## AN ACTION AGENDA FOR EDUCATIONAL LEADERS IN RESPONSE TO MARKETING ORIENTATION OF HIGHER EDUCATION INSTITUTIONS IN **THAILAND**

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Abstract: The objectives of this research are: 1) to identify the major challenges in higher education (HE); 2) to explore the application of marketing-oriented activities in HE; 3) to ascertain the perception and attitudes of educational leaders towards marketing orientation (MO) in higher education institutions (HEIs), Thailand; and 4) to propose an action agenda regarding MO for educational leaders of HEIs, Thailand. Qualitative research methods, i.e. the content analysis and semi-structured interview were employed. One hundred eighty books related to HE were chosen for content analysis. Assumption University, Ramkhamhaeng University, King Mongkut's Institute of Technology Ladkrabang, and Chulalongkorn University were selected as the sample universities representing private, open, autonomous, and public universities respectively. Four presidents or vice presidents from the above universities were interviewed by employing semistructured interviews. The major findings are 1) the influences of MO and external drives have changed the context in which HEIs exist and therefore it calls for a strong and visionary leadership which can apply strategic long-term planning based on a business platform. 2) The practice of MO in HE showed a) HEIs were committed to create a good image in order to attract perspective students; b) HEIs focused on increasing the satisfaction of their niche markets; c) in order to design excellent programs, reforms in curriculum were conducted to satisfy the practical demand-driven context; d) self-accountable entrepreneurial and academic activities were employed to enlist financial support. 3) The leaders of HEIs, Thailand were aware of the importance of applying marketing techniques and strategies in HE; nevertheless, such techniques and strategies were only applied at a superficial level and certain areas, rather than at a strategic and holistic level. 4) Therefore, the action agenda proposed calls for a strategic perspective towards the application of MO by employing a holistic approach in HEIs, Thailand, which covers the levels of 1) Government 2) The public 3) The industry 4) The university and 5) Leadership. The significance of the study is the action agenda can be referred by all the stakeholders of HE in order to effectively respond to MO.

## **Background of the Problem**

Higher education (HE), nowadays, has to operate within the increasingly challenging and complex environments. As Considine (2006) points out, universities currently

"face new environmental demands and significant internal complexities that appear to challenge their traditional modes of work and organization" and "the imperatives for change are essentially external and that the university system is being shocked by environmental transformation" (p. 255). As Kiranandana (referred on February 18, 2009) points out, on one hand, government in many countries around the world tends to decrease overall funding for public HE; on the other hand, there is a strong demand on quality of education -- world class universities. The decreasing public funding means university will have to be more self sustained in finance; in other words, university needs to step out of its ivory and to adjust itself to meet the needs of market.

Moreover, the global changes as the main power, drives the emergence of new economy based on knowledge and information. When knowledge and information become the basic elements of global economy, the globalization produces tremendous influence on knowledge content and the way of achieving it. Knowledge, in globalization, will no longer be the special power of academic field. As Cunningham, Ryan, Stedman, Tapsall, Bagdon, Flew, & Coaldrake (2000) put, traditional universities, used to be "the major providers of higher education" are "being challenged by non-traditional organizations, such as corporate and virtual providers." (p.1)

In addition, facing the contextual changes and challenges, HELs are forced to possess entrepreneurial spirit and marketing orientation (MO) in order to survive and compete. Hentschke & Caldwell (2005) states that "varieties of conditions or forces are increasingly favoring entrepreneurial behavior in education". They grouped these forces as "demand-increasing and supply-increasing". Increased demand for higher quality schooling is reflected by two aspects. On one hand, the dissatisfaction with schooling from the public has increased; and on the other hand, governments concern how they can produce learning in children, rather, educators' rules obedience. In the same time, along with the increases of schooling supply, most governments failed to provide the necessary increases in school funding. As a consequence, they are forced to cautiously encourage educators to pursue multiple sources of revenue for schooling, such as donations, sales and investments, etc., which therefore, attract entrepreneurial leaders.

However, there are quite a number of debates about the marketing-oriented education in literature. As Thrupp and Willmott (2003) argue, education is regarded as a public good that is undermined by marketization and (new) managerialism, and, in turn (and with depressing irony), is undermining the very national competitiveness. Such processes and mechanisms are meant to enhance and encourage. Alvesson and Willmott (1996) also note that "marketing is perhaps the most visible and controversial of

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the management specialisms; its academic status is also rather precarious" (p. 119, cited in Thrupp & Willmott, 2003, p. 67). Many school managers and leaders, furthermore, are against the concept of marketing being applied to school life. Most see themselves as academic educators rather than marketers of a product.

