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# BASELINE ASSESMENT OF PRIVATE SCHOOLS IN AMMAN

FINAL REPORT

January 10, 2011

This publication was produced for review by the United States Agency for International Development. It was prepared by Dajani Consulting Company and ConsultUS (Amman – Jordan).

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## DISCLAIMER

The author's views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.

## TABLE OF CONTENTS

EXECUTIVE SUMMARY .....	1
INTRODUCTION .....	2
OBJECTIVES .....	3
TARGETED GROUP .....	3
METHODOLOGY .....	4
TIMEFRAME.....	5
INSTRUMENT .....	6
DESCRIPTIVE ANALYSIS - QUESTIONNAIRE .....	6
Section 1: General Information .....	7
Section 2: Assessment of the financial position .....	24
Section 3: Assessment of the financial and administrative management .....	37
Section 4: Evaluation of the ability to secure financing.....	56
Section 5: Quality of educational services and marketing .....	67
FOCUS GROUP SUMMARY .....	73
SCORING RESULTS .....	77
SELECTION.....	86
CONCLUSIONS .....	88
RECOMMENDATIONS .....	88
ANNEXES.....	89

## ACRONYMS

MFI	Micro Finance Institutions
MOE	Ministry of Education
GoJ	Government of Jordan
USAID	United States Agency for International Development
ERfKE	Education Reform for Knowledge Economy

## EXECUTIVE SUMMARY

Private schools in Jordan are regarded as a vital services sector, yet some of these schools are faced with their limited ability to obtain finance for their growth and development. To tackle this issue, USAID provided a grant to implement a program that aims at enhancing the financial and administrative capacity of private schools in Amman in order to enable them to access funding from Micro Finance Institutions (MFI's).

The Program's activities will be developed based on the results and recommendations of the baseline study (Assessment) of a sample of 300 private schools in Amman. The objective of the Assessment is to diagnose the current situation of private schools in Amman in terms of financial and administrative capacities. Out of the 300 schools that are included in the Assessment, 150 private schools will be selected based on specific criteria to benefit from the Program services in the coming four years.

The 300 schools sample was selected in a comprehensive manner that focuses on less privileged areas, and also takes into consideration owners' gender, school size, and geographic location. A questionnaire was specifically designed to collect information from schools management and owners. In addition, a focus group session was held for representatives of private schools to discuss issues related to school financing for development and expansion purposes.

The results of the Assessment highlighted that financial and administrative capacities of a high number of private schools are weak, and do not meet the requirements of financial institutions for lending. It was also concluded that medium size schools could be considered as the ideal business case in terms of income generation, expenses coverage and administrative performance. The Assessment also highlighted that private schools are highly interested to access loans to finance many activities that are related to enhancing the quality of education provided to their students; however, many of these schools lack the knowledge and requirements to access such funding.

This Assessment concluded that the development of specialized training programs that target private schools to provide them with knowledge and skills that will improve their performance and sustainability, would be highly beneficial not only to help them accessing loans from MFIs, but also as a key requirement for their business sustainability.

The conclusions of the Assessment also highlighted that the type of activities that are required by many private schools are areas that can be funded by MFIs.

This Report includes the details of the Study (Assessment) and the analysis of results. The Report also shows the methodology that has been adopted in selecting private school groups to be further targeted in the upcoming activities of the PSSP Program.

## INTRODUCTION

Over the past ten years, the government of Jordan (GOJ) has demonstrated a high-level of commitment to enhancing and upgrading the quality of education in the country. The Education Reform for the Knowledge Economy (ERfKE) Program represented the main vehicle to improve the quality of education in Jordan with special focus on enhancing the learning environment in public schools in order to equip students for the requirements of the market and the global economy.

USAID has been active in Jordan's education sector since 2003, and has supported the GOJ to improve the quality and relevance of education in public schools through implementation of the ERfKE Program. Despite general improvements in educational quality, pressures on the public school system continue to increase as a result of high population growth. The private school sector is an important partner in producing qualified graduates. Private schools currently enroll more than 20 percent of the student population, including significant numbers of students from middle and lower income households.

The USAID has funded this Assessment in order to better understand the current financial and administrative capacities of private schools in Amman area, and the type of training programs that can help the targeted schools in upgrading the quality of education. The conclusions of this Assessment will be used to design special programs dedicated to building the capacity of the participating schools in the administrative, financial and technical aspects in a manner that enables them to meet the requirements of financing organizations. The results of this Assessment will be also used in the development of loan products that are designed to meet specifically the needs and repayment capabilities of the private schools sector.

The Assessment has identified 150 schools eligible for participation in the project, out of 300 schools that were included in the Assessment.

The Assessment was developed on the initial findings of the "Borrowers Study" conducted by USAID in 2007 that aimed at identifying specific challenges facing private schools and what types of school improvement activities that can be implemented if access to credit is available.

## OBJECTIVES

The Assessment had the following objectives:

1. To understand and assess the private school sector in terms of their financial and administrative situation as well as their challenges to grow.
2. To classify private schools according to their financial and administrative capacities into 3 levels for the purpose of developing customized capacity building programs.

These objectives were reached through the use of two research tools: a survey questionnaire and a focus group. The survey questionnaire provided a quantitative measure of the financial and administrative capacities of the private schools to be interviewed. The focus groups would provide us with qualitative details that cannot be reached through the use of a survey and would also serve to verify the survey's findings.

## TARGETED GROUP

There are currently 1068 private schools registered with the Ministry of Education (MoE), out of which, 614 possess kindergartens. For the purpose of this Assessment, schools with a number of enrolled students greater than 500 students were not included in the Assessment.

The sample size was 300 schools to be distributed according to geographical location, school size and gender of the school owner. Additional 10 schools with a size of 501 – 600 students were sampled for comparison purposes.

## METHODOLOGY

The methodology to conduct the Assessment was divided into three main phases: preparation, fieldwork and reporting. The following chart outlines the steps that were adopted within each phase throughout the course of the Study:

### Preparation

- Request and acquire private schools database from MoE, which includes information related to schools names, national number, address in Amman, building specifications, number of students, number of teachers, number of administrative staff, principal name, number of buildings, and status of school (rented or owned)
- Update the data by calling the schools to check about the address, name of owner and name of principal
- Prepare the study population (private schools) segments under the scope of the Assessment according to specific criteria
- Develop the questionnaire by PSSP team in Arabic
- Modify the questionnaire by Dajani Consulting (research team)
- Review and agree on the modification PSSP team
- Translate the questionnaire to English
- Identify stratified random sample of schools with size of 300 schools (taking in consideration distribution by geographical areas, gender, school size)
- Prepare replacement schools sample to compensate for non-responding schools

### Field Work

- Pilot test the questionnaire by interviewing two schools and adjust few questionnaire based on the test
- Recruit the researchers
- Train the researchers on the objectives of the questionnaire, how to ask questions and how to collect information
- Data collection: Field visits to schools and fill the questionnaire.
- Invite school owners/principals for focus group session.

### Reporting

- Data entry of the collected information
- Data verification and validation (quality control)
- Development of scoring system (Dajani Consulting and project director)
- Data processing and analysis based on scoring system
- Prepare draft report
- Review the draft report
- Final report

# TIMEFRAME

The timeframe for the execution of the study is outlined in detail in the table below.

**Table 1: Work plan timeframe**

Phase	Objectives	Oct 9 - 14	Oct 16 - 21	Oct 23 - 28	Oct 30 - Nov 4	Nov 6 - 11	Nov 13 - 18	Nov 20 - 25	Nov 27 - Dec 2
		Sun-Thurs	Sun-Thurs	Sun-Thurs	Sun-Thurs	Sun-Thurs	Sun-Thurs	Sun-Thurs	Sun-Thurs
<b>Preparation</b>	Design Questionnaire								
	Approve Questionnaire								
	Translate								
	Sampling								
	Update Contact List								
	Develop Field Plan								
	Finalize Field Plan								
	Test Questionnaire								
	Modify Questionnaire								
	Print Questionnaire								
	Recruitment								
	Train Surveyors								
<b>Field Work</b>	Field Survey								
	Design Data Entry Frame								
	Focus Group								
<b>Reporting</b>	Data Entry								
	Analyze Data								
	Write Report								
	Report Feedback								
	Finalize Report								

## INSTRUMENT

The questionnaire included 100 questions that were used to assess and analyze the capacities of the school surveyed. The questionnaire was developed in Arabic and translated into English for the purpose of reporting. Both versions are attached to this report (Annexes 1 and 2).

The questionnaire was weighted and scores were given to each question in order to determine the exact level of capacity of each school.

The questionnaire included five sections, each section deals with a specific theme. All sections were considered for the general analysis, however, only sections two through five were considered in the scoring process.

### Section 1 – General Information – 0%

This section collects information concerning the history and the physical components of the school such as its location, capacity, teachers, and facilities.

### Section 2 –Assessment of the financial capacity – 30%

This section measures the financial resources of the school.

### Section 3 – Assessment of financial and administrative management of the school – 30%

This section evaluates the financial and administrative capabilities of the school and determines the main weaknesses and strengths.

### Section 4 – Evaluation of the ability to access funding (loans) – 25%

This section provides information on the experience of the school in securing finance, in addition, to each school needs for future capacity building and improvement to expand and grow.

### Section 5 – Marketing and the quality of educational services – 15%

This section focuses on the marketing practices and competitiveness of the school.

## DESCRIPTIVE ANALYSIS - QUESTIONNAIRE

The school have been grouped into 6 distinct categories in accordance to the number of students attending the school. The categories are described below:

Group 1:	0 – 100 students
Group 2:	101 – 200 students
Group 3:	201 – 300 students
Group 4:	301 – 400 students
Group 5:	401 – 500 students
Group 6:	501– 600 students

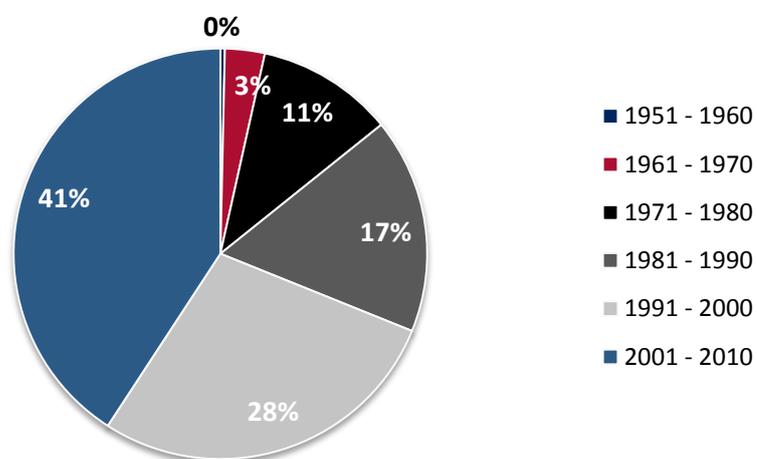
All of the results have been analyzed in accordance to these categories. All of the tables related to the analysis are attached (Annex 3).

## SECTION I: GENERAL INFORMATION

### QUESTION 4: SCHOOLS YEAR OF ESTABLISHMENT

The year of establishment of schools was grouped by decades and categories. Forty-one percent (41%) of the schools were established within the past ten years, while 28% were established between the year 1991 and 2000. The remaining 31% were established before the year 1990 (Table I).

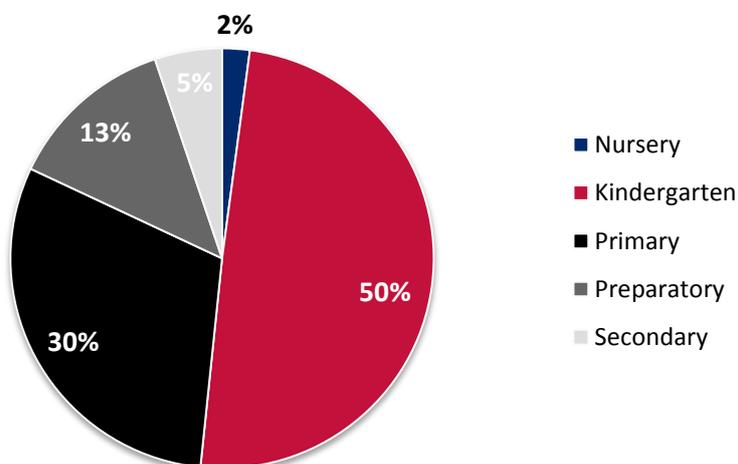
**Figure 1: School year of establishment by decade**



### QUESTION 5: LEVEL OF EDUCATION TAUGHT AT SCHOOLS

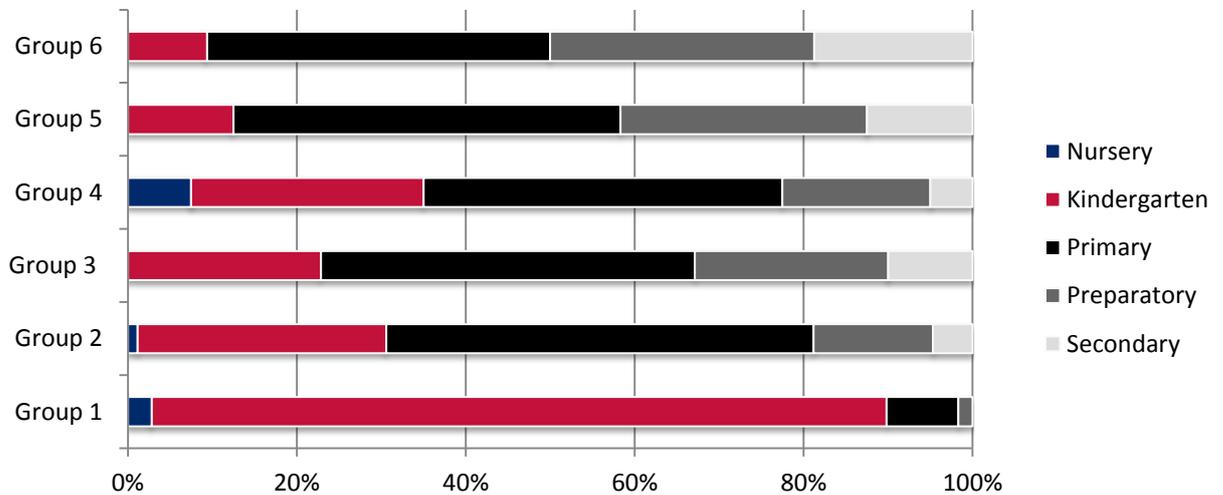
The majority of the schools surveyed (50%) are at the kindergarten level, while 30% offer primary education (Table 2). 2% of the private schools offer nursery care.

**Figure 2: Level of education taught at schools**



When analyzing schools according to their size, the results show that schools in group one (0 – 100 students) focus mostly on kindergarten education. The remaining groups or categories mostly include all educational levels.

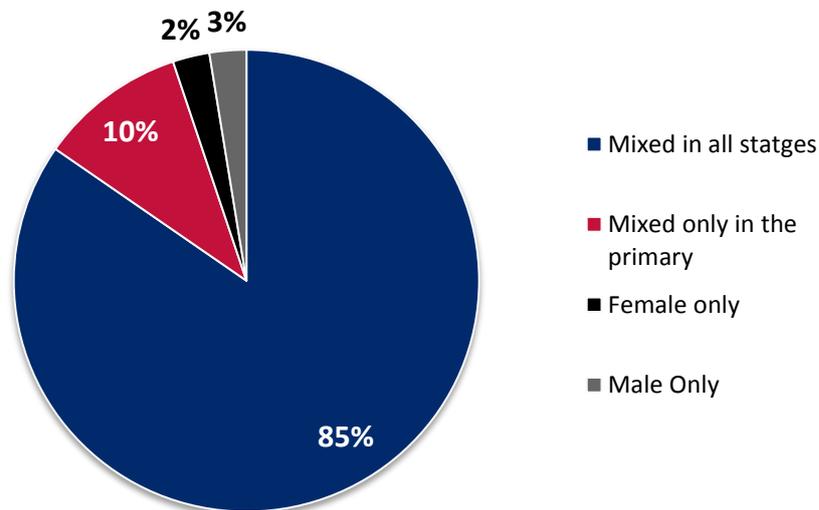
**Bar Graph 1: Level of education taught at schools by school size**



## QUESTION 6: GENDER OF STUDENTS

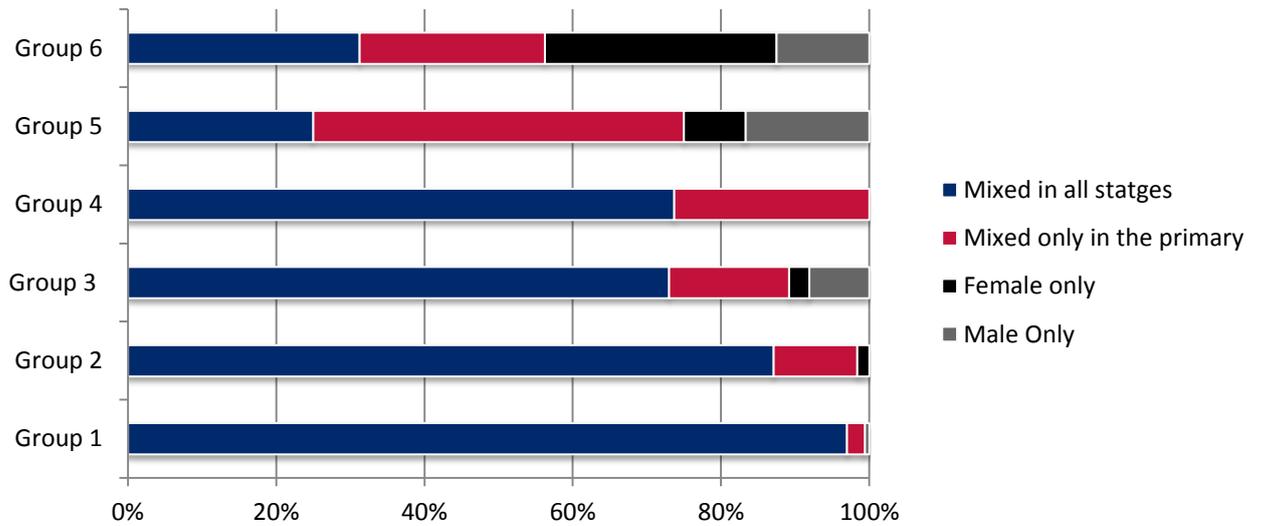
The majority of the schools (85%) are coeducational (i.e. male and female) at all levels while smaller portions (10%) are coeducational only in the primary (Table 3).

**Figure 3: Gender of students**



Schools with student numbers below 400 are predominantly coeducational at all stages, however, this decreases when schools size rise above 400 students.

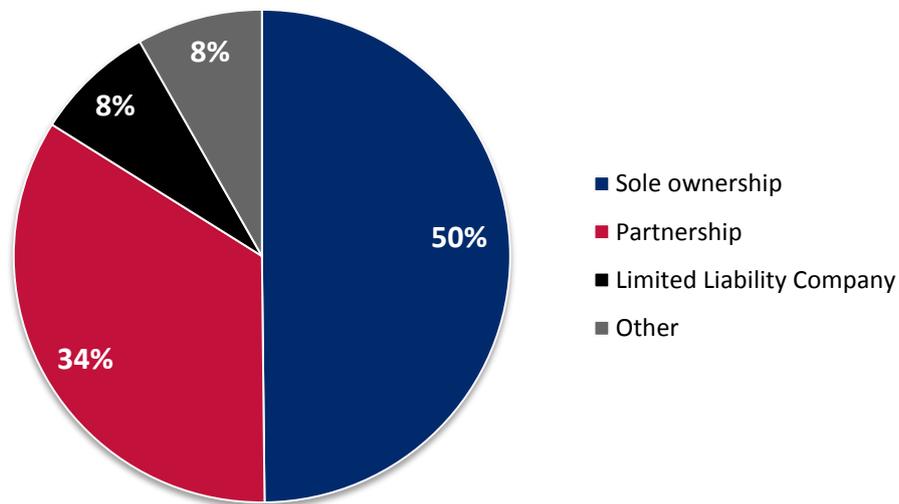
**Bar Graph 2: Gender of students by school size**



### QUESTION 7: LEGAL STATUS OF THE SCHOOL

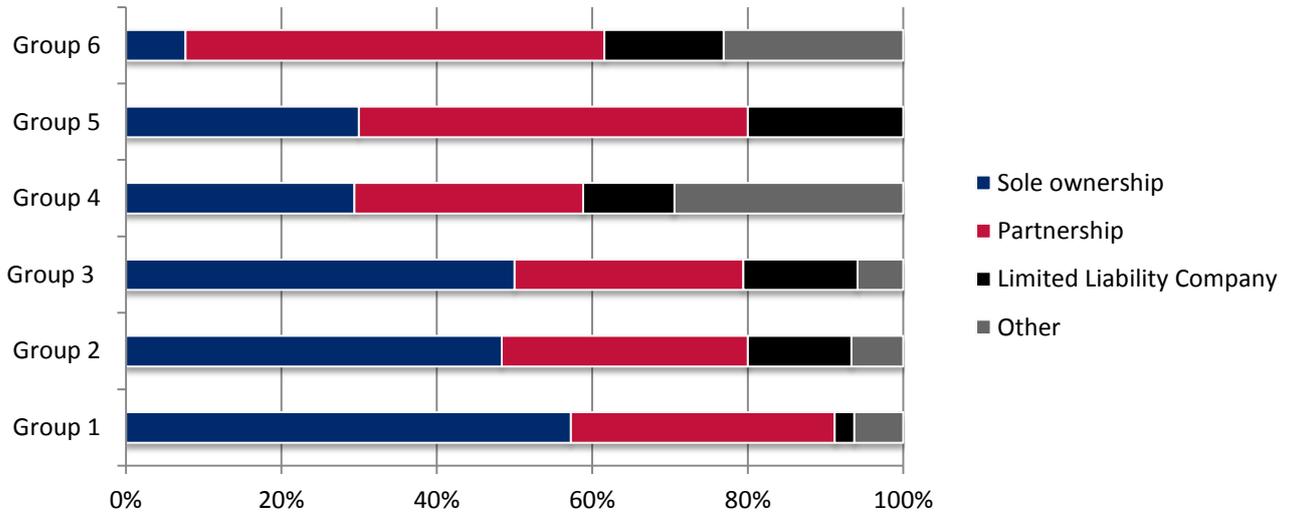
Half of all schools surveyed have sole owner, 34% have partner owners, while 8% are limited liability companies (Table4).Of the 8 % who responded other, their statuses included charitable organizations, churches, cooperatives, general partnerships and endowments.

