

An Analysis Of The Effectiveness Of A Private Junior College In The Golaghat District – An Emphasis On Effective Usage Of Internal Resources To Its Advantage

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Abstract

Education is a key component for India's economy to thrive. It has expanded remarkably to become one of the biggest systems in the world, especially in the years following independence. Junior college or Post-secondary educational institutions are institutions designed to prepare students for either skilled trades, professional courses or for additional education at another college with more advanced academic material. In recent years, the emergence of junior colleges is strongly associated to its restructuring.

The post secondary education institution, however, is currently dealing with a number of pressing problems, including funding, management, access, equity, and relevance; reorienting programs to place more of an emphasis on health awareness; values and ethics; and educational quality; as well as evaluating institutions and accrediting them. Managing strategy has become vital for educational institutions, as it provides the realization of its core activities. According to L. Moldovan (2012)¹, competitive strategies in the area of education can be developed through quality. To review and explore sustainable improvement in the educational process, strategic management is the need of the hour.

This paper is a modest attempt to study the Efficacy of Private Junior College in Golaghat district with special reference to its effective use of internal resources in competitive advantage.

The paper tries to find the most important internal resources creating competitive advantage for private junior college and also to study the relationship that exist between internal resources and institutional performance of Private junior colleges in Golaghat. Parameters used in the study are Financial resources, Physical resources, Human resources, Marketing resources, R&D and Organizational resources. The target population for the study is the private junior colleges in Golaghat district of Assam recognized by Assam Higher Secondary Education council. Census survey method of sampling is used for collection data for the study.

Key words: Strategic Management, Competitive advantage, Internal resources, Institutional Performance.

Introduction:

Education is a fundamental instrument that helps an individual to lead for a better future. Education system of a country plays a significant role in the creation of skilled human resources. The Indian education system has exhibited impressive growth over the last decade. This sector has a huge prospective to be new engine of growth in the competitive global scenario.

¹Moldovan, L. (2012). Integration of Strategic Management and Quality Assurance in the Romanian Higher Education, Proceedings of the 8th International Strategic Management Conference: Procedia - Social and Behavioral Sciences, Vol.58, pp.1458–1465.[Online]Availableat: <http://www.sciencedirect.com/science/article/pii/S1877042812045946> [Accessed 5th August 2109]. <http://dx.doi.org/10.1016/j.sbspro.2012.09.1132>

²Watson, D. (2000). Managing Strategy. Buckingham: Open University Press.

³Koontz, H., Weihrich, H. (2010). Essentials of Management. An International Perspective (8th ed.). New Delhi: Tata McGraw Hill.

Junior college is a post-secondary educational institution designed to prepare students for either skilled trades, professional courses or for additional education at another college with more advanced academic material. However, in recent years, the emergence of junior colleges is strongly associated to its restructuring. Changes in the constitution of the education system have increased competition in education field and many other factors have an imperative impact on the conditions of junior colleges.

According to D. Watson (2000)², managing strategy is vital for educational institutions, as it provides the realization of its core activities. H. Koontz and H. Wehrich (2010)³ define strategy as determination of the main long-term goals in an organization and the implementation of sequences of actions and distribution of resources that are necessary to accomplish these objectives.

Strategic Management can be described as the identification of the purpose of the organization and the plans and actions to achieve the goal of the institutions. It is that set of managerial decision and action that determine the long term performance of an enterprise.

⁴Tabatoni, P. (2002). An Explanatory Glossary, Thema, 2, European University Association, pp. 23-28. [Online] Available at: http://www.eua.be/eua/jsp/en/upload/strategic_manag_uni_institutional_devlpt.1069322397877.pdf [Accessed 10 August 2019].

⁵Tavernier, K. (2005). Relevance of Strategic Management for Universities, Tijdschrift voor Economie en Management, Vol. L, 5. [Online] Available at: https://lirias.kuleuven.be/bitstream/123456789/120121/1/tem_5_05_tavernier.pdf [Accessed 9 August 2019].

⁶Bush, T. (2007). Educational Leadership and Management: Theory, Policy, and Practice, South African Journal of Education, 27(3), pp. 391–406.

It involves participative, decisive, and forward-looking; leading close to institutional policies which seeks to enhance the potential for change in these educational Institute. Strategic management in an education institution can be characterized as forward-thinking leading towards those institutional policies that aims for increasing the institution's potential for change, a constant concern for quality along with propagation of evaluation methods and quality standards being at the heart of education managers' activities (Tabatoni, 2002)⁴. One also should bear in mind that, in education institution, strategic management must be developed with a "keen eye on the specific organizational characteristics of that sector" (Tavernier, 2005)⁵; educational management has to be with the purpose or aims of education (Bush, 2007)⁶.

Review of Literature:

1. Ammar Saleh Habtoor et al (2019) highlighted that cost leadership strategy positively moderates the relationship between learning organization and performance of **yemeni**heis, while differentiation strategy and focus strategy don't moderate this relationship.