To summarize, on one hand, the challenges from tremendous environmental changes and the rise of new types of postsecondary education providers force the traditional universities to employ MO in order to better survive; and on the other hand, certain numbers of educationists criticize and question the intrusion of such business concepts into the education sector. What is undeniable is, from the literature review, marketing, as a business term, has attracted the attention of college presidents, school principals, trustees, and other administrators and educationists, etc.

# **Purpose of the Study**

The principle purpose of this study was to propose an action agenda regarding MO for educational leaders of HEIs, Thailand through identifying the major challenges in HE, exploring the application of marketing-oriented activities in HE and ascertaining the perception and attitudes of educational leaders towards MO in particular HE, Thailand.

## **Research Instrument**

This study employed qualitative research methods, namely, the content analysis and semi-structured interview. One hundred and eighty books related to HE were chosen for content analysis. Assumption University, Ramkhamhaeng University, King Mongkut's Institute of Technology Ladkrabang, and Chulalongkorn University were selected as the sample universities representing private, open, autonomous, and public universities respectively. Four presidents or vice presidents from the above universities were interviewed by employing semi-structured interviews to share their perceptions and understandings of MO in HE.

## **Data Collection**

Two types of data were collected in the process of content analysis: 1) Major challenges in HE—any sentences, paragraphs, or statements showing the keyword 'challenge' were excepted; 2) The marketing-oriented activities in HE—excluding theories, perceptions, assumptions, etc; only the real applications and practices were excepted.

The key indicators in each issue related to marketing-related activities were presented as follows,

Issue 1: Attracting perspective students (school image)

Indicators

- ♦ Miss statement
- ♦ Target student market
- ♦ Media vehicles used to advertise the university

Issue 2: Increasing student satisfaction

**Indicators** 

- ♦ President as marketing executive
- ♦ Separate Marketing department
- ♦ Job description of dean or director of Marketing department
  - ♦ The university's hiring criteria (whether service-minded or not)
  - Periodic workshops or trainings for both teachers and staff about better servicing students and skills of listening, problem-solving, etc.
  - ♦ Job evaluation from students
  - ♦ Rewarding market-oriented employees

Issue 3: Designing excellent programs
Indicators

- ♦ Changes of curriculum
- ♦ Contents of curriculum
- ♦ Curriculum is jointed with industry internship
- ♦ Providing continuing education and training for working people

Issue 4: Enlisting financial support Indicators

- ♦ Fund raising sources
- ♦ Self-sufficient activities

For interview, four university presidents or vice presidents from four types of Thai universities were selected as interviewees. Afterwards, they were contacted and scheduled for interviews.

### **Data Analyses**

Data analysis for objectives 1 & 2 was conducted step by step: 1) Studied and analyzed theories of marketingorientation in higher education as well as all the indicators of marketing oriented activities; 2) Read all the available books related to higher education; 3) Studied the content excerpted; 4) Separated the contents into categories and units defined according to the coded numbers: Key ideas: 1-5 (1 digit) Number of books: 001-200 (3 digits)Book page numbers: 001-500 (3 digits); 5) Summarized the keypoints from each excerpt; 6) Generated key words, phrases from each summarized key points; 7) Regrouped the key words or phrases in terms of major details or minor details; 8) Used dendrograms to cluster the ideas; 9) Validated the study, excerpts and dendrograms. Data analysis for objective 3 was based on the semi-structured interviews. Ten interview questions were used according to the research objective and transcripts were analyzed. Objective 4 was proposed based on the analysis of literature reviews, findings of objectives 1, 2, and 3.

## **Research Findings**

Research Objective One: Major Challenges in HE

The results indicated that there were three major types of challenges in HE: Contextual challenges, Criticism challenges as well as Action challenges. Contextual challenges refer to the changes taking place in HE context. The changes were mainly caused by external drives and MO. Criticisms towards HE were mainly laid

upon certain critical issues including financial pressure, concerns, failures, the public opinions, and new realities. As contexts changed, HE was hoped to respond to the changes by taking actions through strategic long-term plan. In order to set up strategic long-term plan, HEIs had to pay more attention to the aspects like vision of the future, education standards, financial support, education policy, leadership, and their coexistence with other new forms of knowledge providers.

Research Question Two: The Application of MO in HE
The practice of marketing-oriented activities was comprehensive in HEIs.