**Figure 4: Legal status of the school**



As the number of students increase we note a decrease in the sole ownership of schools.

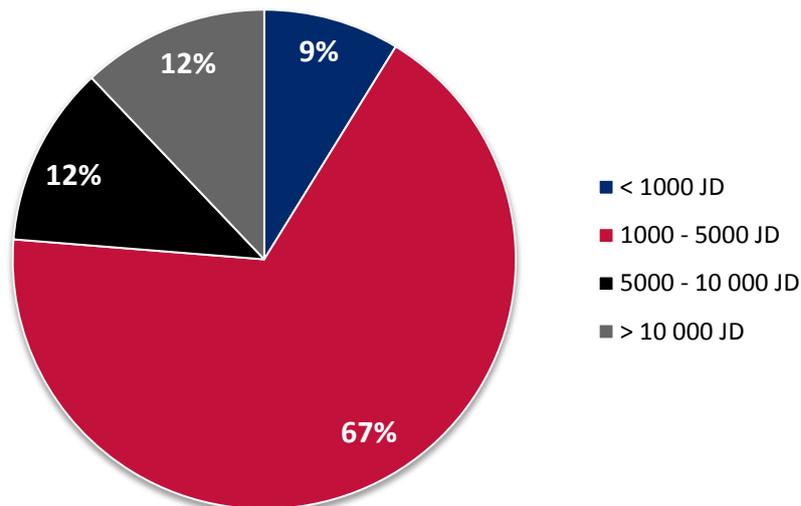
**Bar Graph 3: Legal status of the school by school size**



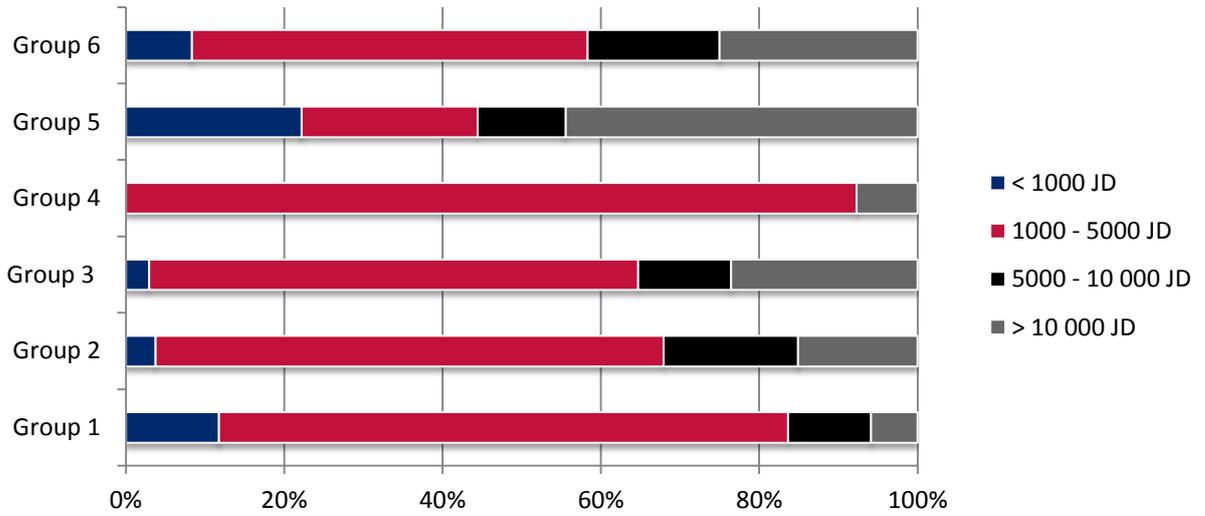
**QUESTION 9: CAPITAL REGISTERED WITH MINISTRY OF INDUSTRY AND TRADE**

Sixty-seven percent (67%) of schools have a capital of 1000 – 5000 JDs registered with the Ministry of Industry and Trade (Table 5), 12% have capital ranges between 5000 to 10000 JDs, while 12% have a capital that exceeds 10000 JDs.

**Figure 5: Capital registered with Ministry of Industry and Trade**



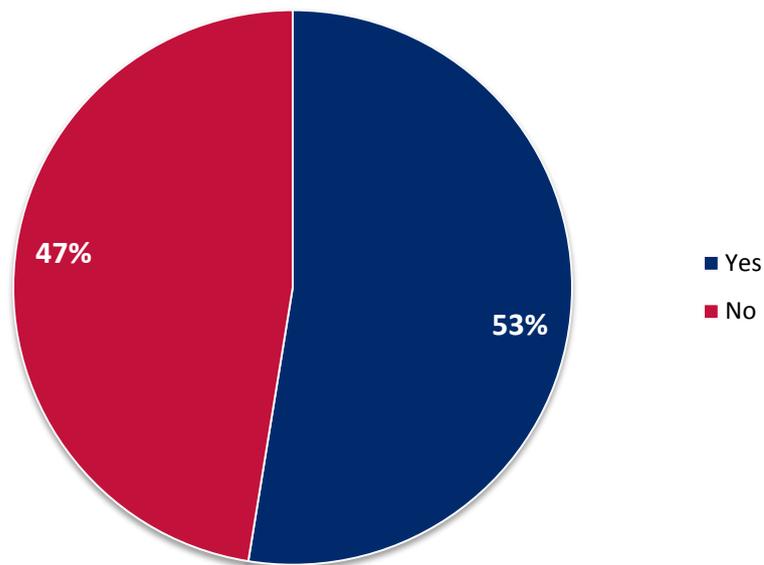
**Bar Graph 4: Capital registered with Ministry of Industry and Trade by school size**



**QUESTION 12: AFFILIATION WITH UNION OF OWNERS OF PRIVATE SCHOOLS**

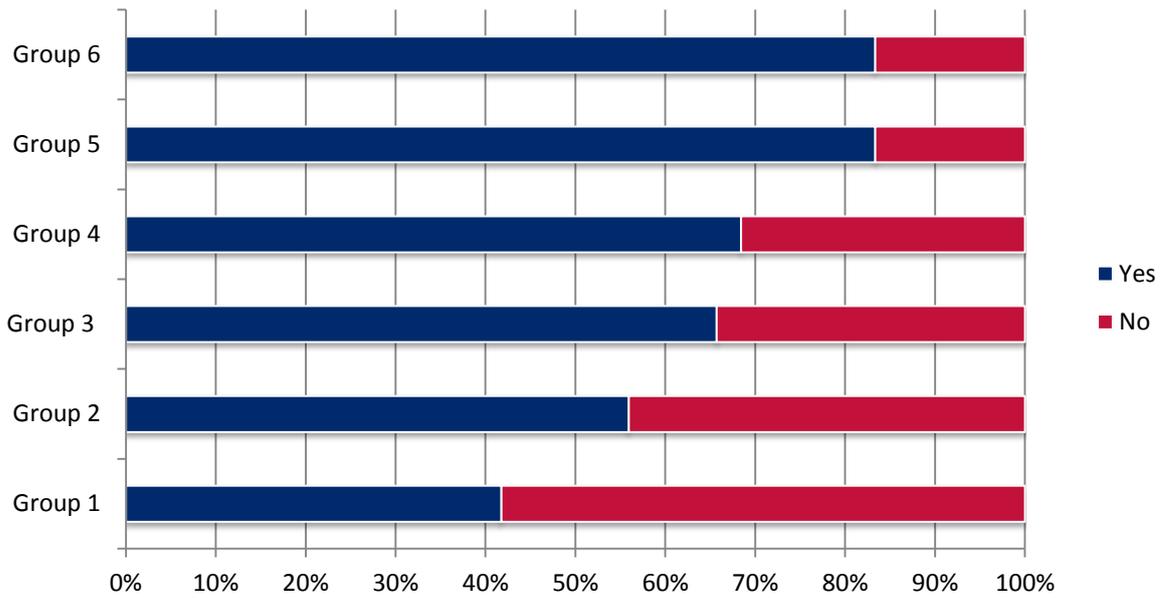
Fifty-three percent (53%) of schools are affiliated with the Union of Owners of Private Schools, while the remaining schools have no affiliation (Table 6).

**Figure 6: Affiliated with union of owners of private schools**



As the schools' size increases, schools tend to affiliate with the union.

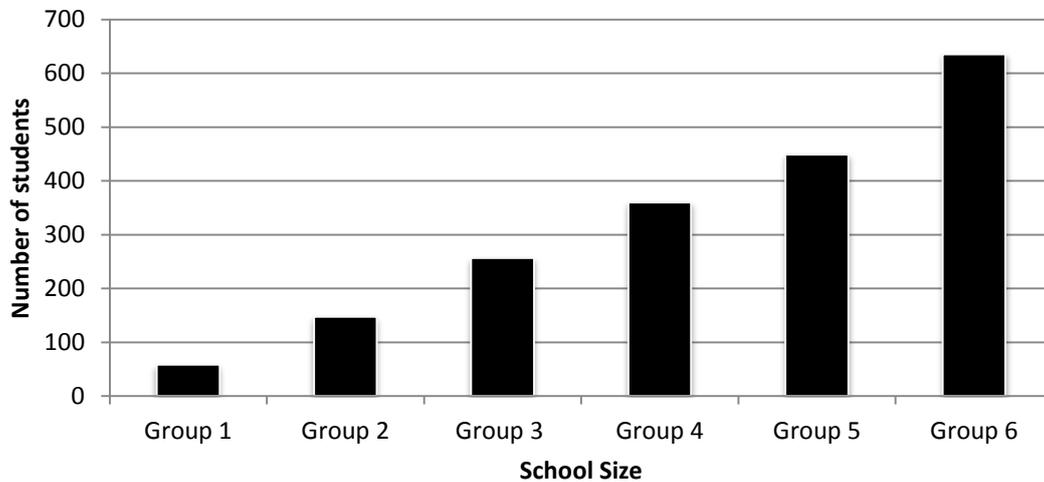
**Bar Graph I: Affiliated with union of owners of private schools by school size**



**QUESTION 13: AVERAGE NUMBER OF STUDENTS ENROLLED (2010-2011 ACADEMIC YEAR)**

The average number of students enrolled for the 2010-2011 academic year can be found in the graph below. Details can be found in Table 7.

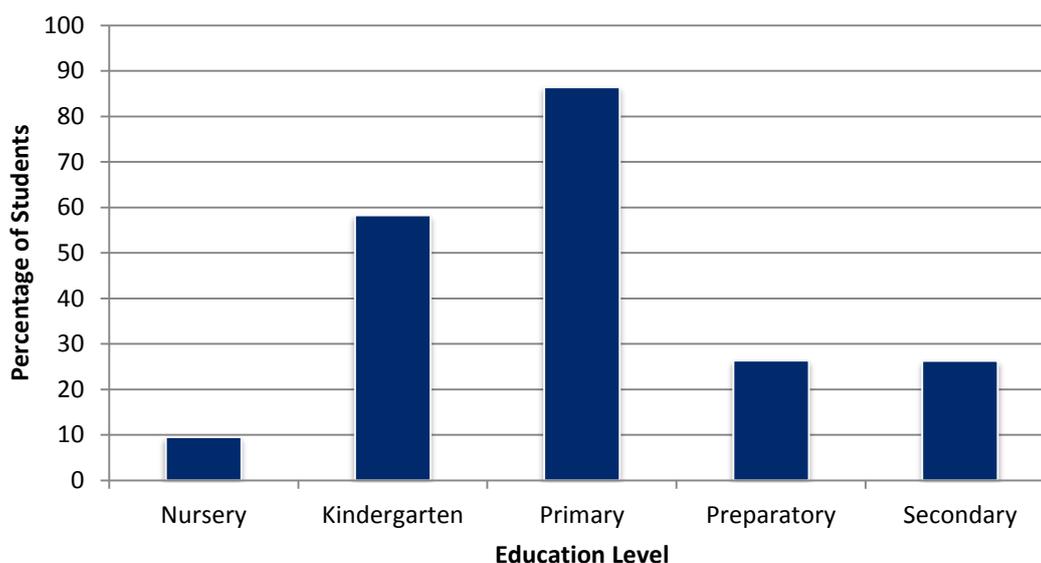
**Graph I: Average number of students enrolled in the 2010-2011 academic year by school size**



**QUESTION 14: AVERAGE PERCENTAGE DISTRIBUTION OF STUDENT POPULATION BY EDUCATION LEVEL**

The majority of schools teach primary education, followed by kindergarten and secondary education (Table 8).

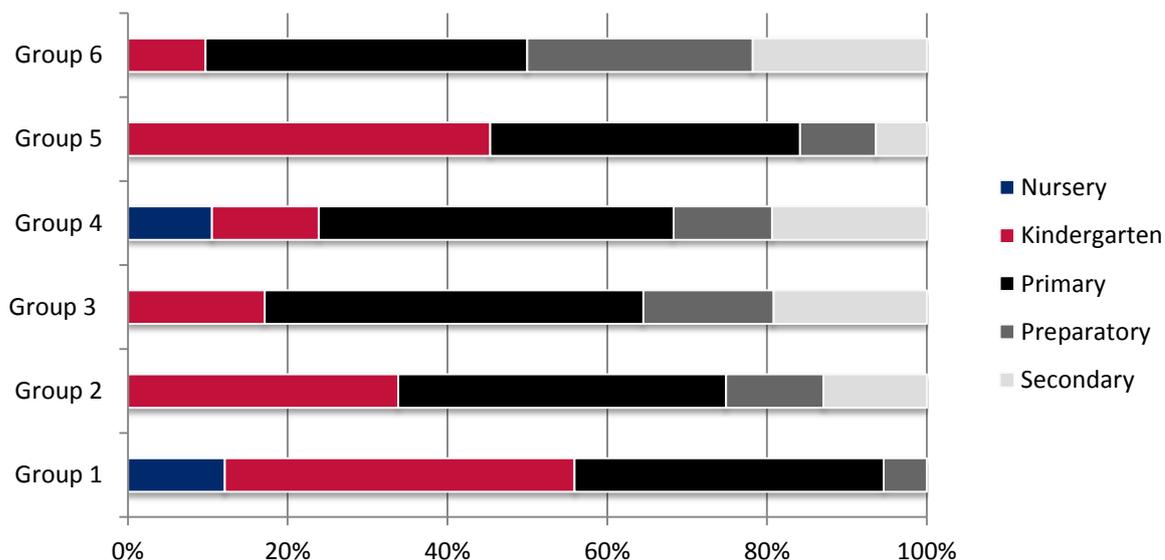
**Graph 2: Average percentage distribution of student population by education level**



Smaller schools allocate more space for kindergarten and primary education. The distribution of primary education is similar across all sizes.

Schools possessing more than 100 students, allocate more space for preparatory and secondary students than school enrolling less than 100 students.

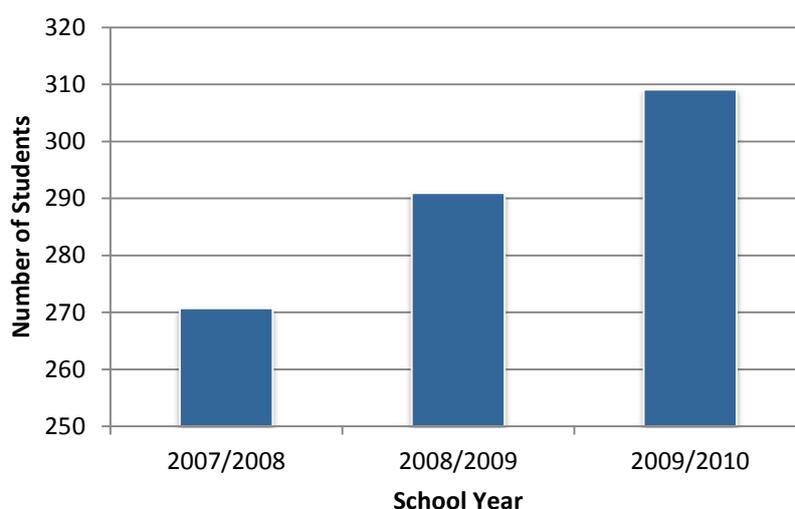
**Bar Graph 6: Average percentage distribution of student population by education level by school size**



**QUESTION 15: AVERAGE ENROLMENT IN PAST THREE YEARS**

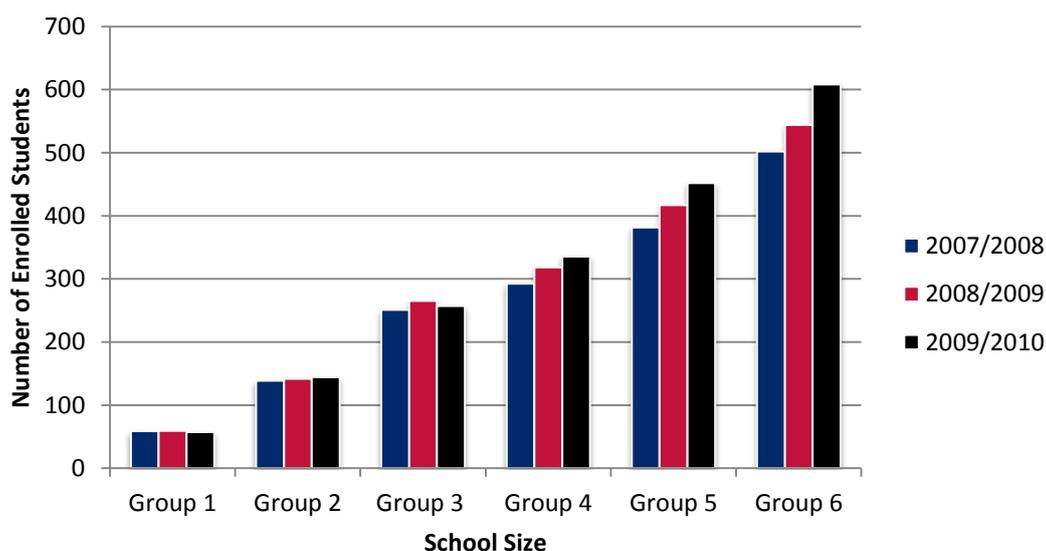
Enrolment levels have increased over the past three years (Table9).

**Graph 3: Average enrolment in past three years**



Enrollment levels have increased for schools in groups 4 to 6, while schools in groups 1 to 3 have witnessed approximately similar enrollment numbers in the past three years.

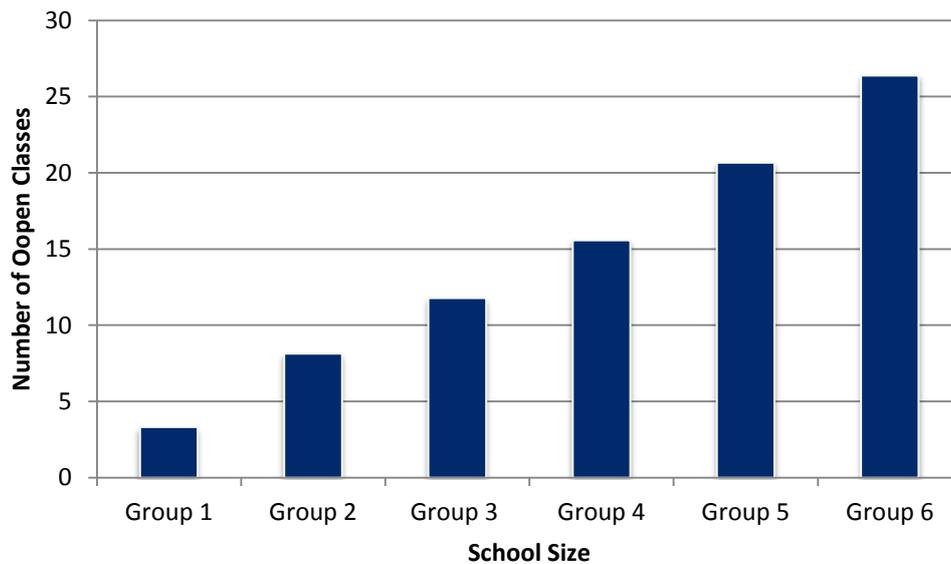
**Graph 4: Average enrolment in past three years by school size**



#### QUESTION 16: AVERAGE NUMBER OF CLASSES IN PRESENT SCHOOL YEAR (2010-2011)

The average number of classes (i.e. groups of students) is 14.3 (Table 10). When distinguishing between groups, the average number of classes gradually increases with the increase in school size.

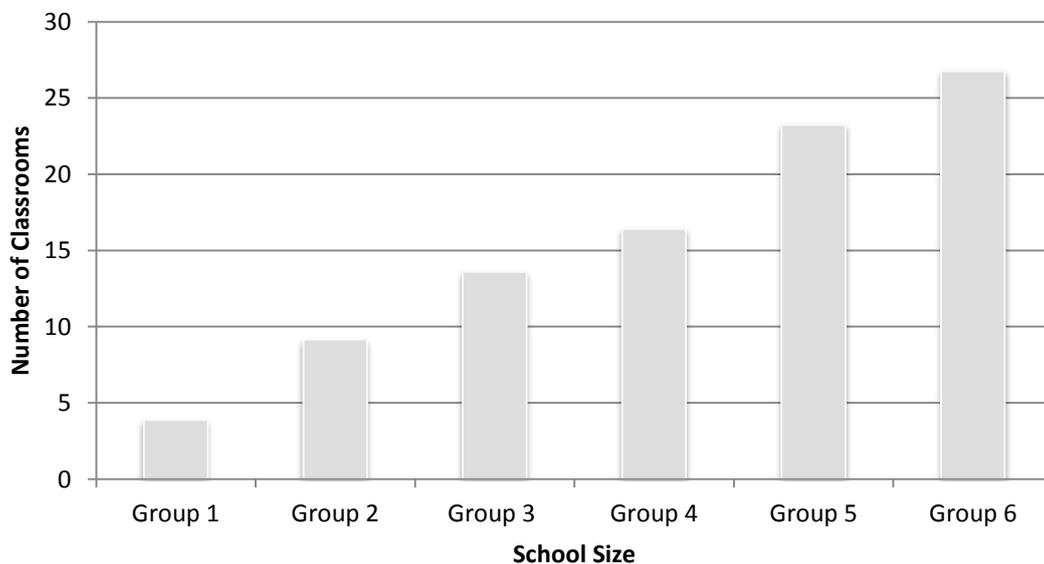
**Graph 5: Average number of open classes in present school year (2010-2011)**



### QUESTION 17: AVERAGE NUMBER OF CLASSROOMS AVAILABLE IN THE SCHOOL

The average number of classrooms (i.e. physical spaces) is 15.5 (Table 11). When distinguishing between groups, the average number of classrooms increases with the increase in school size.

