practices and contemporary, market-oriented policies have influenced structural disparities among educational systems. In recent decades, hybrid educational models have

arisen, with various efforts to promote commercial involvement, further obscuring the distinctions between public and private sectors. “Exogenous privatization” refers to the introduction of private enterprises into sectors formerly managed by the government. Charter schools, privately sponsored institutions, independent schools, foundation schools, and religious schools exemplify the growing integration of religious schools within many educational systems. The scope and configuration of these systems varied. Each of them is a response to a policy that allocates some or all funds from public schools to private institutions. Educational quasi-markets frequently emerge from privatisation processes wherein public and private schools coexist. The three distinguishing aspects of the plans are intended to act as a safeguard for interschool linkages. The primary concern for any family is the educational institution their children will enrol in. Consequently, schools would need to vie for students. Schools has considerable autonomy to implement strategies that address the needs of the families that select them and differentiate themselves from competitors. Financial issues are fundamentally associated with enrolment. There seems to be a financial incentive to recruit and retain pupils. In practice, these traits have been implemented inconsistently across many educational systems. The inclusion of commercial providers in the system does not indicate a goal to promote competition among institutions. The degree of rivalry among schools is profoundly influenced by the strategies employed to construct school quasi-markets in China.

## CONCLUSION

The educational system in China has seen significant transformations since the nation commenced its global integration in the late 1970s. These transformations have been facilitated by numerous new advancements, particularly market-oriented economic reforms. The movement towards economic integration with the global economy has underscored the significance of education for the local economy. The educational expectations and requirements of the populace have escalated due to integration. To tackle realistic issues of fiscal discipline and economic advancement, the Chinese government decentralised educational policy and commercialised educational services. With the dissolution of the state’s monopoly, non-state social entities are now permitted to engage in education.

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