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# MetroBiz

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## Beaconhouse

# Beacon of learning

According to an industry insider, private education is as much about managing numbers, expectations and perceptions as it is teaching children.>50&51

**Educator and manager:** Zarina Mobarak of Beaconhouse Group says the field of private education is becoming increasingly competitive.



**Before and after:** Images of Beaconhouse Sri Inai in Petaling Jaya before Beaconhouse Group acquired the property (left) and refurbished it to its present state (right).

# Education's evolution

The landscape of learning in Malaysia is changing rapidly

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 Photos by **LOW BOON TAT** and  
 courtesy of **BEACONHOUSE**

**I**N THE old days, education was always thought of as a social good rather than a lucrative business.

These days, as demand for private education grows, so do the number of private schools in Malaysia.

Zarina Mobarak, regional director of private school Beaconhouse, firmly believes that there needs to be a balance between running a profitable business and giving students a quality education.

Zarina first discovered her passion for teaching when she started out as a substitute teacher early in her working life. She

found that she enjoyed working with children and later went on to join education provider Beaconhouse Group in Lahore, Pakistan.

After some years, she returned to Malaysia in 2003 to start the group's first school here in Petaling Jaya.

"I am passionate about education, but it is not easy to run a school," she said frankly.

Beaconhouse was started in Lahore in 1975 by Nasreen Mahmud Kasuri because she had difficulty finding a suitable educational institution for her children. Today, Beaconhouse is one of the largest education networks in the world, with a presence in nine countries.

The private education in Malaysia has been growing rapidly over the past few years, fol-



**State of the art:** One of the modern classrooms in Beaconhouse.

lowing rising standards of living and wealth, with parents being able to afford better quality education for their children.

Additionally, there is a perception that private schools offer a more holistic curriculum with better facilities than public schools.

Because of this, parents also have higher expectations of private schools.

"The perceptions and expectations of parents are some of the biggest challenges in running a school. They are expecting their children to know everything by the time they start their primary education," Zarina said.

According to Zarina, the average fees paid by students for

private schools ranges between RM15,000 and RM16,000 a year.

Beaconhouse currently has seven pre-schools, and three primary and secondary schools in Malaysia.

Its biggest school at the moment is its first school in Petaling Jaya, Beaconhouse Sri Inai, which can take in about 1,200 to 1,400 students.

Zarina makes it a point to get to know her students and has plenty of stories to tell a willing listener of her personal experiences with the students in her school.

Nonetheless, Zarina noted that the challenges of running a

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## 'It's a game of numbers'

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school is not just about meeting the needs of students as the business very much boils down to ringgit and sen.

"As much as we don't like it that way, it is a game of numbers. The cost of running a school is high and we need the student count to go up to counter the rising cost," she said.

The cost of starting a private school, according to Zarina, is anywhere between RM10mil and RM12mil, minus the cost of acquiring the land and construction of the school. This, she added, is on the low side.

"The facilities are not cheap and we have to continuously invest in new technology and the infrastructure. We also spend a lot on training our teachers," she explained.

She estimates that it could take about three to four years before anyone sees a return on the investment for setting up a school. Also, competition is heating up in the private education sector, putting a squeeze on margins for what was once considered a very lucrative business.

The number of private-school players coming into the market is increasing. Even private education businesses that have established their names in the tertiary sector have moved downstream.

Examples of these schools include Garden Schools run by the Taylors Education Group and Sri KDU, which comes under the KDU flag.

But having more players is only one facet of the competition in the industry.

"It is a rat race and we don't have enough manpower. Good teachers are in short supply and the turnover is rather high. We may spend a lot of money training teachers who then move on to other institutions.

"Personally, I feel it is alright as long as it benefits students as a whole. So we will continue to train our teachers and we will continue to lose teachers," Zarina said with a laugh.

Additionally, the rise of international schools is also giving private schools the jitters. Zarina noted that parents are increasingly moving their children from private schools to international schools to give them the added advantage of an international education.

> Cost of starting a private school:

**RM10mil-  
RM12mil**

> Average yearly fees per student:

**RM15,000-  
RM16,000**

"Parents are worried about the language used in teaching and at some point, they hope that their children will go abroad for further education.

"Private schools will eventually be phased out. The numbers (of students) are declining. We see that the international schools are taking over and these international schools are prospering," she said, adding that international schools are now the hot, new growth sector.

According to Zarina, 97 licences for international schools given out to-date, with more in the pipeline. The increase in the number of international schools is in line with the government's aspiration for Malaysia to be an education hub.

Beaconhouse also has international schools. But the cost of running an international school is even higher.

"We need to employ expatriates, which definitely costs more. Although the student fees are higher, it is still not an easy business," Zarina said.

The average annual fee for students attending international schools is estimated to be around RM20,000.

Despite the difficulties in the private education sector, Zarina stresses the need to maintain the quality of education and to continue training teachers to deliver on the quality.

"Education cannot just be about minting money, but also giving back to society. We can't give up on a school just because it is less profitable. We owe it to our students to bring them through," she said.

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