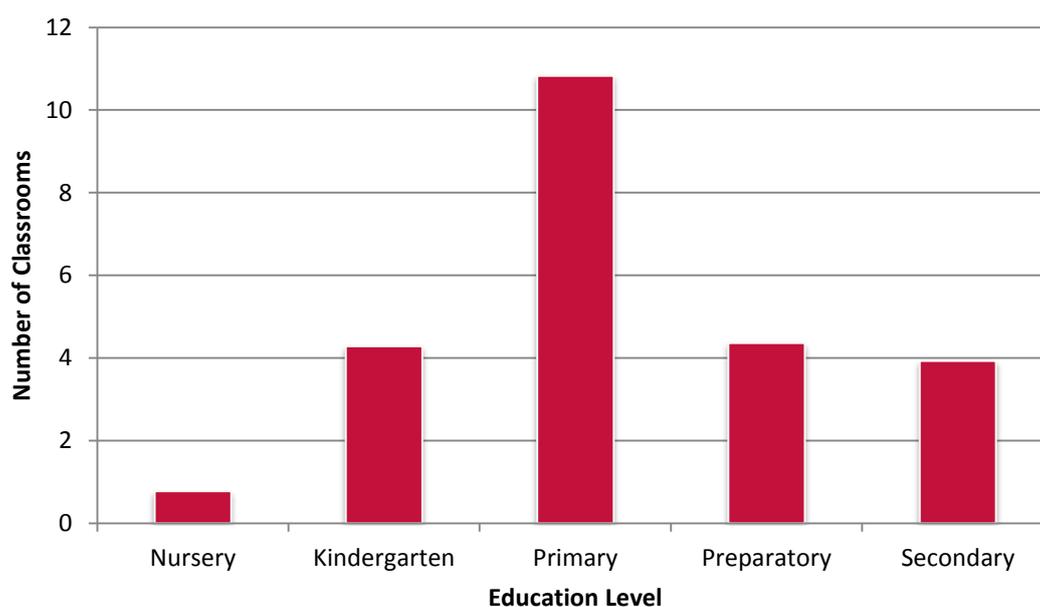
**Graph 6: Average number of classrooms available by school size**



### QUESTION 18: AVERAGE NUMBER OF CLASSROOMS AT EACH STAGE

On average, schools have more classrooms (i.e. physical spaces) dedicated to primary education (10.8 classrooms overall) than any other education level (Table 12). This ratio is the same across all groups.

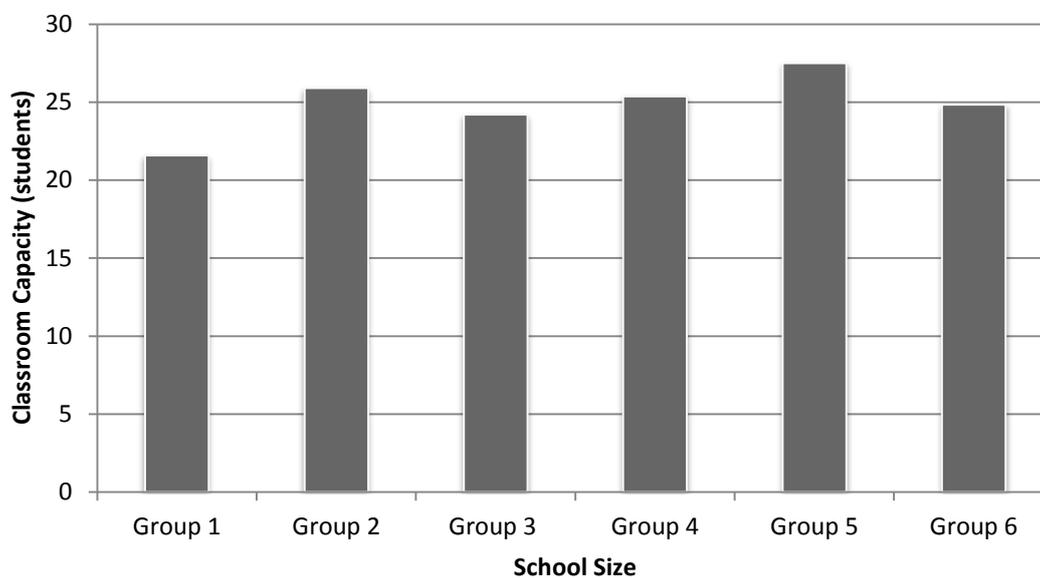
**Graph 7: Average number of classrooms by level of education**



### QUESTION 19: AVERAGE CAPACITY OF EACH CLASSROOM

The average capacity of each classroom is 24.9 students (Table 13). This number does not vary much between groups.

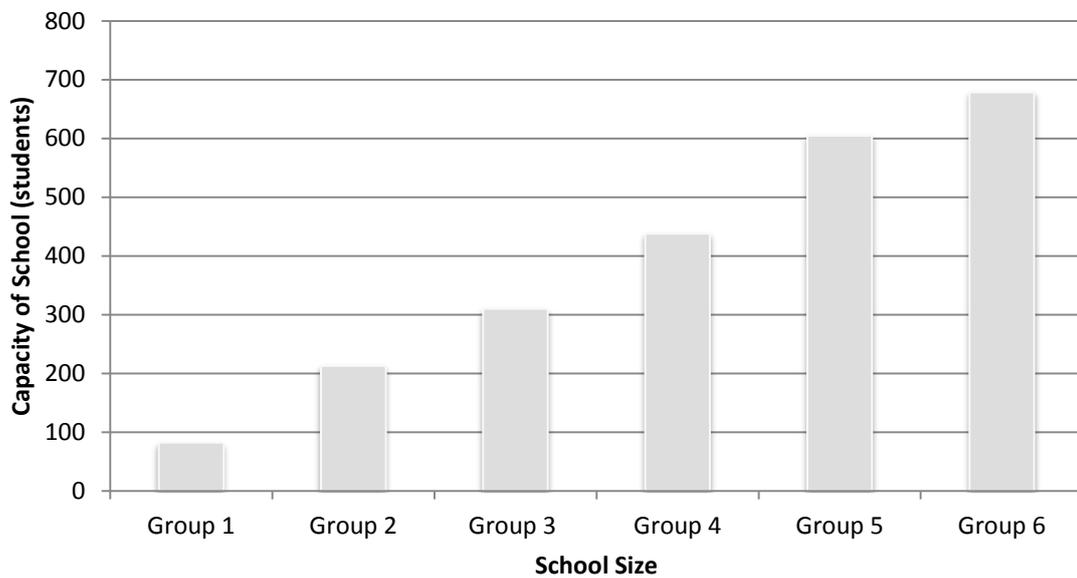
**Graph 8: Average capacity of each classroom by school size**



### QUESTION 20A: MAXIMUM CAPACITY OF THE SCHOOL

The average maximum capacity of all schools is 387.7 students (Table 14). Between groups, the maximum capacity increases with the increase in school size.

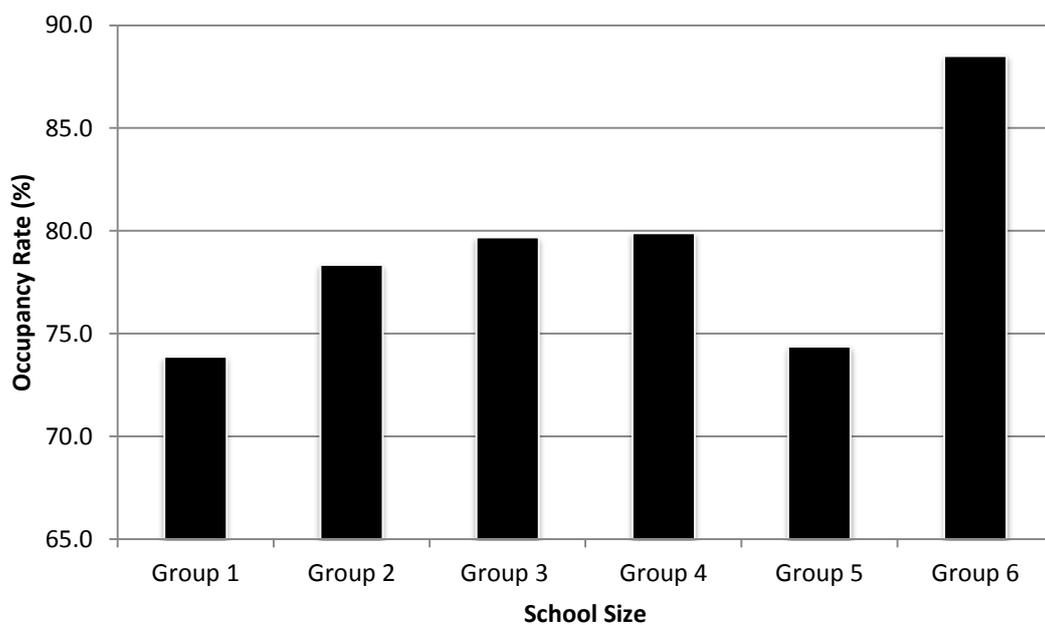
**Graph 9: Maximum capacity by school size**



### QUESTION 20B: OCCUPANCY RATE

The occupancy rate is approximately 71% (Table 15). Between groups, the occupancy rate varies as none of the schools run at full capacity. Groups 1 through 5 run at an occupancy rate within 70% to 80% while schools in group 6 run at a capacity rate of 88.5%.

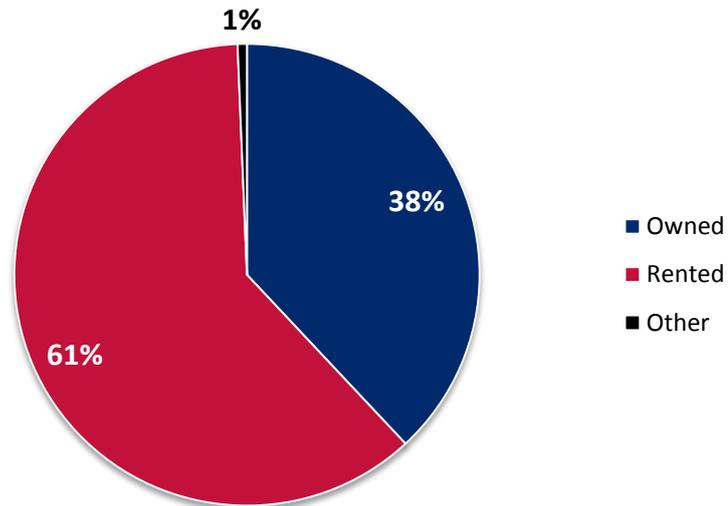
**Graph 10: Occupancy rate by school size**



## QUESTION 21: SCHOOL BUILDING STATUS

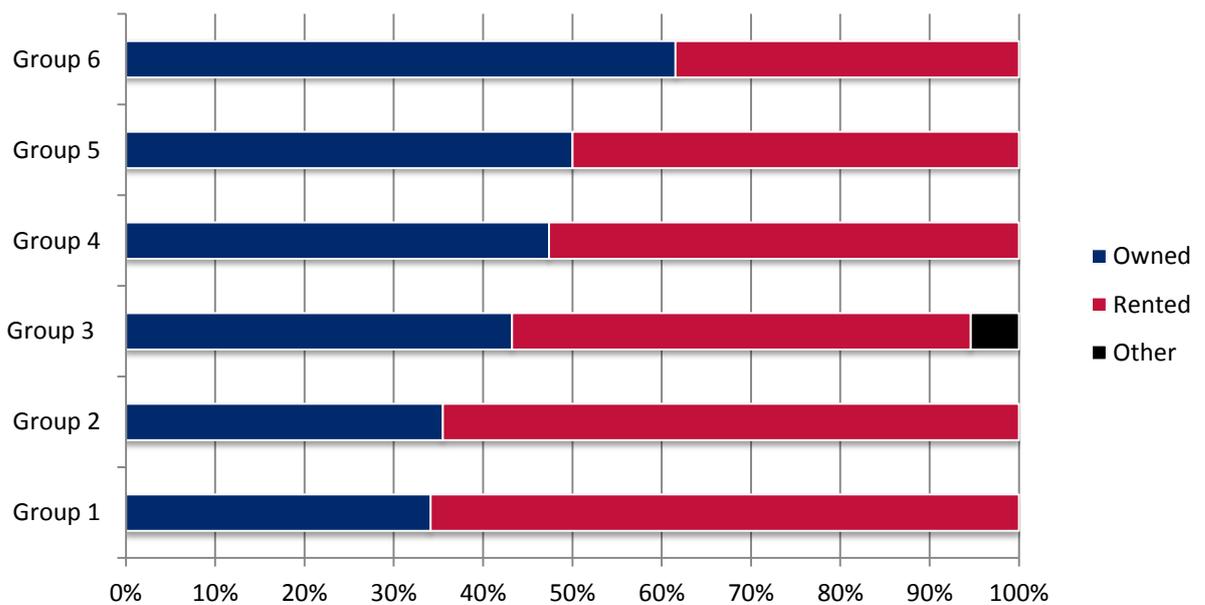
The majority of the school buildings are rented (61%) while 38% are owned (Table 16). 'Other' statuses included management contracts or endowments.

Figure 7: School building status



Between groups, the number of owned school buildings increases as the number of students increase.

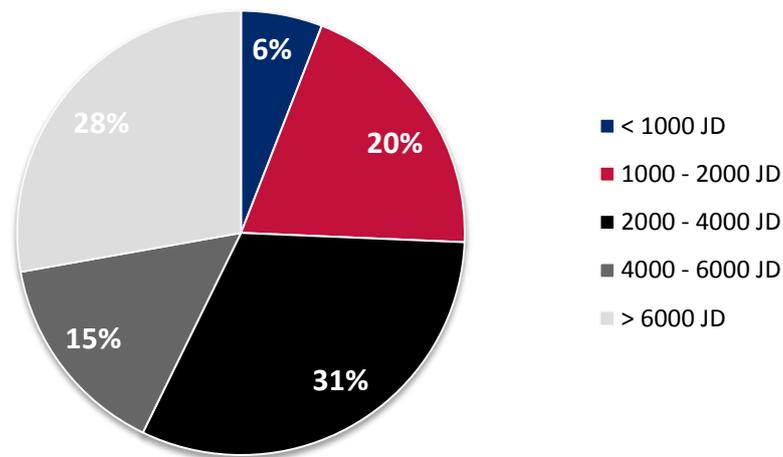
Bar Graph 7: School building status by school size



## QUESTION 22: RENTED SCHOOL BUILDING

Of the 118 schools that have rented buildings (Table 17), 31% pay between 2000 to 4000 JODs, while 28% pay more than 6000 JODs per year (Table 16).

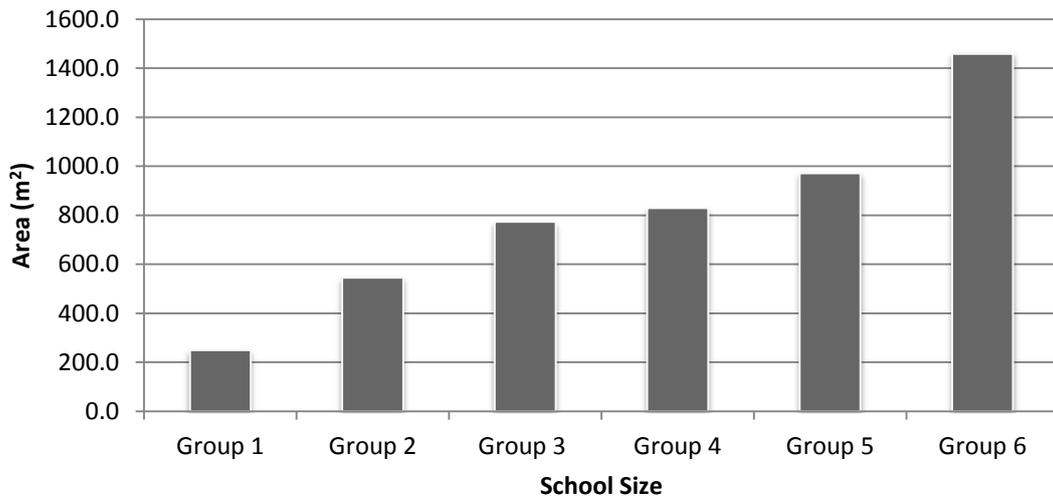
Figure 8: Rented school buildings



## QUESTION 23A: BUILDING AREA m<sup>2</sup>

The average building area measures 804.7m<sup>2</sup> (Table 18). Between groups, the average area increases with the increased number of students. Schools in group 1 measure on average approximately 250 m<sup>2</sup> while schools in group 6 reach as much as 1459.3 m<sup>2</sup>. Group 2 measures just over 500 m<sup>2</sup> while groups 3 and 4 are slightly greater but similar in size. Group 5 has larger area reaching almost 1000 m<sup>2</sup>.

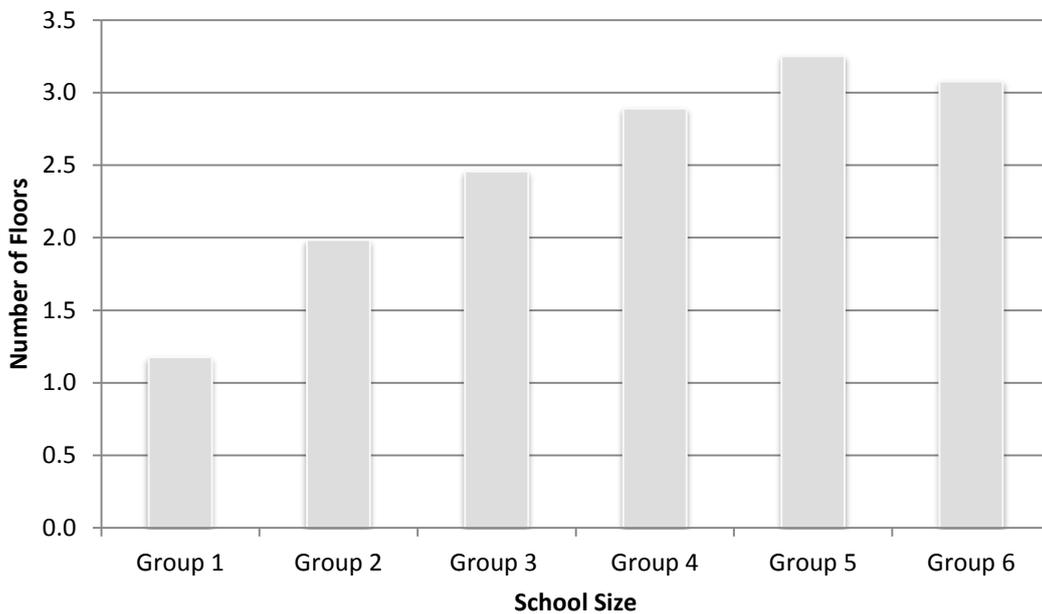
**Graph 11: Building area by school size**



**QUESTION 23B: NUMBER OF FLOORS IN BUILDING**

The number of floors in a school building is approximately 2.5 (Table 19). Between groups, most schools have at least two floors, with the exception of group 1.

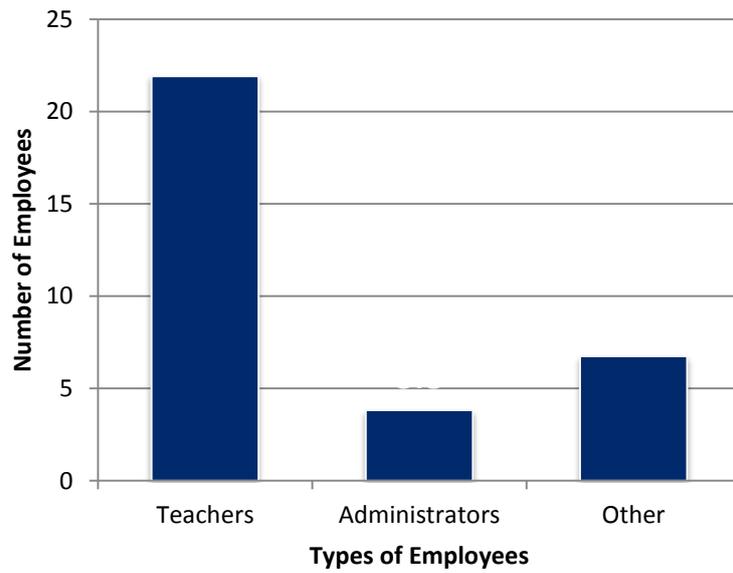
**Graph 12: Number of floors in building by school size**



**QUESTION 24: AVERAGE NUMBER OF EMPLOYEES IN SCHOOL FOR PRESENT YEAR**

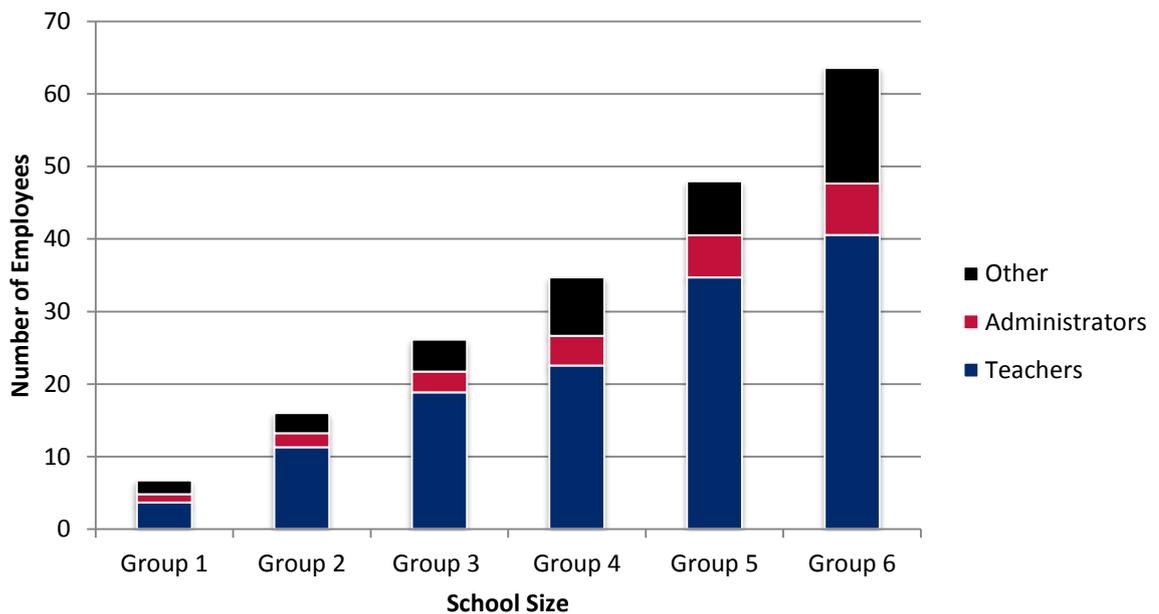
The average number of employees is 32.5 (Table 20). This number consists of 21.9 teachers, 3.8 administrators and 6.7 others.