2. Sreeramana Aithal et al (2018) found in their research that Business strategies of private universities in India include admission strategies, growth strategies, innovative strategies, research strategies, collaboration strategies, placement strategies, and technology adoption strategies to add competitive values to services provided to the stakeholders.

3. Kisatoclydereubenambatsa (2016), in his study "Competitive Strategies Adopted by Universities in Kenya" found that Industry factors affect the universities under study to a higher extent than macro environment forces. Further, the generic strategies were found to be adopted to a higher extent than the grand strategies.

⁷Wernerfelt, B. (1984). A resource-based view of the firm. *Strategic Management Journal*, 5(2), 171-181.

⁸Spanos, Y. E., & Lioukas, S. (2001). An examination into the causal logic of rent generation: contrasting Porter's competitive strategy framework and the resource-based perspective. *Strategic Management Journal*, 22(10), 907- 934.

4. Albert E. Mamaev et al (2015) identified and classified in their research paper the factors affecting the competitiveness of educational institutions of higher education. The study suggested to take into consideration the factors which influence the competitiveness of individual structures i.e., departments, centres, faculties and branches.

5. V. Voloshina (2014) has found from his research work that university administrators must rely on strategic analysis to guide the allocation of scarce and valuable resources. Therefore, one should select the most situation-appropriate complex of integrated strategic management tools.

6. Yuliastukalina (2014), in her study revealed that Strategic management of the integrated educational environment should be approached from a holistic perspective; it embraces a variety of external and internal factors as well as their relationships and interactions. Priority goal areas must be identified in order to enhance academic excellence and organizational performance.

7. Irene NangilaSifuna (2014) mentioned in their project report that economies of scale to a very great extent affect performance of universities. It was further established that capacity utilization of resources, reducing operations time and costs, efficiency and cost control, mass production and mass distribution as aspects of cost leadership affects performance in the university to great extent. Differentiation based on product/service, promotion/ advertising campaign as well as personnel affects performance of the university.

8. ⁹ Barney, J. B. (1991). Firm resources and sustained competitive advantage, *Journal of Management*, 17(1), 99-120.

9. ¹⁰ Hofer, C., & Schendel, D. (1978). *Strategy formulation: analytical concepts*. New York: West Publishing Company.

10. Dr. Gaurav Bisaria(2013) found in his study that the competitive advantage can be achieved by fetching the quality as well as the proper number of the students for the management college or university, by proper self analysis of own management college or university, by having tie up with the industry and financial support by the government, by developing the knowledge of the teacher, by retaining the quality teachers and by knowing the profile, financial status and the SWOT analysis of the competitor management college or university.

11. Simon Mwaura Kamau(2013) revealed in her research paper that the competitive strategies were: product differentiation, cost leadership, customer focus, use of internet to market, offering e-learning, online registration and release of results, strategic alliances, vertical integration such as acquiring secondary schools, horizontal integration such as acquiring other colleges to ease competition, product development such as introduction of new courses, concentrated growth such as concentrating on one key area of expertise, diversification either in related or unrelated areas, market development such as opening new campuses in new cities and counties and international markets, and strategic partnership with international universities.

12. Hsun-I Huang(2012) highlighted in his thesis that an Effective Competitive Strategy for Higher Technical and Vocational Education Institutions (HTVE) in Taiwan Depends on the match between the State of the environment surrounding of the HTVE institutions and their use of resources.

Gap of the study:

After reviewing the some of the existing literature, it is identified that various studies have been carried out on strategic management practices with reference to higher educational institutions across various parts of the world. However, no study is found to be available on effective use of internal resources in competitive advantage with reference to post secondary educational institutions. Therefore the present study is expected to fill the gap in the body of literature.

Statement of the problem:

The concept of competitive advantage is one of the crucial areas to be considered while designing the framework of strategic management of an educational institution. It helps to gain the edge over the competitors. In the post secondary educational level, the emergence of private junior colleges enhances the competition and every college try to gain competitive advantage through the effective use of their available resources. In the perspective of Resources Based View (RBV) theory, there arises a need to take strategic decision as well as actions particularly on internal resources for sustaining the competitive advantage. Based on the RBV theory the present study tries to identify the most important internal resources and also to examine their role in improving the institutional performance of private junior colleges so that the institutions can achieve the competitive advantage.

Objectives of the study:

1. To identify the most important internal resources creating competitive advantage for private junior college
2. To examine the relationship between internal resources and institutional performance of Private junior colleges in Golaghat.

Conceptual Framework:

The RBV theory conceives of the firm as a broad collection of resources, which are in essence “anything which could be thought of as a strength or weakness of a given firm” (Wernerfelt, 1984, p. 172)⁷. The RBV theory focuses on the importance of a firm as the critical unit of analysis; this is in contrast to IO theory, which takes the importance of individual industry as the critical unit of analysis (Spanous & Lioukas, 2001)⁸.

From the viewpoints of RBV, firms should analyze their internal resources rather than external environment. RBV theorists highlight that not all resources are important for sustaining competitive advantage.

