

1 Introduction

1.1 Background of the Study

The demand for tertiary level education rose significantly over the past four decades after independence following the success of the Malaysian government in increasing the literacy rate to 89.7% (Malaysia's Economic Report 2000/2001) among Malaysians. The continuous emphasis on improving the level of education of Malaysian from that of primary to secondary level brought about the increase in number of secondary school leavers seeking tertiary education, which resulted in acute shortages in the availability of places in public institutions of higher learning. Private educational institutes were set up to fulfil these shortages in supply while demand for tertiary education continues to rise as the population grew by 16% i.e. from 19,564,000 in 1993 to 23,800,000 in 2001 (Malaysia's Economic Report 1998/1999 and 2000/2001) over the last six years. With this in mind, APIIT Sdn Bhd (APIIT) set up Asia Pacific Institute of Information Technology (the Institute); a private educational institution of higher learning that offers specialised business and information technology (IT) courses.

1.2 Objectives of Study

This study will examine the long-term sustainability of a local private educational institution in Malaysia and the success of the strategies implemented thus far. We will also explore the effort put in by the management in creating competitive advantages for the company. Finally, upon completion of the analysis, we will provide recommendations on the future strategies that the company can adopt in order to remain competitive and in return create sustainable growth that would increase its shareholders value both locally and globally.

1.3 Scope of Study

This study will be confined to APIIT Sdn Bhd (APIIT) a wholly owned subsidiary of Sapura Telecommunications Berhad (Sapura). APIIT serves as

the vehicle for Sapura's pioneer involvement in the provision of private education and training related services in Malaysia.

1.4 Research Methods

For the purpose of this study, both primary and secondary data collection methods were adopted. Primary research methods include observation study conducted on the field for one day in APIIT's main campus; personal interview with the Special Project Manager of APIIT and feedback was solicited from twenty students in APIIT using mall intercept method.

Meanwhile secondary data collections were carried out based on sources such as data from published financial statements, educational publications, newspapers and periodicals and internet websites.

1.5 Literature Review

The literature review focuses on the fundamental theory on strategy and strategic management analysis. Strategic management tools are used for the purposes of analysing the effectiveness of the strategies employed by APIIT which include evaluating the financial performances of the company through financial ratio analysis whilst industrial and environmental analysis were conducted using Michael E. Porter's Structural Analysis and Generic Competitive Analysis, SWOT Analysis and Core Competencies Analysis.