**Graph 13: Average number of employees in school for present year**



Between groups, the number of employees increase as the number of students increase, e.g. schools in group 1 have an average of 6.7 employees while schools in group 6 will have 63.5 employees.

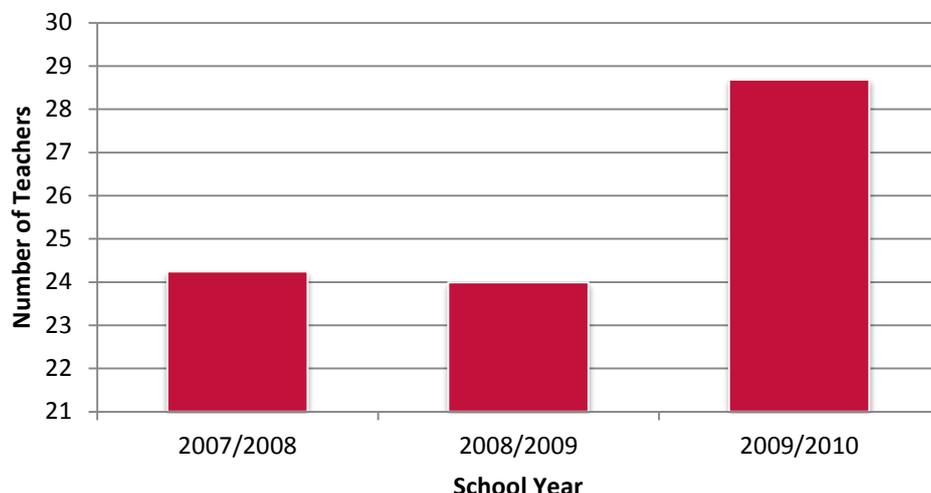
**Graph 14: Average number of employees in school for present year by school size**



**QUESTION 25: TEACHERS WORKING IN THE SCHOOL OVER PAST 3 YEARS**

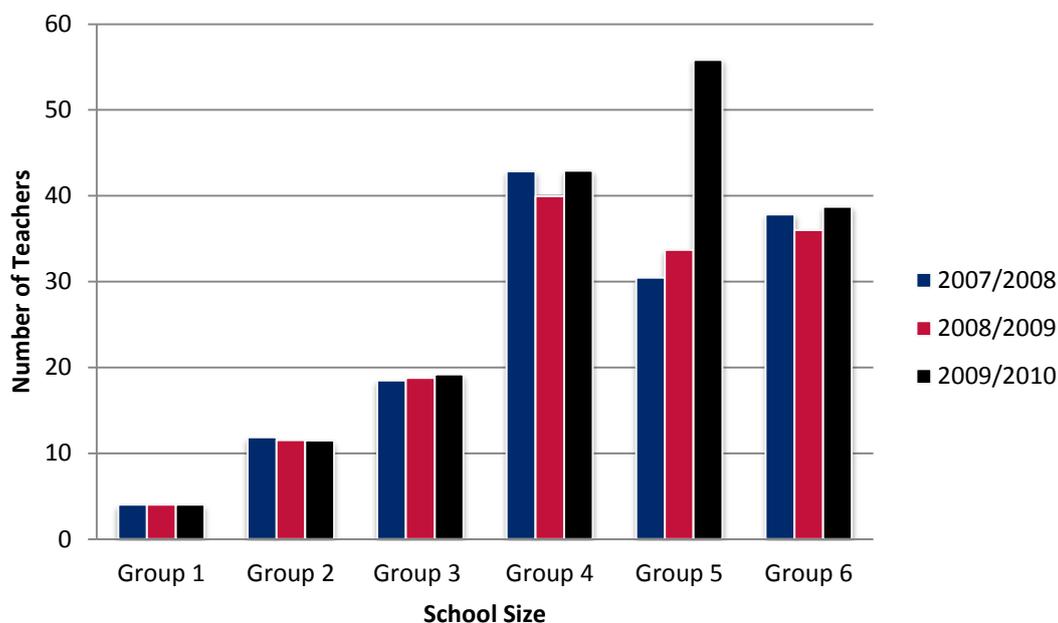
The number of teachers working in the schools over the past three years has been approximately the same between 2007 and 2009 (Table 21). The most recent year (2009/2010), has seen an increase in the average number of teachers over all (28.7 teachers).

**Graph 15: Teachers working in the school over the past 3 years**



The data show that the average number of teachers in groups 1 through 4 and 6 have been consistent throughout the past three years. Group 5, on the other hand, shows a sudden increase in the average number of teachers as it went from 33.7 in 2008/2009 to 55.8 in 2009/2010 (Table 21).

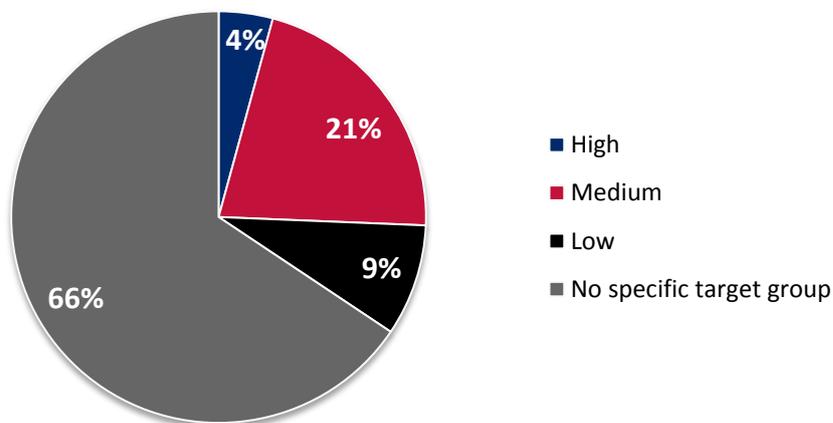
**Graph 16: Teachers working in the school over the past 3 years by school size**



## QUESTION 26: INCOME LEVEL OF TARGET GROUP PARENTS

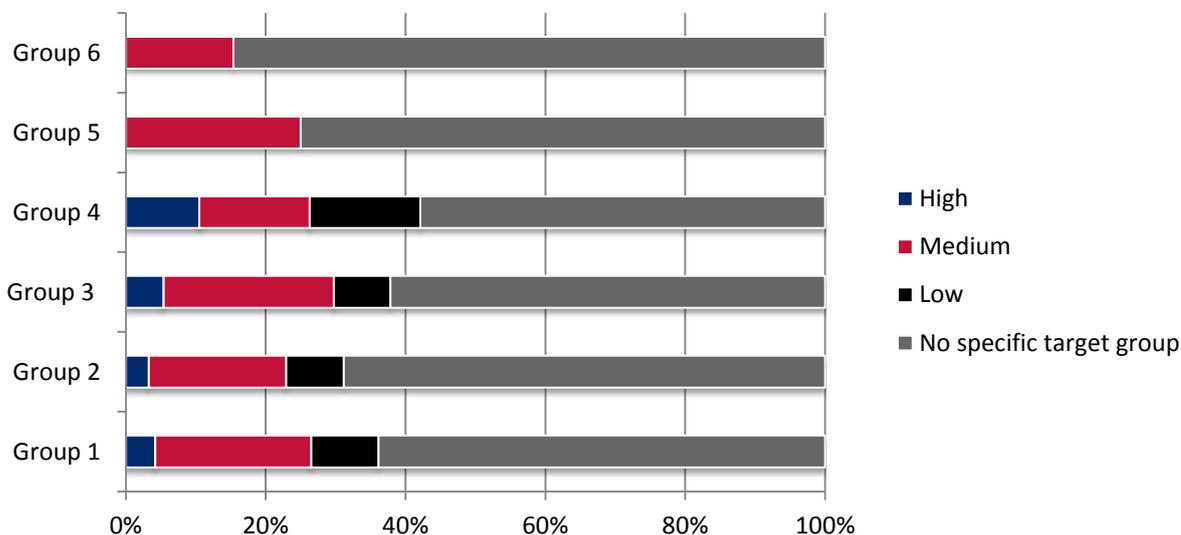
The majority of schools (66%) do not specifically target parents of certain income levels (Table 22). Twenty-one percent (21%) target medium income earners.

**Figure 9: Income level of target group parents**



The same is almost true between groups as the majority does not target parents of a specific income level. However, in groups 1 through 4, there are a number of schools that target high-income earning parents.

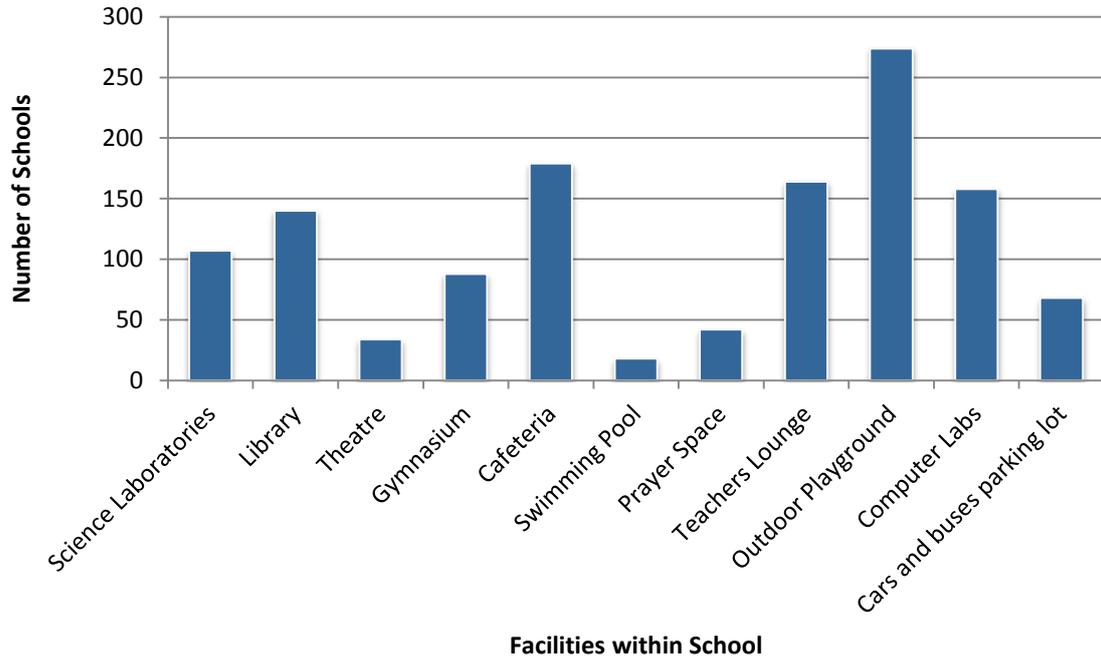
**Bar Graph 8: Income level of target group parents**



### QUESTION 27: FACILITIES WITHIN SCHOOLS

The majority of schools possess an outdoor playground (274 schools, Table 23). Approximately half of the schools have a cafeteria, a teachers’ lounge, computer labs and a library while few schools possess a swimming pool or theater (18 and 34 respectively).

**Graph 17: Facilities within schools**

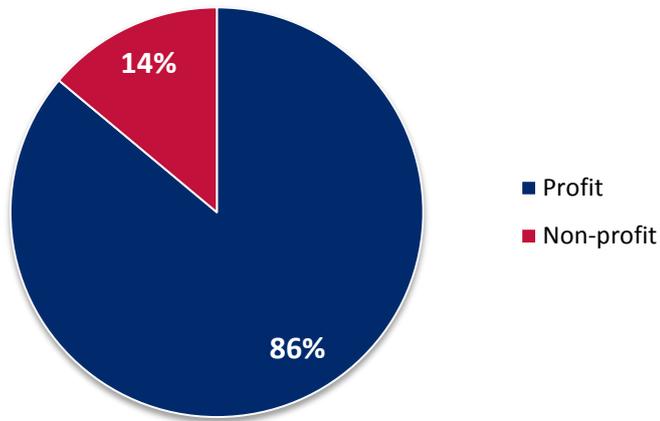


## SECTION 2: ASSESSMENT OF THE FINANCIAL POSITION

### QUESTION 28: SCHOOL OPERATING BASIS

The majority of schools (86%) are operating on profit making basis (Table 24). The 14% of non-profit schools are either NGOs or religiously affiliated institutes.

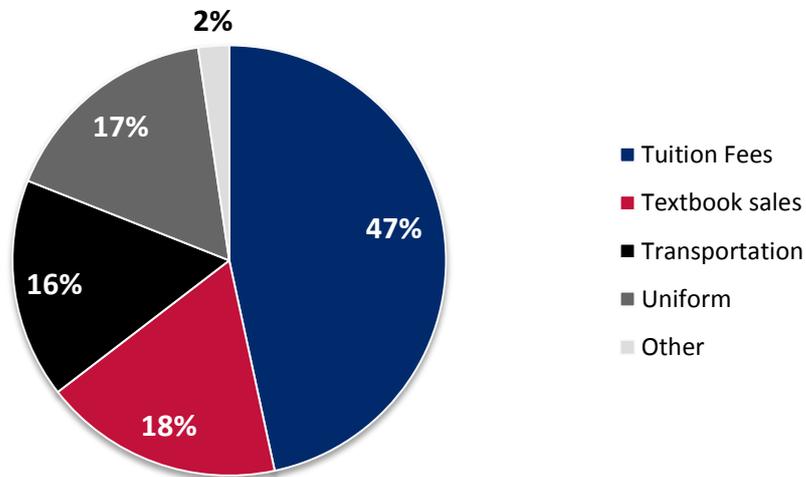
Figure 10: School operating basis



### QUESTION 29: SOURCE(S) OF REVENUE

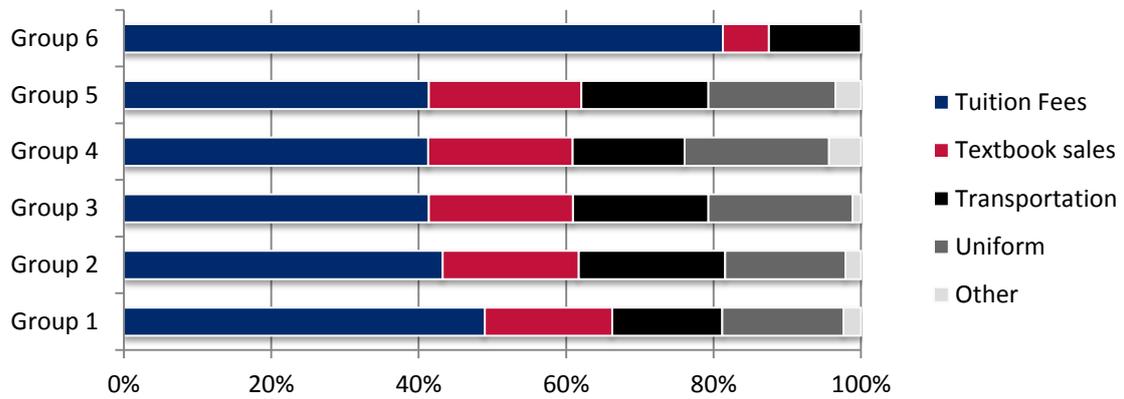
The majority of the schools state that the greatest source of revenue comes from tuition fees (47%, Table 25). Other sources of revenue included donations, activities and trips, swimming pool, canteen and the graduation ceremony.

Figure 11: Source(s) of revenue



Schools in group 6 rely on their tuition fees more than any other source. In groups 1 through 5, we find similar reliance on various sources.

**Bar Graph 9: Source(s) of revenue by school size**

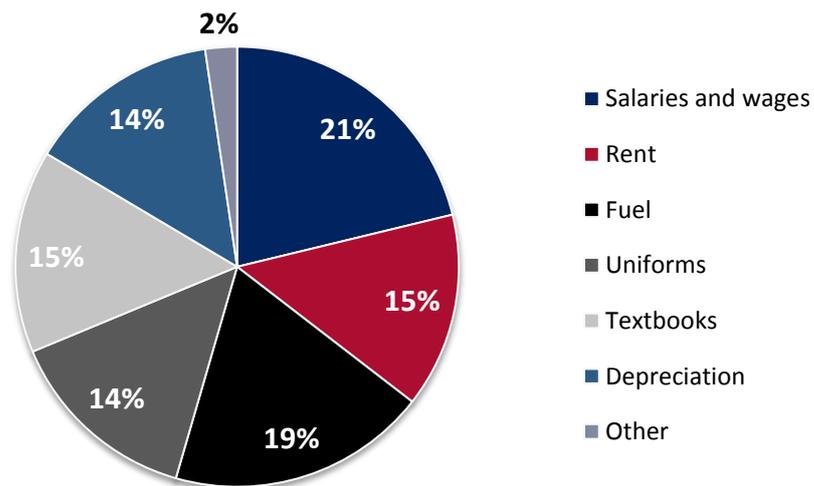


**QUESTION 30: ASPECTS OF SCHOOL'S EXPENSES**

The most common aspects of a school’s expenses are salaries and wages (21%), fuel (19%), textbooks (15%) uniforms (14%) and depreciation (15%, Table 26). ‘Other’ expenses include:

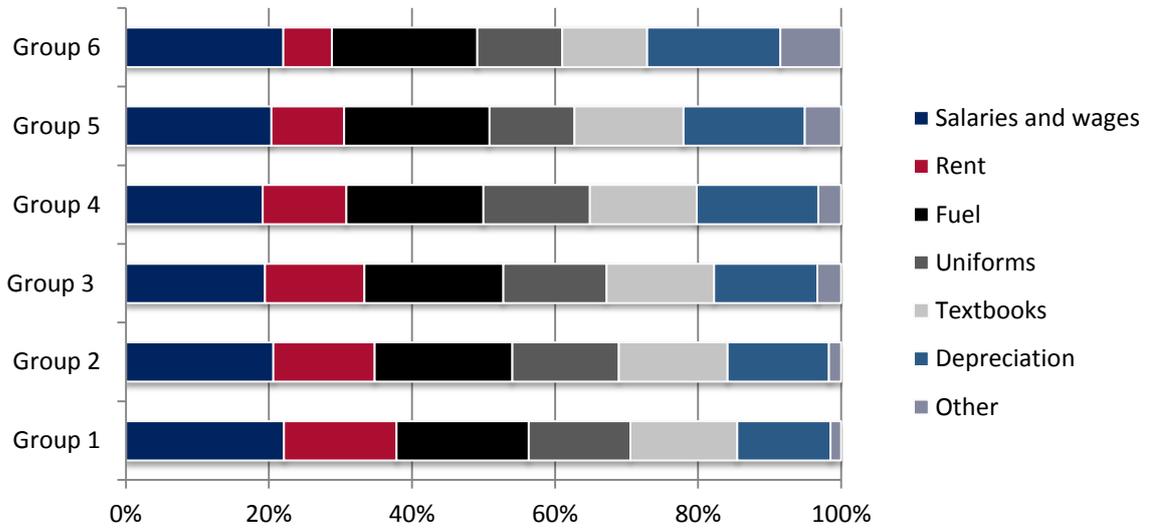
- Care for orphans
- Professional subscriptions
- Physician contracts
- Governmental fees
- Advertising
- Taxes
- Licenses
- Stationary
- Social security
- Medical insurance
- Bus leasing
- Telecommunications

**Figure 12: Aspects of school's expenses**



The proportion of responses is approximately the same between groups.

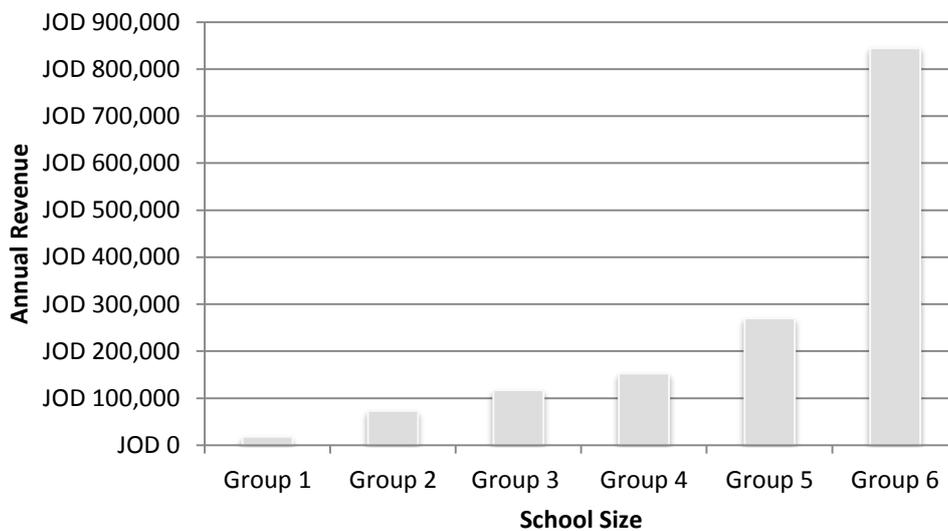
**Figure 13: Aspects of school's expenses by school size**



**QUESTION 31: AVERAGE ANNUAL REVENUE**

As the school size increases, so does the average annual revenue (Table 27).