Within the field of Resource Based View theory, the term „resources“ appears to be used in a very broad sense. For Barney (1991)⁹, firm resources can be categorized into three groups: physical capital resources (i.e plant and equipment, geographic location, and access to raw materials); organizational capital

resources (i.e formal reporting structure, formal and informal planning, controlling and coordinating systems, and informal relations among groups within a firm and between a firm and those in its environment); and human capital resources (i.e training, experience, judgment, intelligence, relationships and insight of managers and employees in a firm). Similarly, six major categories of resources were suggested by Hofer and Schendel (1978)¹⁰, as follows:

- Financial resources
- Physical resources
- Human resources
- Technological resources
- Reputation
- Organizational resources

The present study considers some of the key internal resources based on RBV theory viz., Financial resources, Physical resources, Human resources, Technological resources, Organizational resources to assess their relationship with the institutional performance of private junior colleges.

Research Methodology:

Type of research: The study is descriptive and analytical in nature.

Period of study: The study has been conducted from the period of 2016-2017 to 2019-2020

Population: The target population for the study is the private junior colleges in Golaghat district of Assam recognized by Assam Higher Secondary Education council.

Sampling: The census survey method of sampling is used for collection data for the study.

Sources of Data:

- **PRIMARY DATA:** The data from the respondents is collected with the help of structured questionnaire and personal interview.

- SECONDARY DATA: The data is collected with the help of internet, books, AHSEC annual report etc.

Data Collection Procedures: Primary data is collected through the administration of questionnaires and direct personal interview of the principals and staffs of the private junior colleges.

Statistical tools for Data Analysis: After collection of required data, the collected data is tabulated and analyzed with the help of SPSS (version 16.0). Further the data has been analyzed with the help of statistical tools such as frequency distribution and coefficient of correlation to find the relationship between internal resources and institutional performance and also to find the most important internal resources creating competitive advantage for the private junior colleges.

Analysis & interpretation of Data

In the present study, to measure the institutional performance the following parameters are used:

- Admission rate
- Pass percentage

To study the relationship between the institutional performance and internal resource, the following internal resources are taken into consideration:

- Organizational resources
- Financial resources
- Human resources
- Marketing resources
- Physical resources
- Research and development resources.

Table: 1 Correlation between admission rate and Internal Resources' role

		Admission rate	Role played by the internal resources
Admission rate	Pearson Correlation	1	.542
	Sig. (2-tailed)		.106

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	N	10	10
Role played by the internal resources	Pearson Correlation	.542	1
	Sig. (2-tailed)	.106	
	N	10	10

Source: Compile from spss

From the above table it can be inferred that, internal resources and admission rate have a significant linear relationship. The correlation between internal resources and admission rate is found to be 0.542, which means there exists a positive correlation between the two variables. This means that these variables tends to increase together i.e., increase in the role played by the internal resources is associated with increase in the admission rate.

Table: 2 Correlation between Pass percentage and Internal Resources' role

		Role played by the internal resources	Pass Percentage of the institutions
Role played by the internal resources	Pearson Correlation	1	.098
	Sig. (2-tailed)		.787
	N	10	10
Pass Percentage of the institution	Pearson Correlation	.098	1
	Sig. (2-tailed)	.787	
	N	10	10

Source: Compile from spss

From the above table it can be concluded that, internal resources and pass percentage have a significant linear relationship. The correlation between internal resources and pass percentage is found to be .098, which mean there exists a positive correlation between the two variables. These variables tends to increase together i.e., increase in the role played by the internal resources is associated with increase in the pass percentage.

Table 3: Most important internal resources of the institutions

Internal Resources	Frequency	Percent	Valid Percent
Organizational resources	5	50.0	50.0

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Financial resources	1	10.0	10.0
Human resources	2	20.0	20.0
Physical resources	2	20.0	20.0
Total	10	100.0	100.0

Source: Compile from spss

The above table indicates that, the most important internal resource which enhances institutional performance is organizational resources. Human and physical resources are the second most important internal resources which play an effective role in the institutional performance. Financial resource is the least important internal resources of private junior college to play a key role in institutional performance.

Conclusion

The research paper tried to study the efficacy of Private junior college in Golaghat district, with reference to its effective use of internal resources in competitive advantage. Precisely the paper tried to find the most important internal resources for creating competitive advantage and the relationship that exist between the internal resources and institutional performance of private junior colleges.

The findings of the paper show that organisational resource is the most important internal resources for creating competitive advantage in an educational institution, followed by the human and physical resources.

The study also reveals that Financial resources are not “the most” important resources in an educational institution. However to survive for a longer period of time, we cannot overlook the importance of financial resources for an organisation. With the changing trends of higher education in the country, Research and Development has gained momentum. But R& D in the private colleges in Golaghat are still underrated. The private colleges should soon inculcate R&D in their institution to sustain in the long run. The study has also found that there is a positive correlation between the internal resources and institutional performance. This implies that an increase in the role of internal resource will bring a positive change in the institutions performance.

Education is a regulated sector and is subject to government

regulations, historical influences and geographic constraints, do not influence much alike other goods and services. Thus, creating and achieving competitive advantage in the educational sector is not the same as it would be in trade and commerce.

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