In order to attract better students, image of HEIs played key roles. HEIs in their practice aimed to become global players through being international. Apart from the goal of becoming global players, the mission was shifted to practical outcome of HE and wisdom. Therefore, it was found that the good and strong vision was the key to create institutional image.

In order to increase students' satisfaction, HEIs, on one hand, conducted various activities to increase the satisfaction of different target groups; and on the other hand, had to deal with the dilemma between education quality and economic reality.

In order to design excellent programmes, HEIs carried out reforms in curriculum based on a business platform. First of all, the traditional university-type education was gradually adapting itself in terms of the practical context. Besides, government also played important role in the reform. In addition, the reforms in curriculum were demand-driven, rather than supply-driven. In order to meet various market demands, reforms in curriculum in HE possessed three characteristics: new special education system, competency-based curriculum, and interdisciplinary form. Therefore, HE was hoped to run on a business platform, which was underpinned by an effective business through strengthening the collaboration between HE and industries. In order to achieve this goal, HEIs tried to build up a good rapport with organizations through industry-education linkage, corporate participation, communication with corporate systems, etc.

Lastly, to enlist financial support, HEIs had to be self-accountable. Because of the pressure caused by financial cut and role changes, HEIs were becoming more and more self-dependent on finical issues. In general, the financial support sought in practice was mostly through self-generating and self-efficient activities.

Research Question Three: Perception and Attitudes of Educational Leaders towards MO

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Research Question Four: Action Agenda Regarding MO

Facing the contextual changes and challenges, HEIs are forced to possess entrepreneurial spirit and MO in order to survive and compete. An action agenda proposed calls for a strategic perspective towards the application of MO by employing a holistic approach in HEIs, Thailand. The action agenda acknowledges that HEIs should adopt a strategic long-term planning from a holistic perspective. The significant changes should be made from the levels of Government, The public, The industry, The university, Leadership. It is assumed that priority actions at government level is government should work as intermediate and coordinator to enhance the collaborations between HE and industries. The public should hold acceptable and supportive attitudes towards MO in HE. Industries should adopt a cooperative attitude and share responsibilities with HE. At university level, a marketing-oriented philosophy and culture should be cultivated. Leaders should exert entrepreneurial spirit and strategic planning. Furthermore, leaders should shift the job priority to the future of universities, rather than students.

### Conclusions

- 1. HEIs are facing three types of challenges: contextual challenges, criticism challenges and action challenges.
- 2. The practice of marketing orientation in higher education was comprehensive

- 3. HEIs were committed to create a good image in order to attract good and better students.
- 4. HEIs focused on increasing the satisfaction of their niche markets.
- 5. In order to provide better programs, reforms in curriculum were conducted to satisfy the practical demand-driven context.
- 6. Government involvement was assumed as the major force to push the collaboration between universities and industries.
- 7. Self-accountable entrepreneurial and academic activities were employed to enlist the financial support.
- The leaders of HEIs in Thailand were aware of the importance of applying marketing techniques and strategies in higher education.
- Marketing orientation strategies were only applied at a superficial level and certain areas.
- Marketing orientation should be applied at a strategic and holistic level.
- 11. The action agenda covers the levels of a) Government b) The public c) The industry d) The university and 5) Leadership.

### Recommendations

### Research Recommendations

Five recommendations for future research regarding MO were suggested: 1) as this study was only interested in HE level, further research can conduct similar studies regarding the practice of MO at other different education levels in Thailand; 2) future research can study the understandings of MO from other perspectives, such as teachers, students, the public, government, industries, etc.; 3) it will be challenging if future research can be conducted to develop other strategic plans regarding MO in various educational levels; 4) experimental research can be conducted to try out the effectiveness of this action agenda in HEIs, Thailand; 5) comparative study in different contexts and countries can be conducted to explore more about the understandings and practice of MO in different cultures and contexts since this study was only done in Thailand.

### Practical Recommendations

Results of the study put forward the following recommendations regarding MO for Educational leaders of HEIs, Thailand as well as other stakeholders of HE: 1) educational leaders can better understand the context facing through three types of challenges: contextual challenges, criticism challenges as well as action challenges and adopt proactive responses towards these challenges; 2) the results revealed that the application of MO in HE is comprehensive, educational leaders, therefore, should be open-minded to accept the challenging concept; 3) through this study, educational leaders can achieve a better understanding towards MO. By following the action agenda, they can figure out a direction and strategies how to effectively apply MO in their institutions accordingly; 4) government, the public, industries, and other beneficiaries of the research, should also adjust their working priorities according to the action agenda proposed to assist the appropriate and efficient application of MO in HEIs.

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