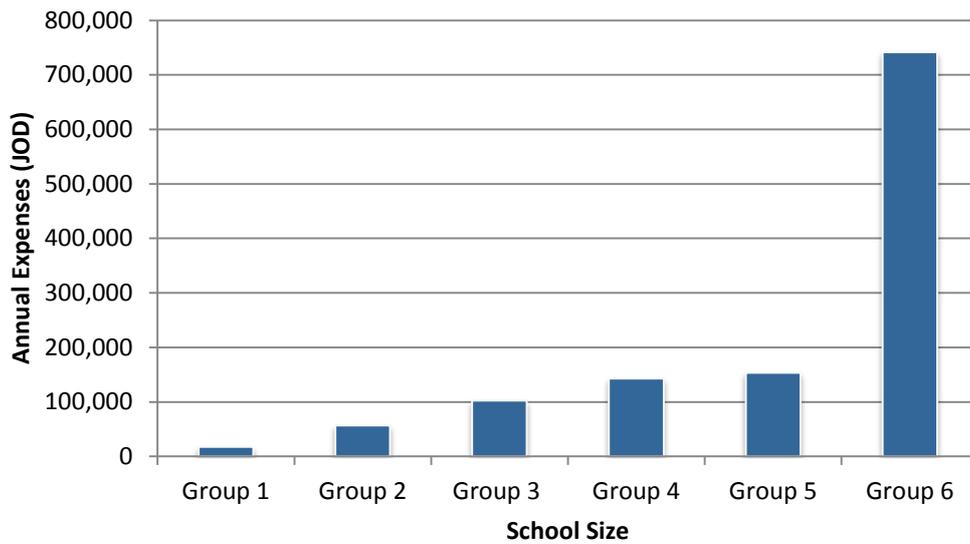
**Graph 18: Average annual revenue by school size**



**QUESTION 32: AVERAGE ANNUAL EXPENSES BY SCHOOL SIZE**

The average annual expenses increase as the school size increases (Table 28).

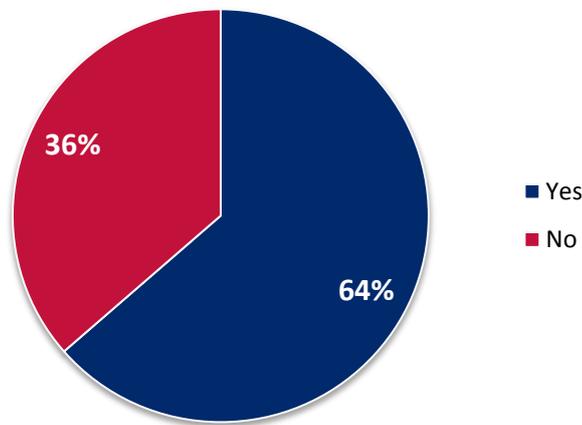
**Graph 19: Average annual expenses by school size**



**QUESTION 33: DID SCHOOL MAKE PROFIT IN LAST THREE YEARS?**

Sixty-four percent (64%) of schools made a profit over the last three years (Table 29). This ratio is consistent between groups.

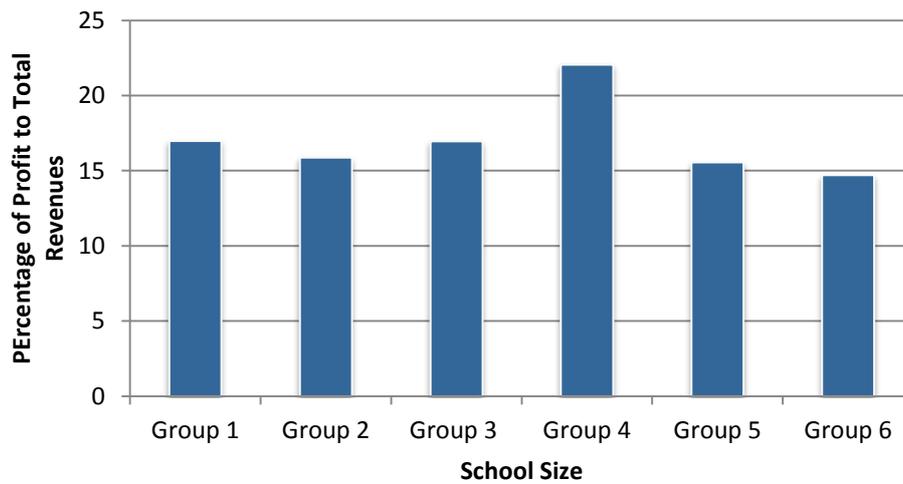
**Figure 14: Did school make profit in last three years?**



**QUESTION 34: AVERAGE PERCENTAGE OF GROSS PROFIT TO TOTAL REVENUES**

The average ratio of profit to total revenue is 17% (Table 30). Between groups, there is not much variance. Group 4, however, has the highest profit to total revenue average (22%).

**Graph 20: Average percentage of profit to total revenues by school size**

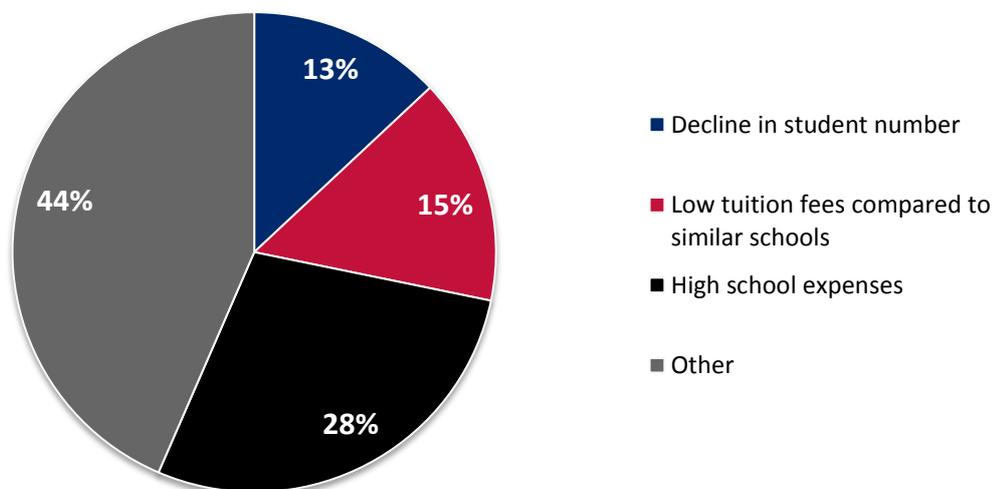


**QUESTION 35: MAIN REASONS FOR SCHOOL LOSSES**

A good proportion of schools have ‘other’ reasons for school losses (44%), 28% high school expenses and 15% state low tuition fees compared to similar schools (Table 31). ‘Other’ reasons included:

- High rent
- High salaries
- High bus leasing
- Access to public schools
- Unqualified management
- High cost of newly established school
- Competition with other schools
- Unprofitable basis
- Free tuition for humane causes
- Bad debts of tuition fees
- Loan payments
- Granted exemptions to students

**Figure 15: Main reason for school losses**



### QUESTION 36: INCREASE OR DECREASE IN ANNUAL REVENUE OVER PREVIOUS THREE YEARS

The 72 schools that answered question 36 stated that there was no increase or decrease in their annual revenues over the previous three years (Table 32).

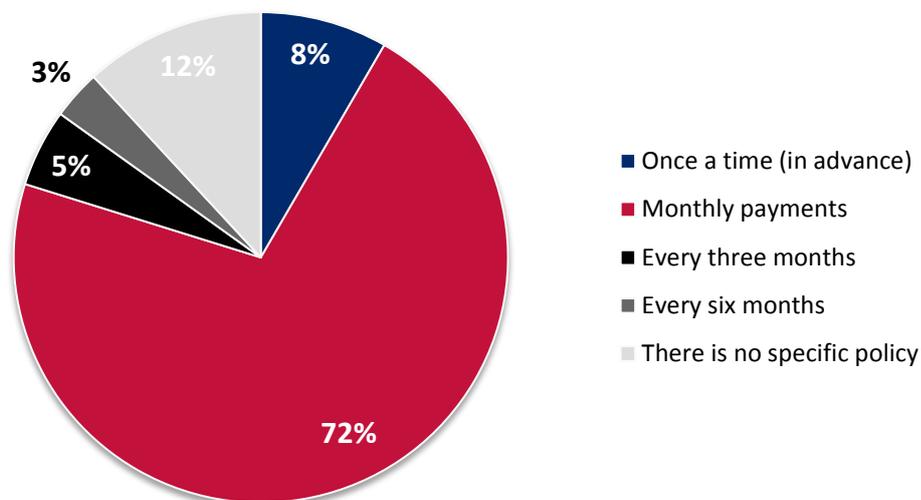
### QUESTION 37: INCREASE OR DECREASE IN ANNUAL EXPENSES OVER PREVIOUS THREE YEARS

The 50 schools that answered question 37 stated that there was no increase or decrease in their annual expenses over the previous three years (Table 33).

### QUESTION 38: TIMING OF TUITION PAYMENTS

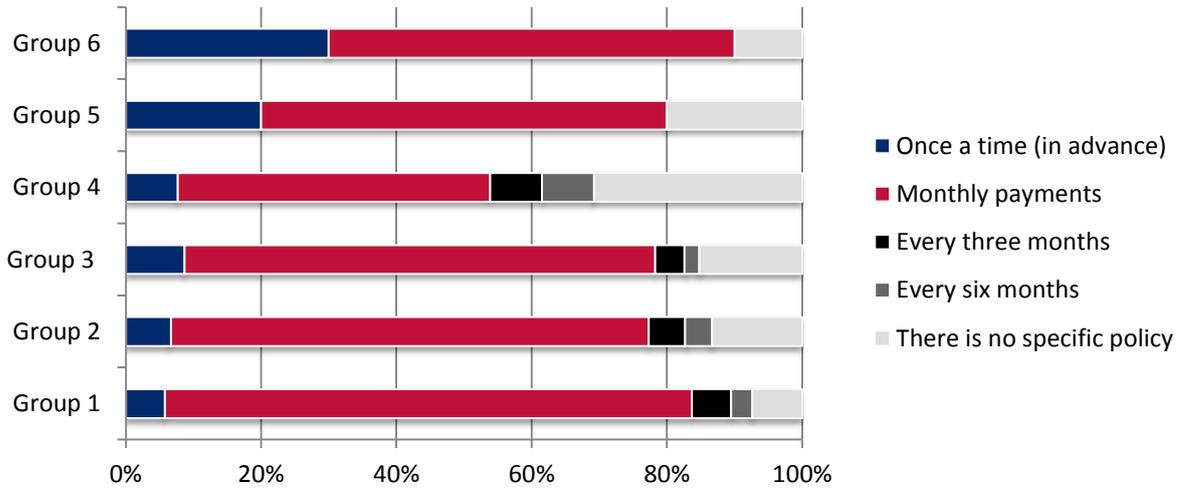
Seventy-two percent (72%) of schools receive monthly tuition payments while 12% have no specific tuition payment policy (Table 34).

**Figure 16: Timing of tuition payments**



Between groups, groups 1 through 3 display very similar positions of repayment terms while more schools in group 4 forgo payment policies.

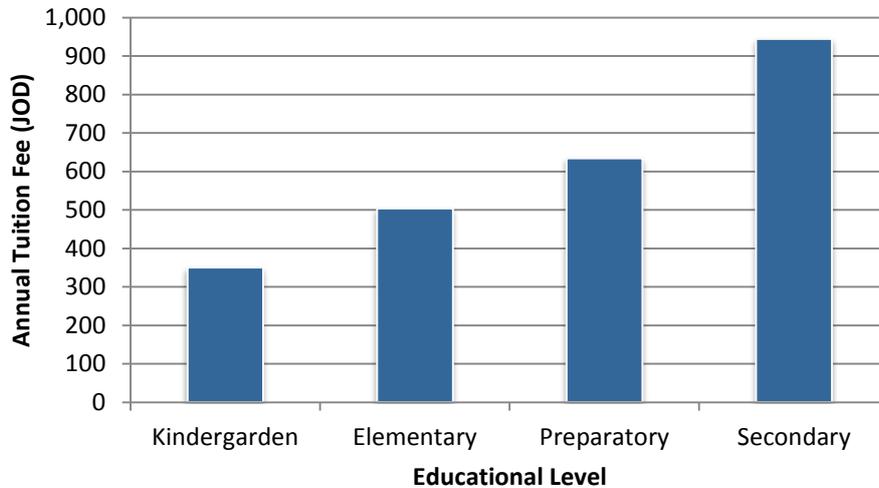
**Bar Graph 10: Timing of tuition payments by school size**



**QUESTION 39: AVERAGE ANNUAL TUITION FEE**

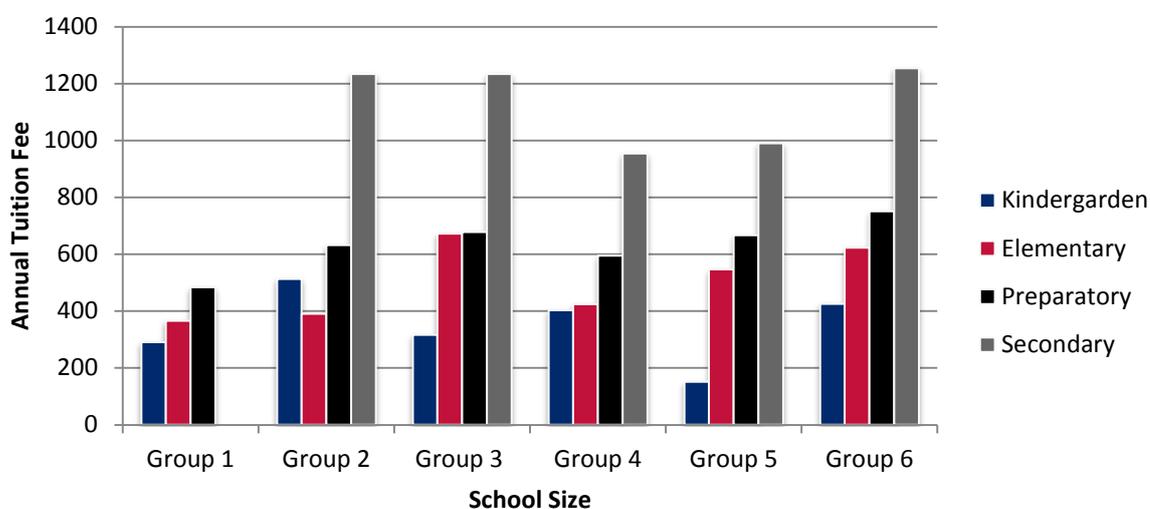
When distinguishing between education levels, there is an increase in the average annual tuition fee as students move on to higher grades (Table 35).

**Graph 21: Average annual tuition fee**



Between groups, there are variations in the average annual tuition fees across different stages of education. The greatest variance can be found when comparing kindergarden tuition fees between groups, which go as low as 151.5 JD per annum in group 5 to 512.2 JDs per annum in group 2 (Table 35). The same variance is seen between groups for the elementary tuition fees, while preparatory prices average around 634.0 JDs per annum.

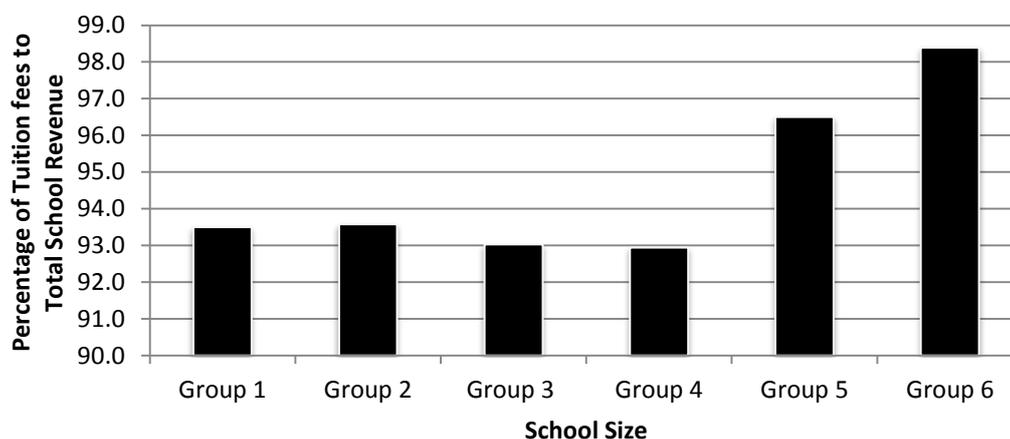
**Graph22: Average annual tuition fee by school size**



**QUESTION 40: AVERAGE PERCENTAGE OF TUITION FEES TO TOTAL SCHOOL REVENUE**

The average ratio of tuition fees to total school revenue is 94.9% (Table 36). There is little variance between groups.

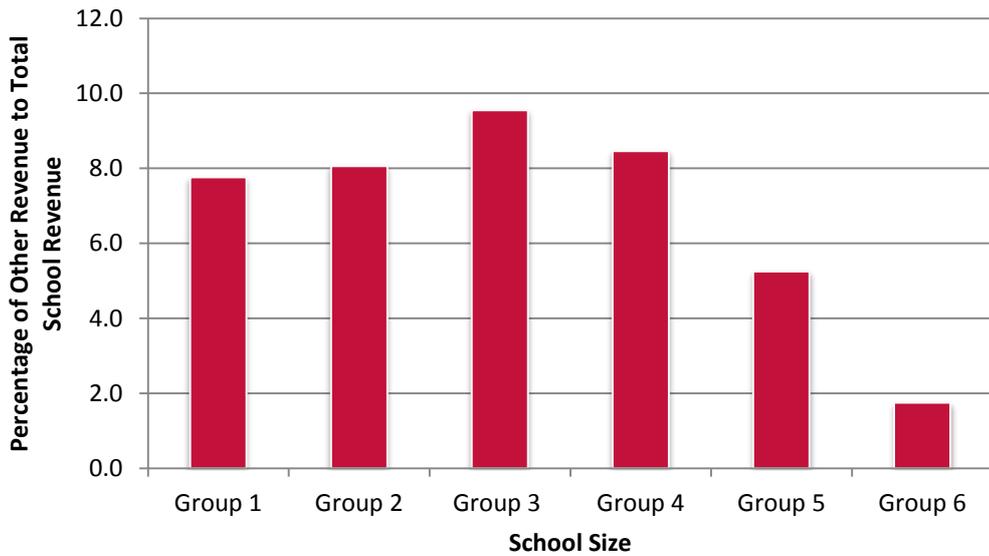
**Graph23: Average percentage of tuition fees to total school revenue by school size**



**QUESTION 41: AVERAGE PERCENTAGE OF OTHER REVENUE TO TOTAL SCHOOL REVENUE**

The average ratio of other revenue to total school revenue is 6.6% (Table 37). Between groups 1 through 4, the data shows little variance while the numbers in groups 5 and 6 are lower by comparison (5.3% and 1.8% respectively).

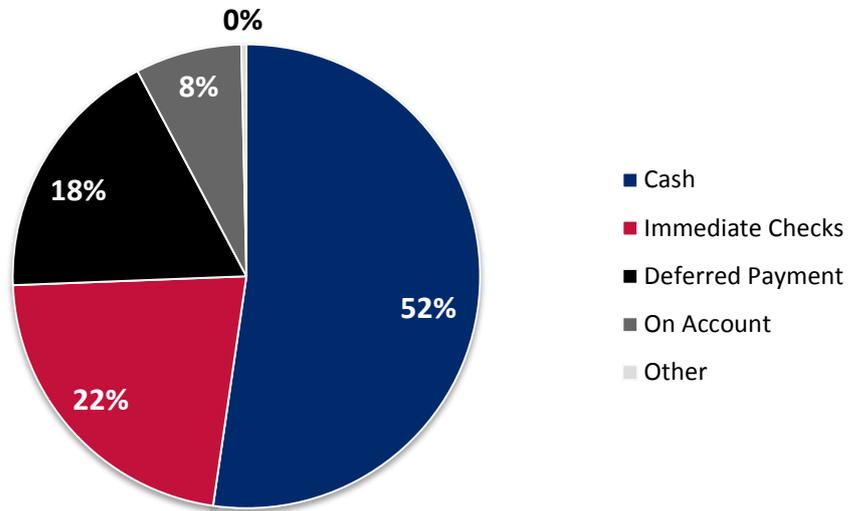
**Graph24: Average percentage of other revenue to total school revenue by school size**



**QUESTION 42: MANNER IN WHICH SCHOOL COLLECTS ITS REVENUE**

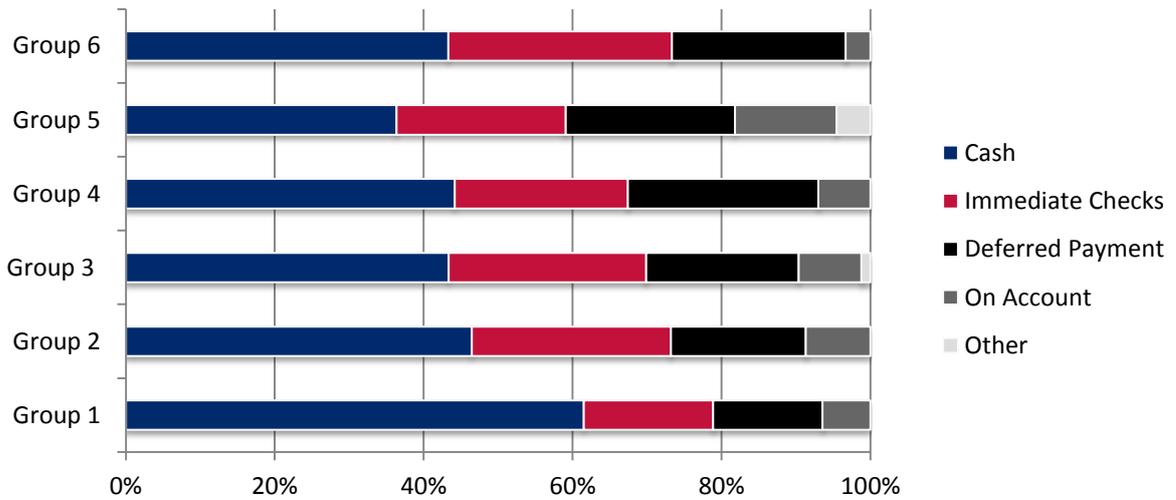
Half of the schools (52%) collect their revenues in the form of cash (Table 38). Another 22% demand immediate checks while 18% accept deferred payment. ‘Other’ manners, in which schools collect revenues, include exchange fees by goods and financial drafts.

**Figure 17: Manner in which school collects its revenue**



Between groups, the pattern is the same as the majority of schools within each group accept cash followed by immediate checks and deferred payments.

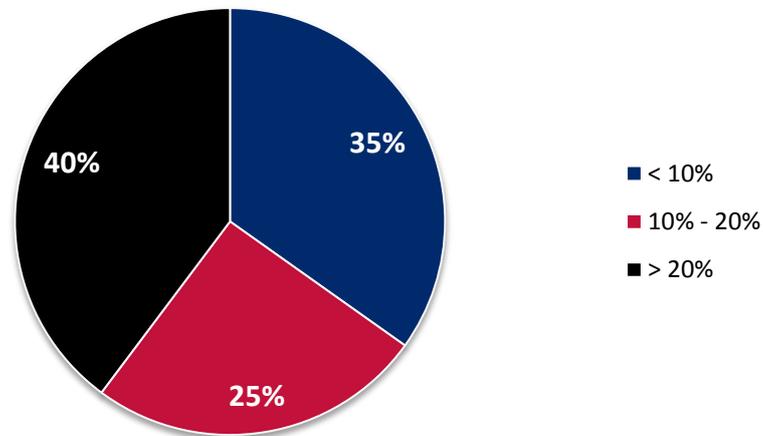
**Bar Graph I I: Manner in which school collects its revenue by school size**



**QUESTION 43: PERCENTAGE OF TUITION FEES NOT PAID ON TIME**

The majority of schools (40%) state that more than 20% of their tuition fees are not delivered on time, 35% state less than 10% while 25% state that it is between 10% and 20%(Table 39). These ratios hold true between groups.

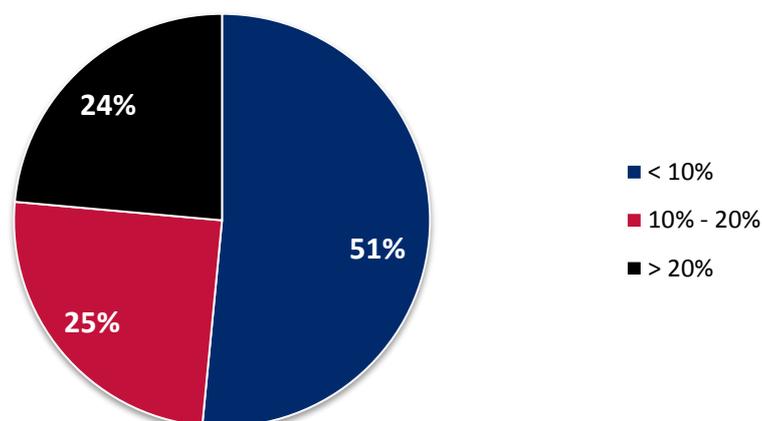
**Figure I8: Percentage of tuition fees not paid on time**



**QUESTION 44: PERCENTAGE OF UNCOLLECTABLE BAD DEBT**

The percentage of uncollectable bad debt is less than 10% according to half of the schools (Table 40). The remaining schools state that the percentage of uncollectable bad debt is either 10% to 20% or greater than 20% (25% and 24% of the schools respectively).

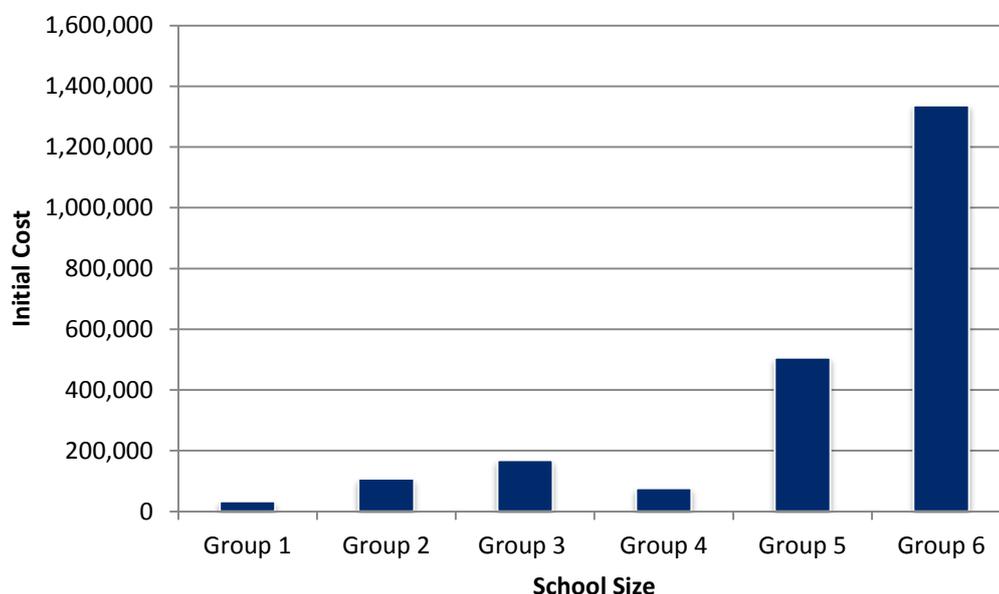
**Figure I9: Percentage of uncollectable bad debt**



### QUESTION 45: INITIAL COST OF THE SCHOOL

The initial cost of the school varies greatly between groups; naturally, the smaller the number of students, the lower the cost. With the exception of group 4, the numbers increase from approximately 33000 JD for schools in group 1 to 506000 JD in group 5 to 1337000 JD in group 6 (Table 41).

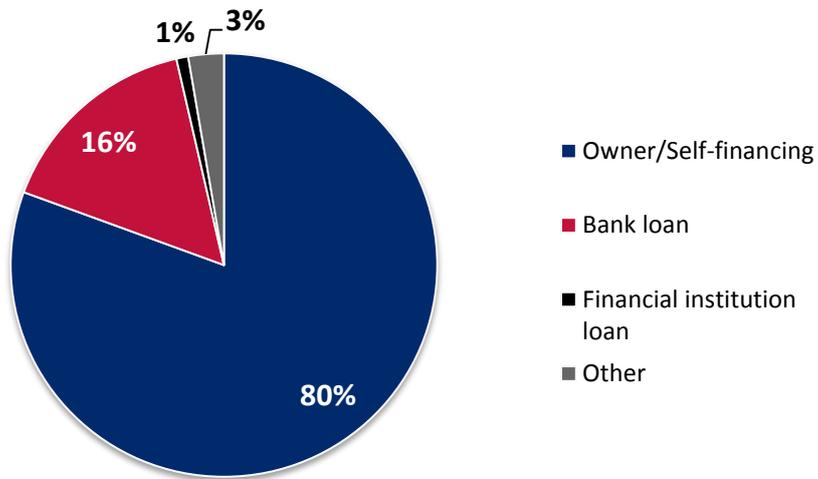
**Graph25: Initial cost of the school by school size**



### QUESTION 46: SCHOOL SOURCES OF FINANCE

The majority of the schools' sources of finance (80%) come from the owners themselves, i.e. self-financed, while another 16% resort to bank loans. The same is almost true between groups with the exception of group 5 where 37.5% of schools resort to bank loans (Table 42). 'Other' sources include donations/grants and loans from friends.

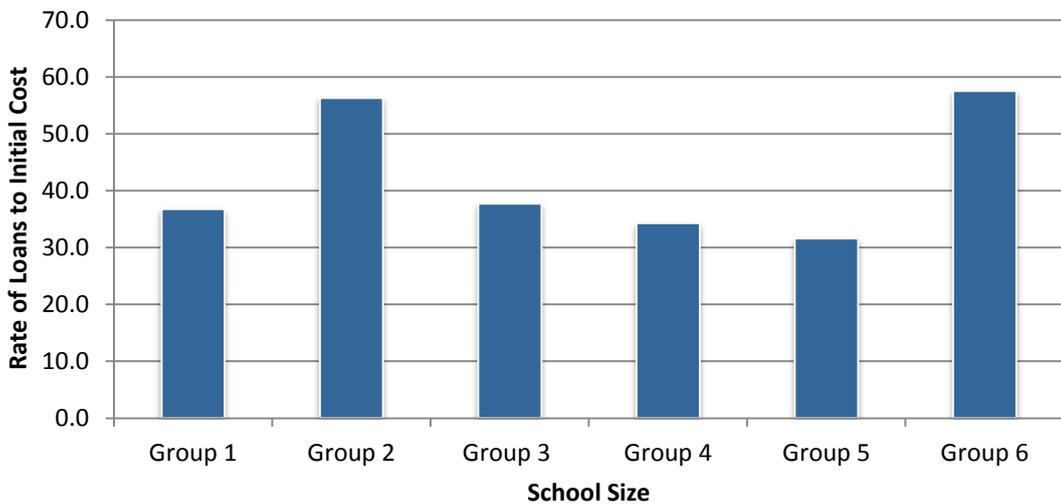
**Figure20: School sources of finance**



**QUESTION 47: RATE OF LOANS TO INITIAL COST**

The rate of loans to the initial cost is 43.5% (Table 43). Between groups, it ranges from 31.6% in group 5 to 57.5% in group 6. Otherwise, groups 1 and 3 through 5 are between 30% and 40% while groups 2 and 6 experience rates at around 57%.

**Graph26: Rate of loans to initial cost by school size**

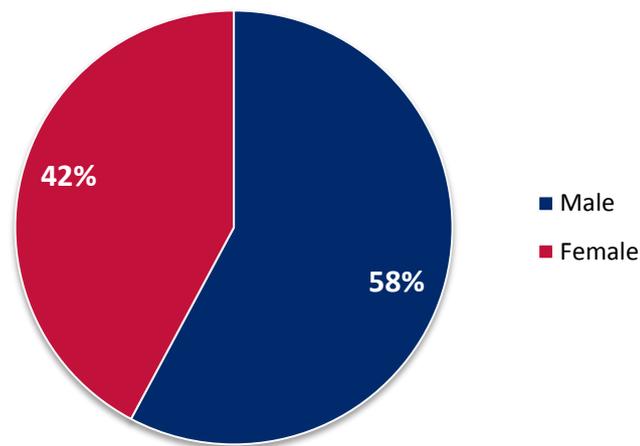


### SECTION 3: ASSESSMENT OF THE FINANCIAL AND ADMINISTRATIVE MANAGEMENT

#### QUESTION 48: Gender of the owner or main partner of the school

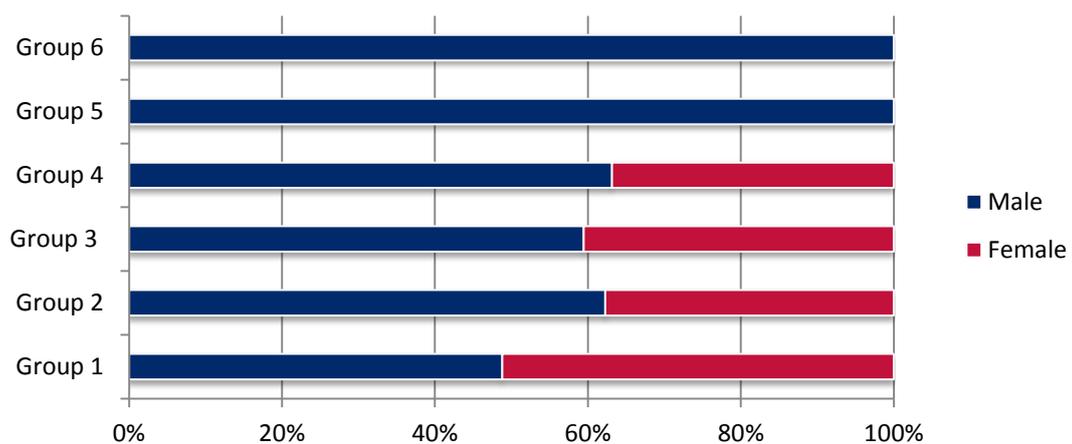
Fifty-eight percent (58%) of owners/main partners are male while 42% are females (Table 44).

**Figure 21: Gender of the owner or main partner of the school**



Between groups 1 to 4 the ratio of male to female owners ranges from 50% to 60% while groups 5 and 6 are owned by males only.

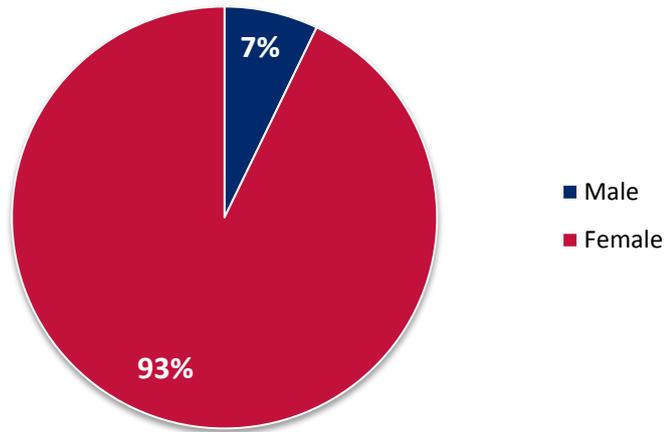
**Bar Graph 12: Gender of the owner or main partner of the school by school size**



#### QUESTION 49: GENDER OF THE PRINCIPAL

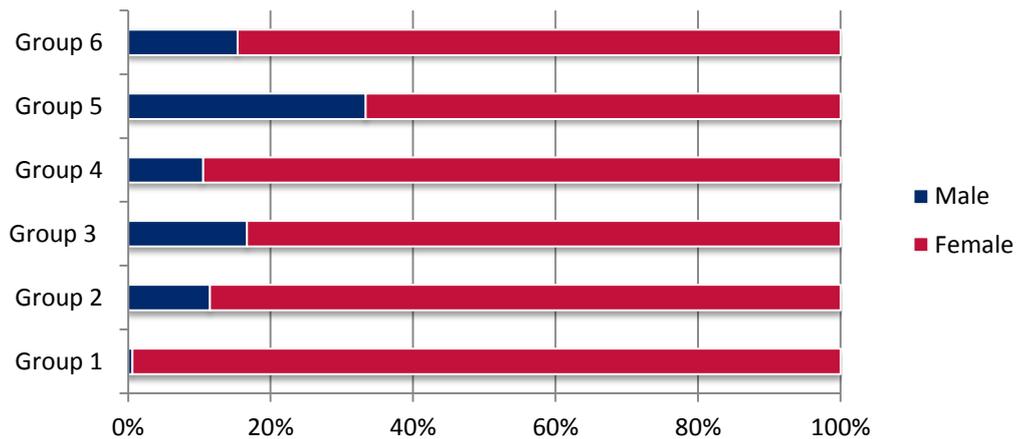
The majority of school principals (93%) are females, while the remaining 7% are males (Table 45).

Figure22: Gender of the principal



Between groups 2 through 4 and 6 the ratios are approximately the same. In group 5, 33.3% of principals are male while the principles of schools in group 1 are 99.4% females (Table 45).

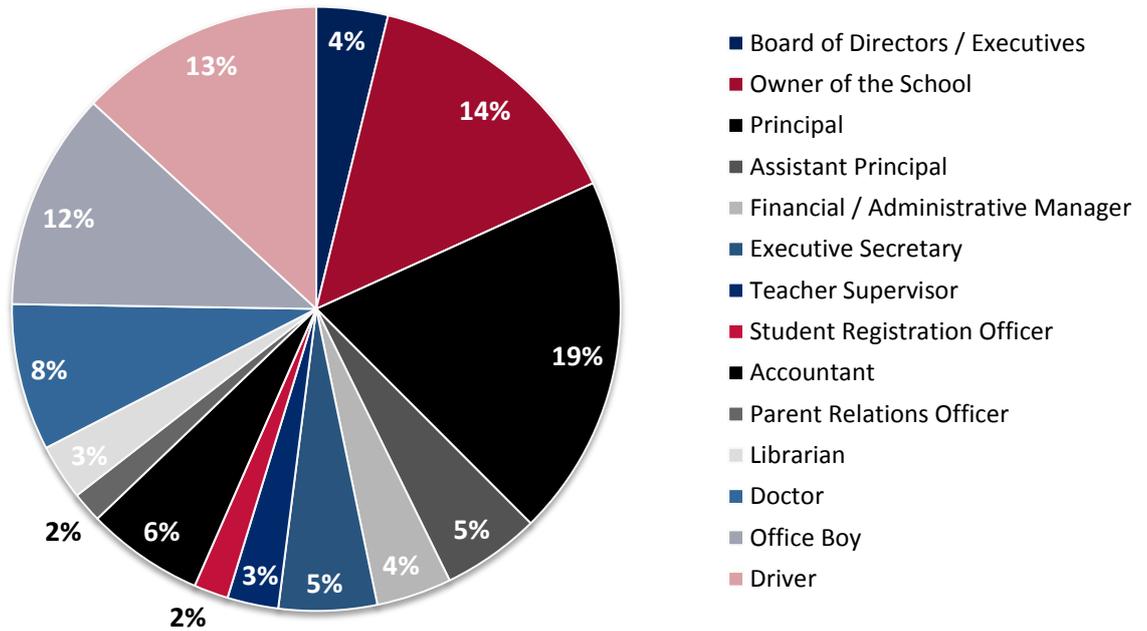
Bar Graph13: Gender of the principal by school size



### QUESTION 50: MANAGEMENT AND ADMINISTRATIVE STAFF

The organizational structure of the school consists of many different individuals that assist in the function of the school. The most frequently cited staff includes principals (19%), owners (14%), drivers (13%) and teachers (12%). Details can be found in Annex 3, Table 46.

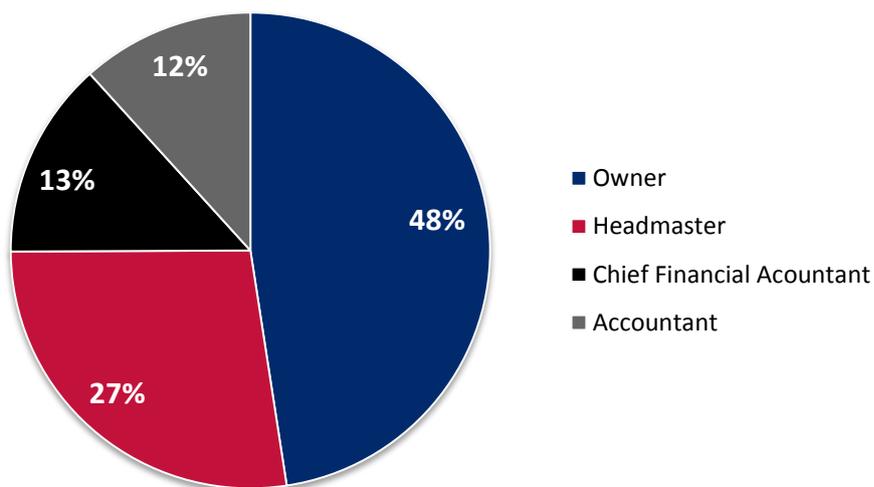
**Figure23 Management and administrative staff**



**QUESTION 52: OVERSEEING FINANCIAL MATTERS OF THE SCHOOL**

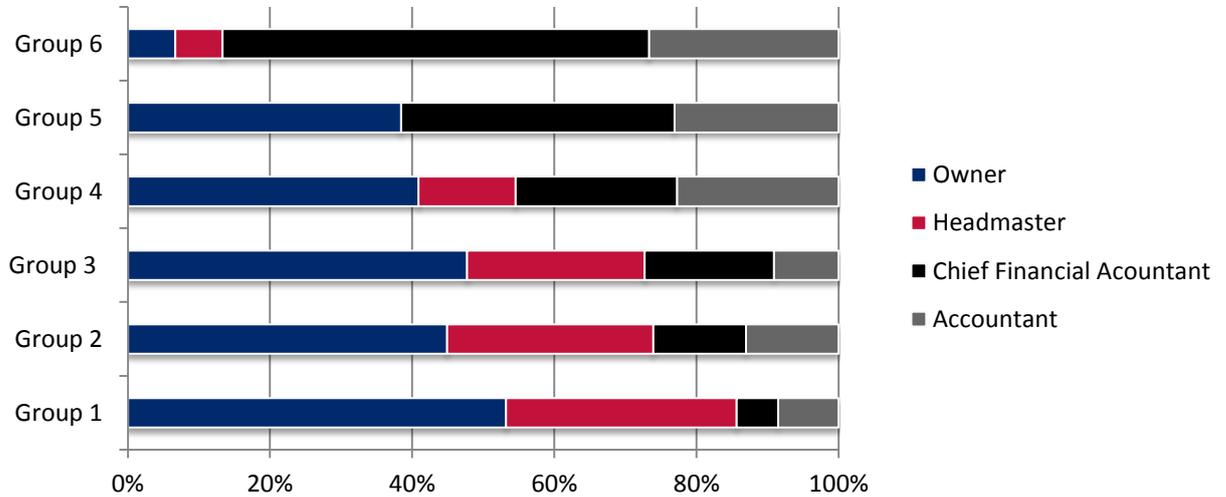
The school owner usually oversees the financial matters of the school (48%, Table 47). This is followed by the headmaster (27%) and the chief financial accountant (13%).

**Figure24: Oversees financial matter of the school**



Between groups, as the school size increases, there is an increase in the number of chief financial accountants that oversee the schools' financial matters. However, with the exception of schools in group 6, it is the owner who is usually responsible for this task.

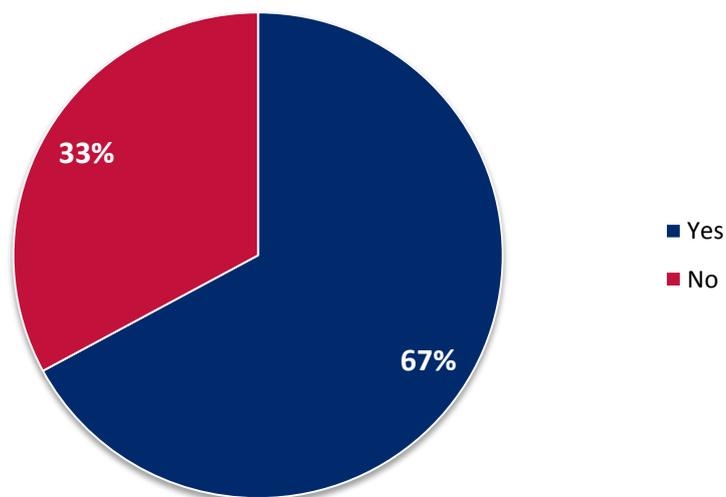
**Bar Graph 14: Oversees financial matter of the school by school size**



### QUESTION 53: DOES THE SCHOOL KEEP WELL-ORGANIZED ACCOUNTING RECORDS?

Sixty-seven percent (67%) of schools keep well-organized accounting records while the remaining 33% do not (Table 48).

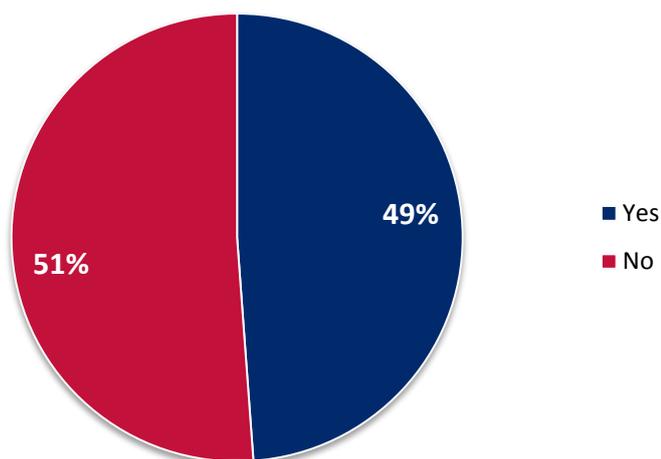
**Figure 25: Does the school keep well organized accounting records?**



## QUESTION 54: SCHOOLS FINANCIAL STATEMENTS AUDITED BY AN EXTERNAL AUDITOR

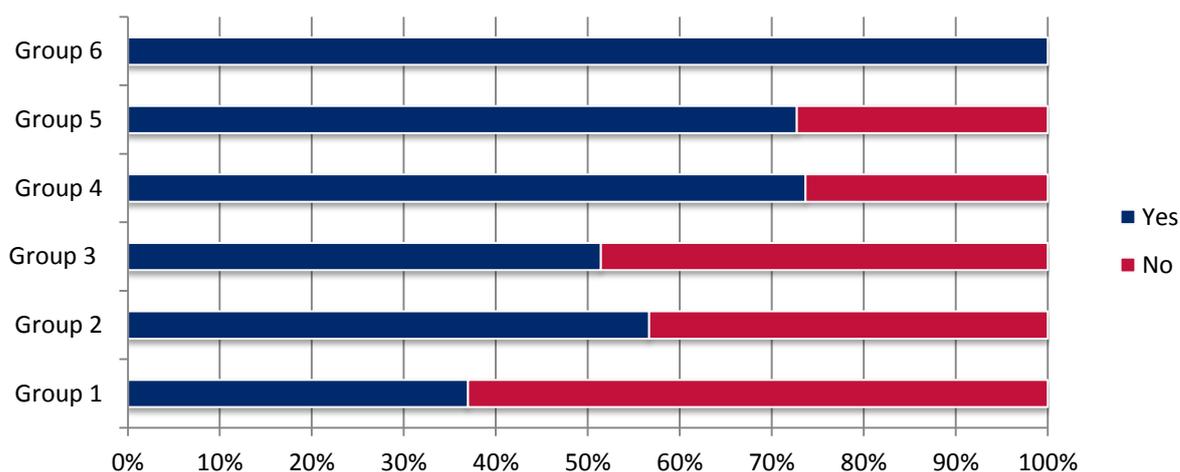
Forty-nine percent (49%) of schools claim to be audited by an external auditor while the other 51% do not (Table 49).

**Figure26: Schools financial statements audited by an external auditor**



Between groups, as the student size increases, so does the probability of a school bringing an external auditor.

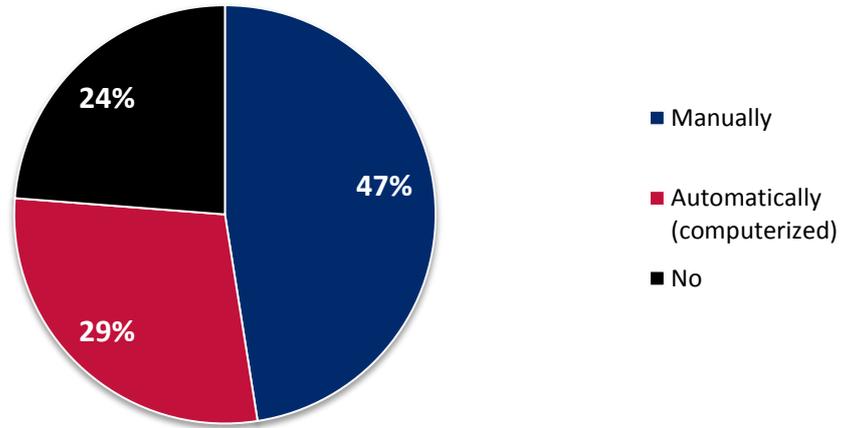
**Bar Graph 15: Schools financial statements audited by an external auditor by school size**



## QUESTION 55: ACCOUNTING SYSTEM

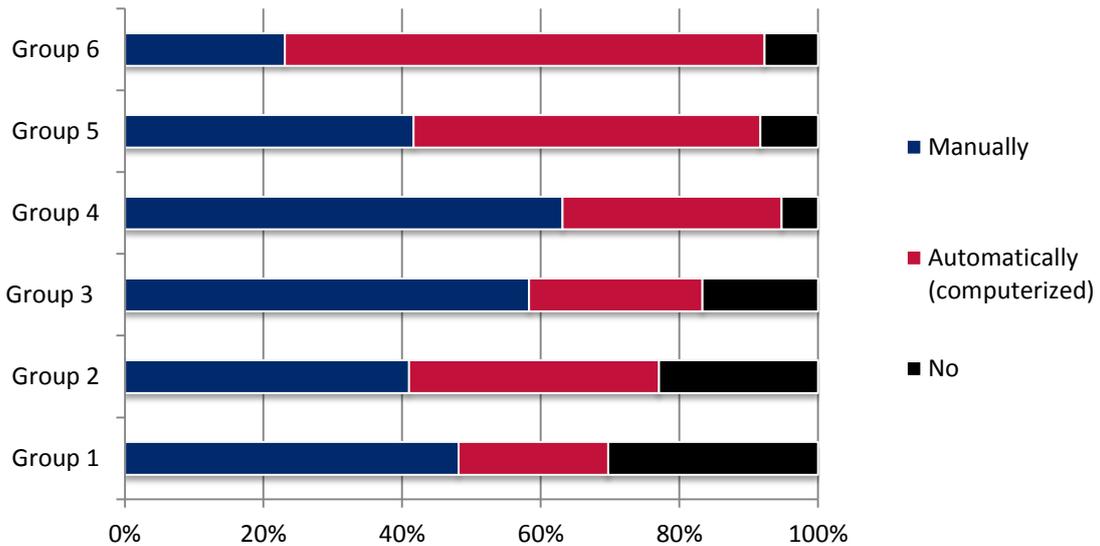
The accounting system for the majority of schools (47%) is done manually (Table 50). Another 29% have automatic or computerized systems while 24% have no system at all.

**Figure27: Accounting system**



Between groups, as the student size increase, the number of schools with no accounting system decreases while the number of computerized accounting systems increases.

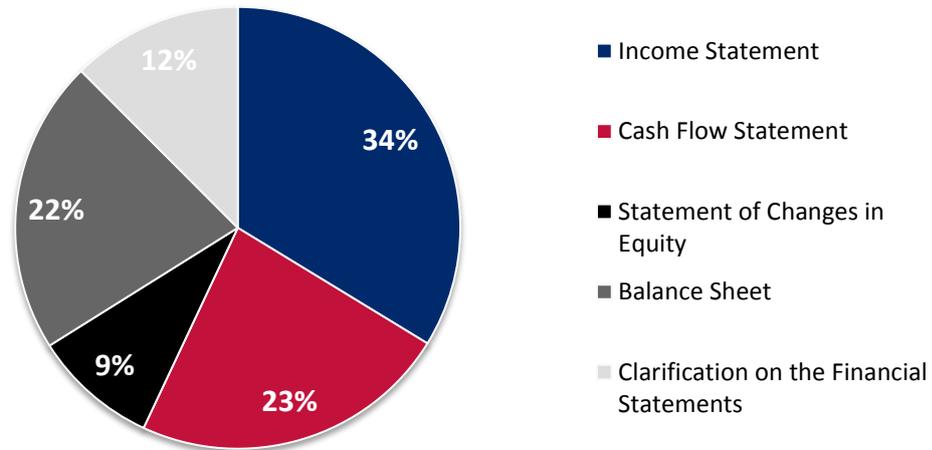
**Bar Graph 6: Accounting system by school size**



**QUESTION 56: TYPE OF PERIODIC FINANCIAL STATEMENTS**

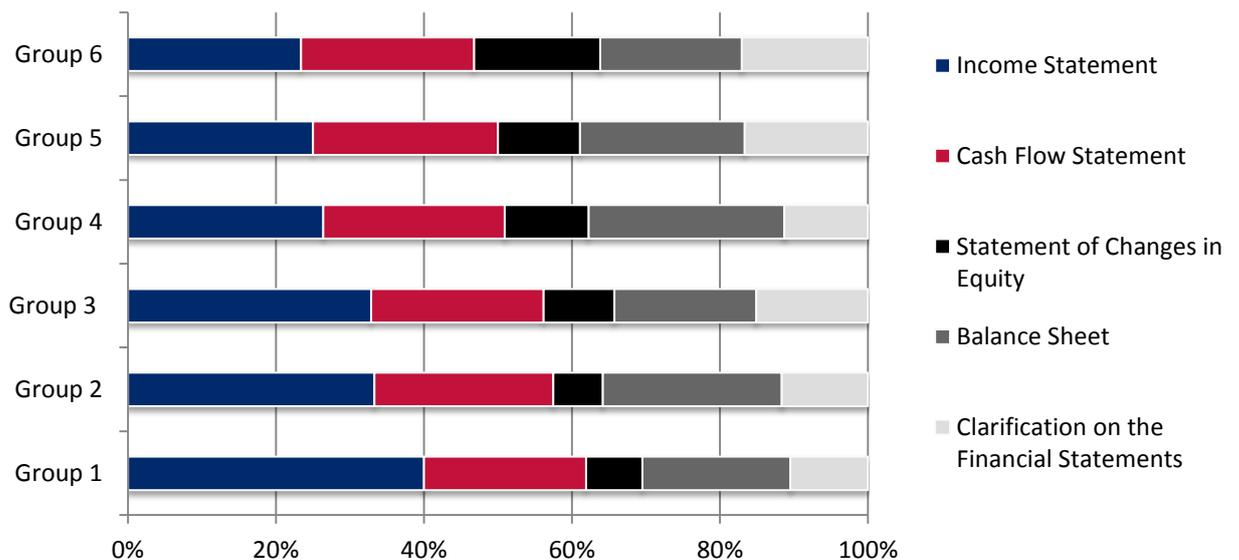
Income statements are the most common financial statement (34%, Table 51). Another 23% use cash flow statements while 22% use balance sheets.

**Figure28: Type of periodic financial statements**



The preceding ratios are similar between groups.

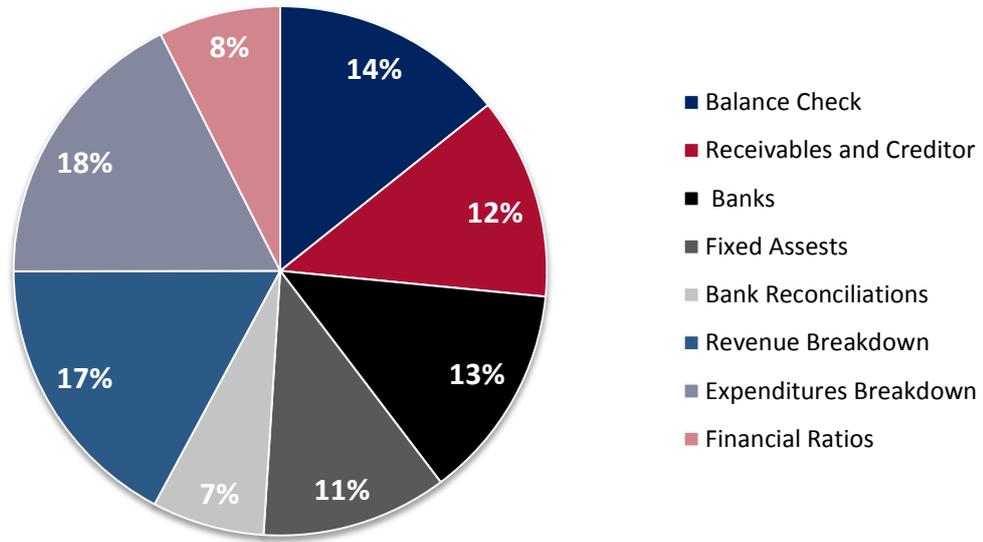
**Bar Graph 7: Type of periodic financial statements by school size**



### QUESTION 57: TYPE OF PERIODIC FINANCIAL REPORTS

The types of periodic financial reports produced are diverse as schools use a number of different forms. The two most common periodic financial reports are expenditure breakdowns (18%) and revenue breakdowns (17%). A detailed breakdown between groups can be found in Annex 3, Table 52.

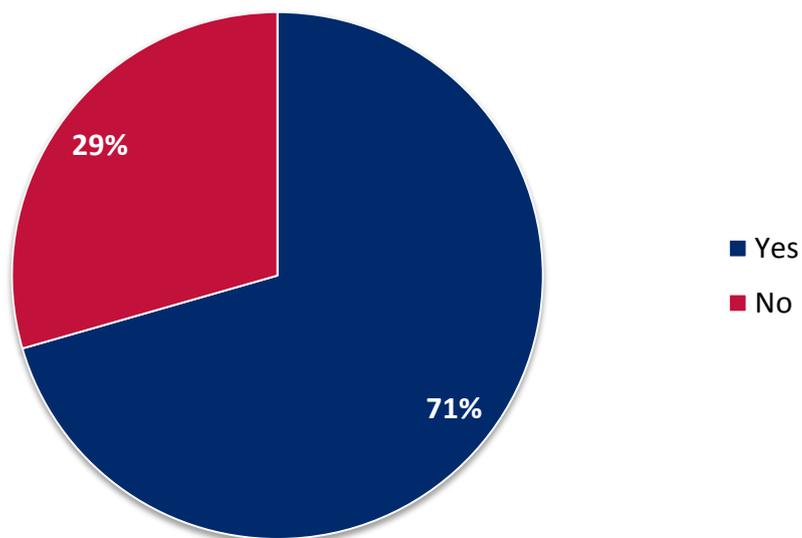
**Figure29: Type of periodic financial reports**



**QUESTION 58: IS THERE A FORECAST BUDGET PLANNED AT BEGINNING OF THE YEAR?**

Seventy-one percent(71%) of schools do have a forecast budget planned at the beginning of the year while 29% do not (Table 53). The same is almost true between groups.

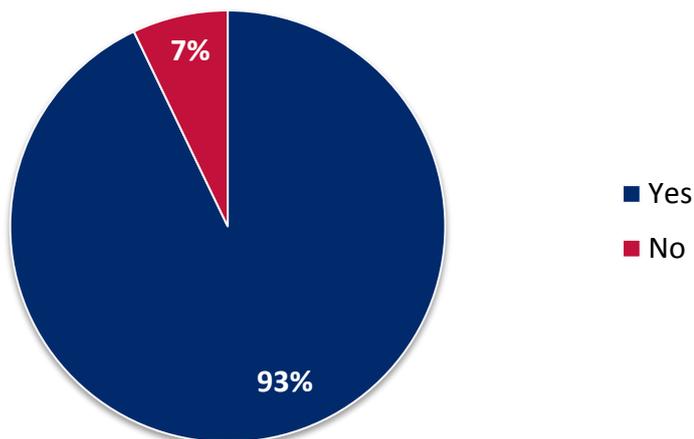
**Figure30: Is there a forecast budget planned at beginning of the year?**



**QUESTION 59: IF A FORECAST BUDGET IS PLANNED, IS IT PERIODICALLY REVIEWED, ANALYZED AND MODIFIED?**

Of those who answered yes to the previous question, 93% state it is periodically reviewed, analyzed and modified (Table 54).

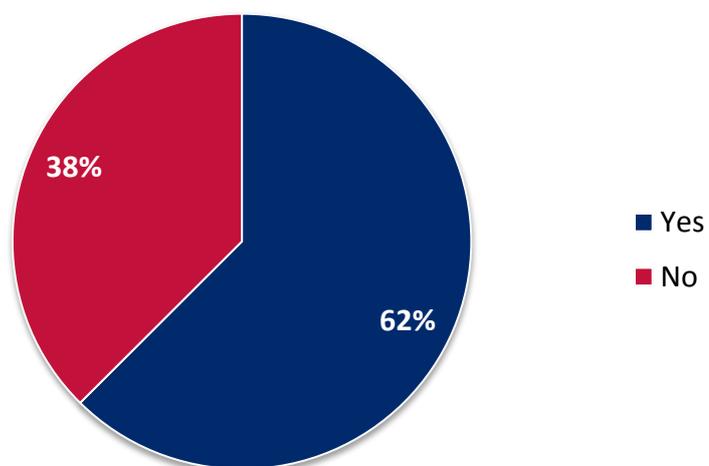
**Figure31: If the answer is yes, is there a periodic review of this budget and analysis of its deviations to be modified?**



**QUESTION 60: IS THERE A PREPARATION OF FORECAST PERIODIC CASH FLOW STATEMENT (MONTHLY OR YEARLY) FOR THE SCHOOL?**

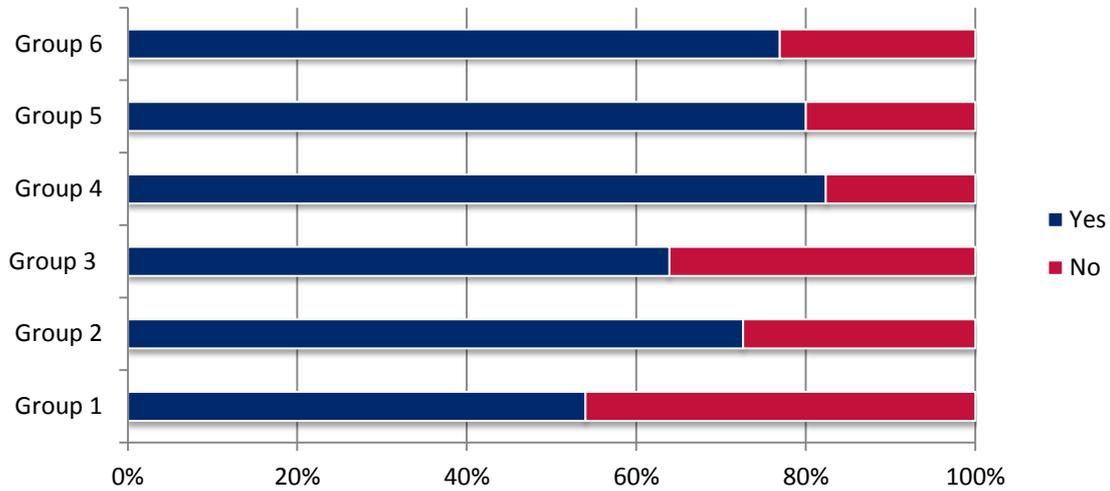
Sixty-two percent (62%) of schools prepare a forecast periodic cash flow statement (monthly or yearly), while 38% do not (Table 55).

**Figure32: Is there a preparation of forecast periodic cash flow statement (monthly or yearly) for the school?**



The number of schools that do prepare a forecast periodic cash flow statement is higher in groups 4 through 6,

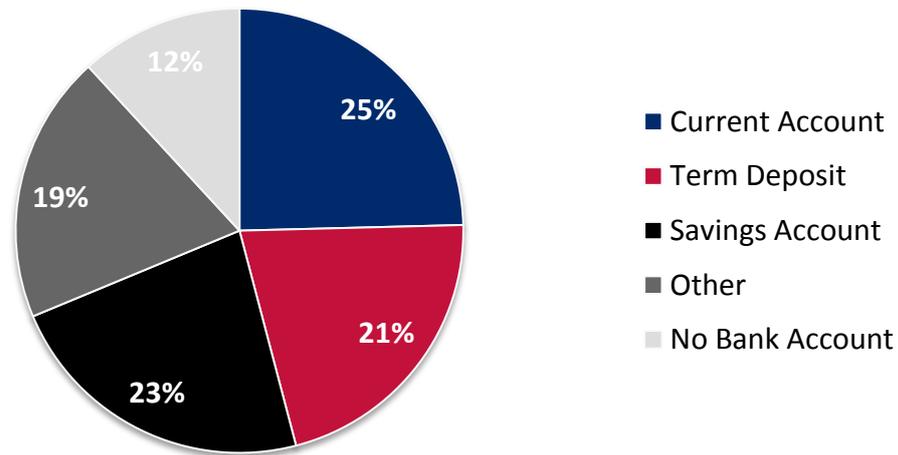
**Bar Graph 18: 'Is there a preparation of forecast periodic cash flow statement (monthly or yearly) for the school?' by school size**



#### QUESTION 61: TYPE OF BANK ACCOUNT

Twenty-five percent (25%) of schools have a current account, 23% have a savings account while only 12% do not have any bank account (Table 56).

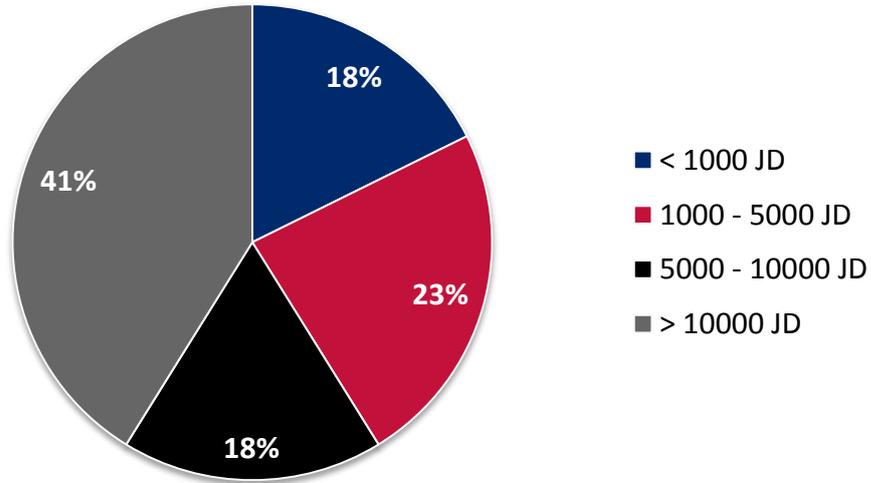
**Figure 33: Type of bank account**



#### QUESTION 62: AVERAGE ANNUAL BALANCE OF THE TERM DEPOSIT AT THE BANK

Only 17 schools provided a response to question 62. The average annual balance of the term deposit at the bank is greater than 10000 JDs for 41% of schools while 23% deposit between 1000 JD and 5000 JDs (Table 57).

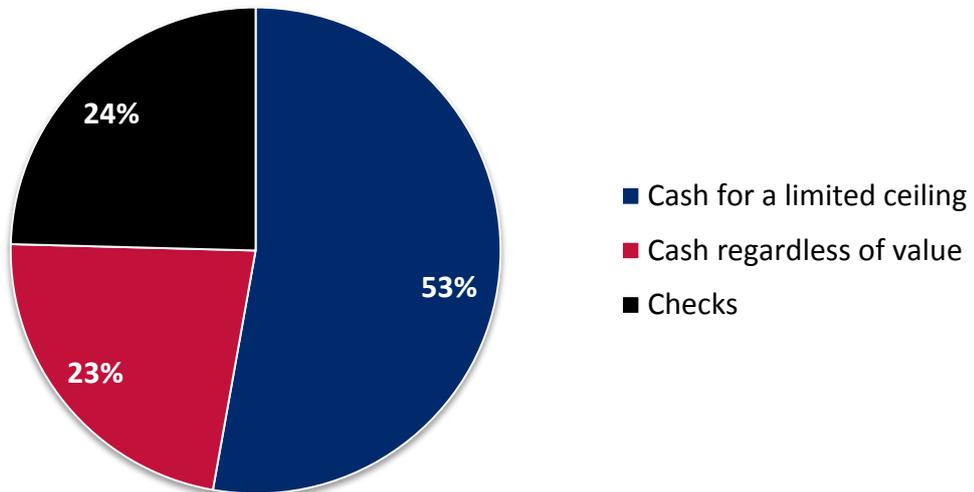
**Figure34: Average annual balance of the term deposit at the bank**



**QUESTION 63: METHOD OF PAYMENT FOR COMMITMENTS TO SUPPLIERS**

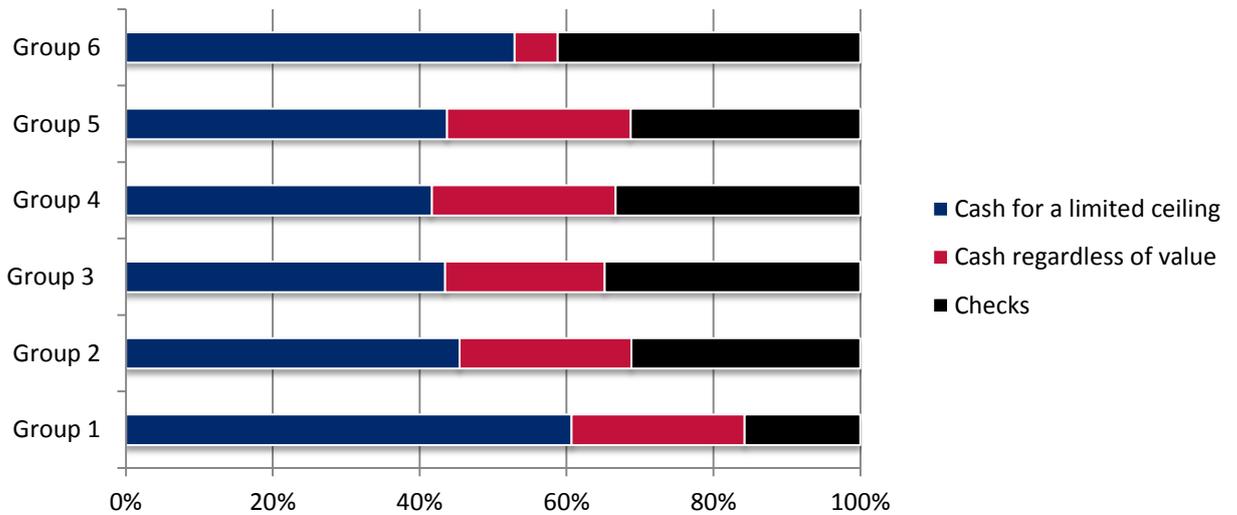
The most common method of payment for commitments to suppliers is cash for a limited ceiling (53%, Table 58). The remaining 24% do checks, while 23% do cash regardless of value.

**Figure35: Method of payment for commitments to suppliers**



The most common method of payment between groups is also cash for a limited ceiling followed by checks and cash regardless of value.

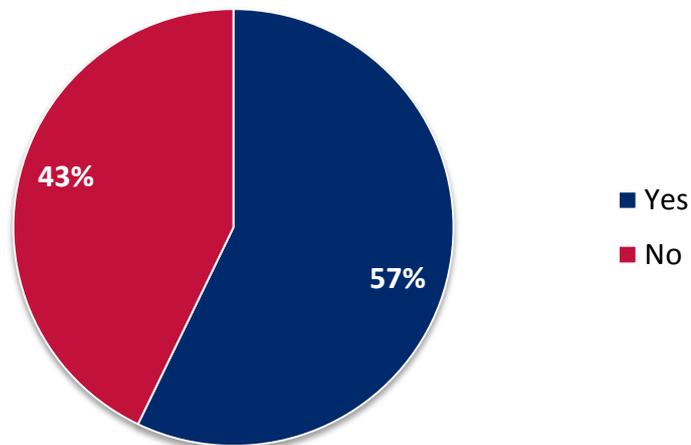
**Bar Graph 19: Method of payment for commitments to suppliers by school size**



**QUESTION 64: SCHOOL RECEIVES INTEREST OR DIVIDENDS FROM THE BANK AGAINST ITS TERM DEPOSIT**

Of the schools with bank accounts, 57% receive interest or dividends against their term deposit while the remainders don't (Table 59).

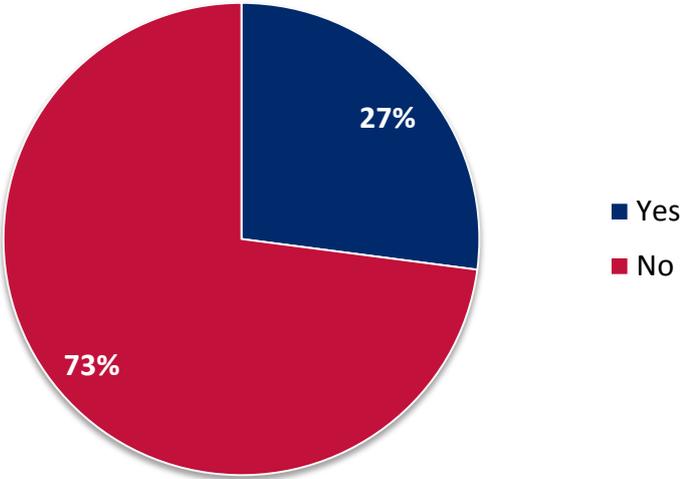
**Figure 36: School receives interest or dividends from the bank against its term deposit**



**QUESTION 65: SCHOOL HAS BOUNCED CHECKS DUE TO INSUFFICIENT BALANCE**

Of the schools with bank accounts, only 27% claim to have bounced checks due to insufficient funds. The remaining 73% have not (Table 60).

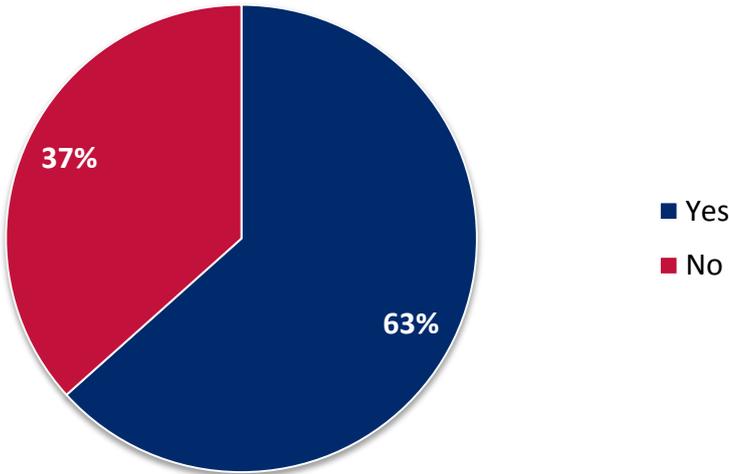
**Figure37: School has bounced checks due to insufficient balance**



**QUESTION 66: IS THERE AN INTERNAL SYSTEM REFERENCED AND DOCUMENTED FOR PERSONNEL AND STAFF AT THE SCHOOL?**

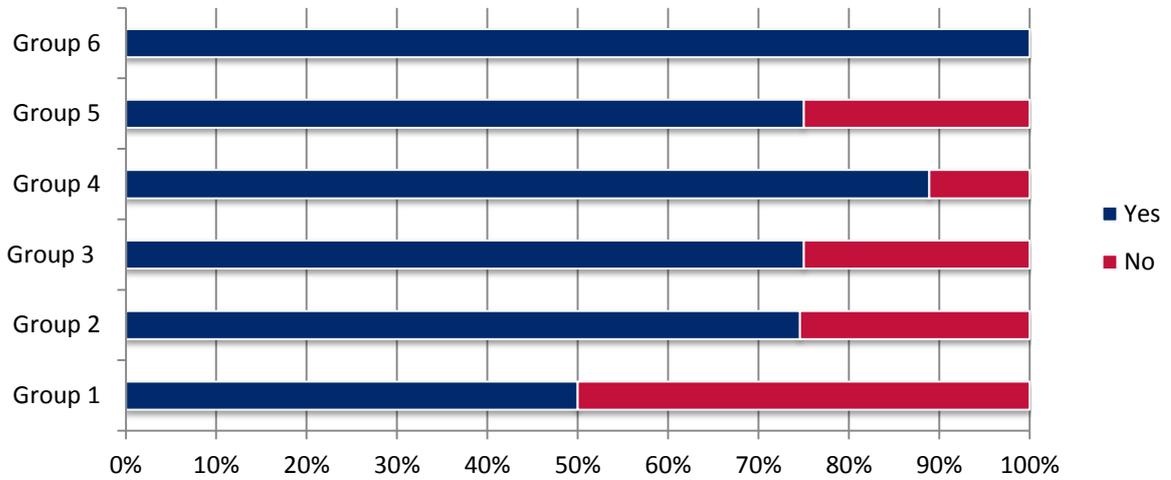
Sixty-three percent (63%) of schools have an internal system that is referenced and documented for the personnel and school staff (Table 61). However, the question depends on the subjective answers of the respondents.

**Figure38: Is there an internal system which is referenced and documented for personnel and staff at the school?**



With the exception of group 5, the number of schools with an internal system increases as the school size increases. All schools in groups 6 have an internal system.

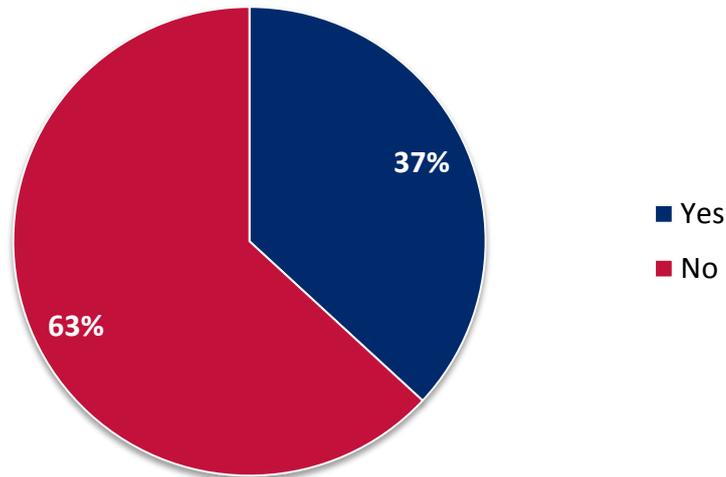
**Bar Graph20: 'Is there an internal system which is referenced and documented for personnel and staff at the school?' by school size**



**QUESTION 67: IF INTERNAL SYSTEM EXISTS, IS THIS SYSTEM LINKED TO AUTOMATED ACCOUNTING SYSTEM AND DEPENDS ON ITS OUTPUTS**

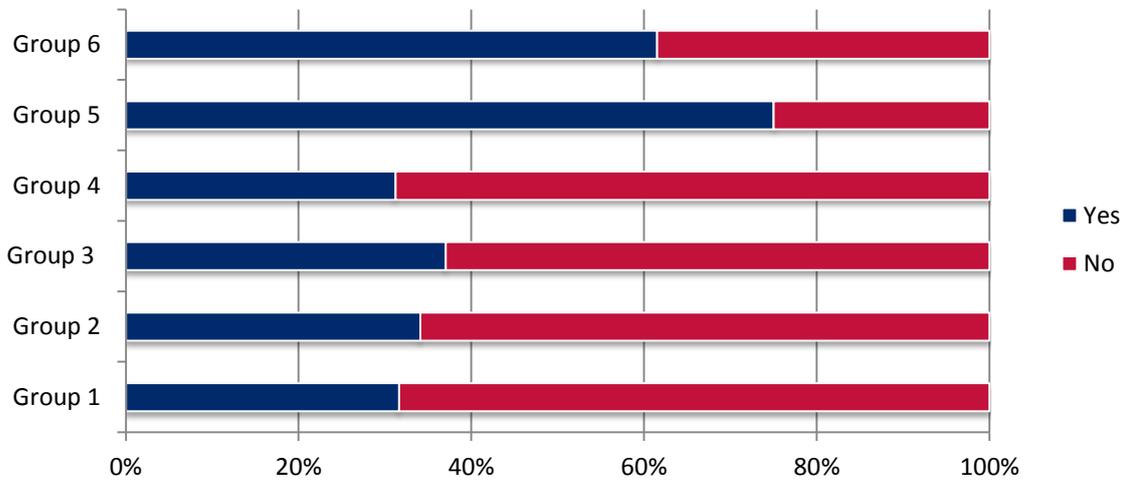
Of those who claimed to have an internal system, only 37% are linked to an automated accounting system (Table 62).

**Figure39: If internal system exists, is this system linked to automated accounting system and depends on its outputs**



Between groups, the presence of an automated system increases significantly in schools with more than 400 students.

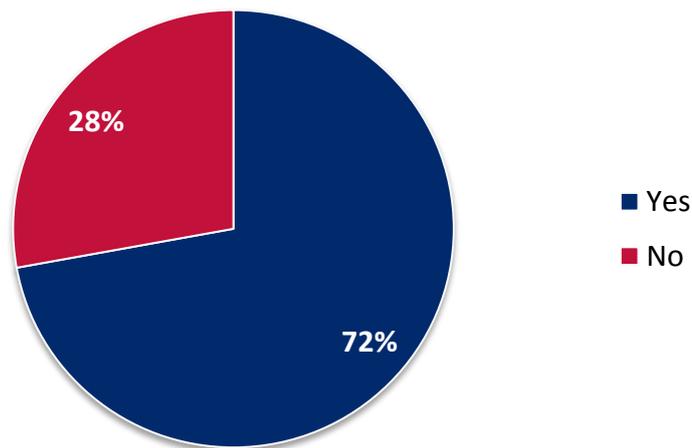
**Bar Graph21: 'If internal system exists, is this system linked to automated accounting system and depends on its outputs' by school size**



**QUESTION 68: ARE THERE DOCUMENTED POLICIES AND WORK PROCEDURES FOR THE SCHOOL?**

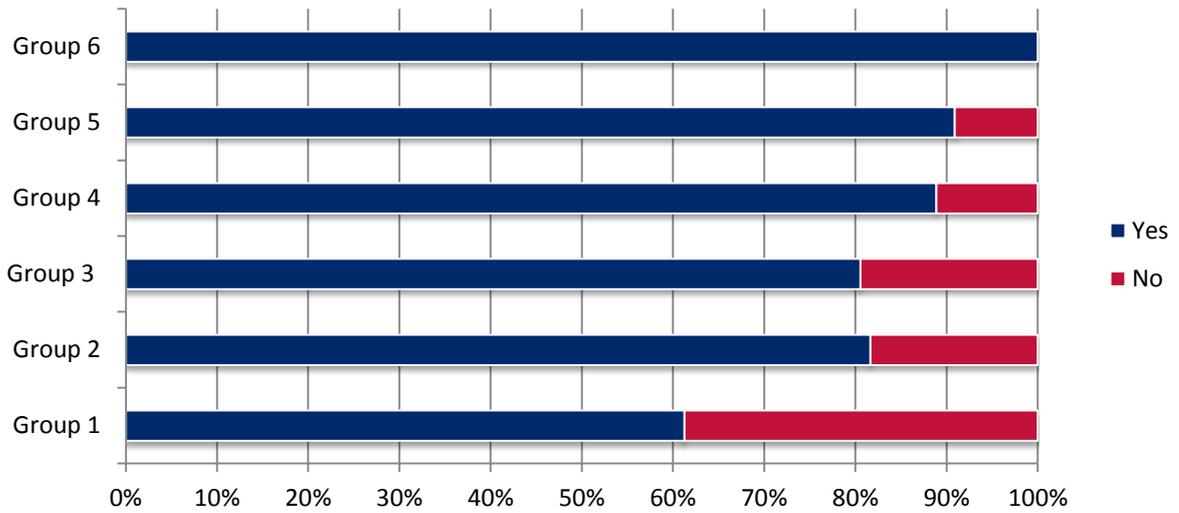
Seventy-two percent (72%) of schools have documented policies and work procedures while 28% do not (Table 63).

**Figure40: Are there documented policies and work procedures for the school?**



Between groups, the presence of documented policies and work procedures increases as the school size increases.

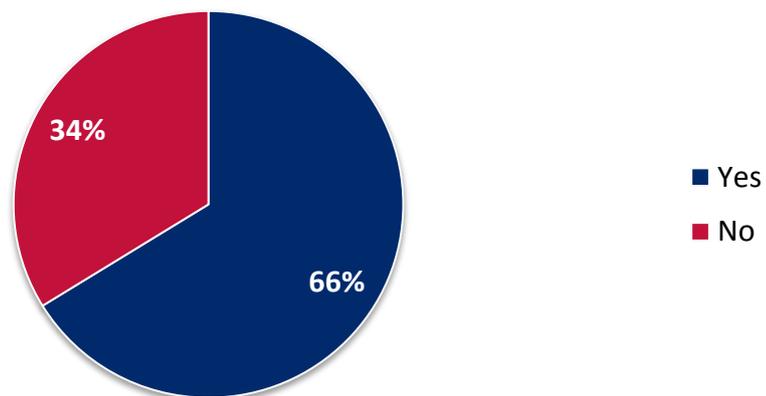
**Bar Graph22: Are there documented policies and work procedures for the school?' by school size**



**QUESTION 69: IS THERE A CLEAR AND SPECIFIC ADMINISTRATIVE AND ORGANIZATIONAL STRUCTURE SUPPORTED FOR THE PURPOSES OF DETERMINING THE DEPARTMENTS, SECTIONS, FUNCTIONS AND JOB DESCRIPTIONS FOR EACH JOB?**

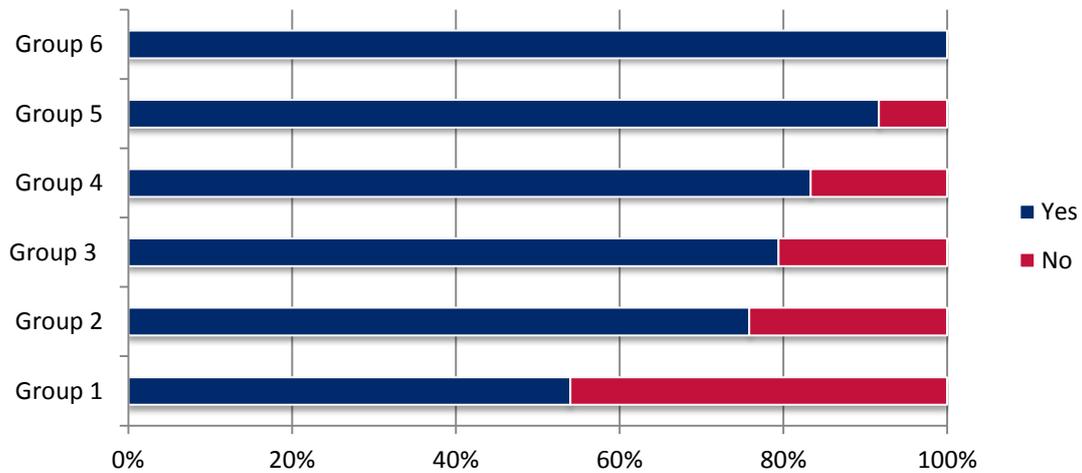
Sixty-six percent (66%) of schools have administrative and organizational structures for the purpose of determining the departments, sections, functions and job descriptions for each job (Table 64).

**Figure41: Clear and specific administrative and organizational structure**



Between groups, the presence of administrative and organizational structures increases as the school size increases.

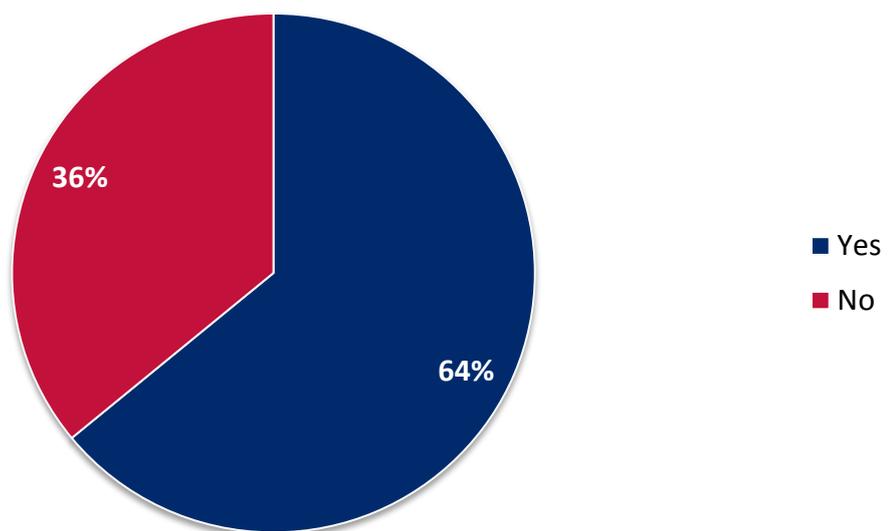
**Bar Graph23: Clear and specific administrative and organizational structure by school size**



#### QUESTION 70: ARE THERE INTERNAL REGULATIONS THAT DEFINE THE ADMINISTRATIVE AND FINANCIAL AUTHORITIES IN THE SCHOOL?

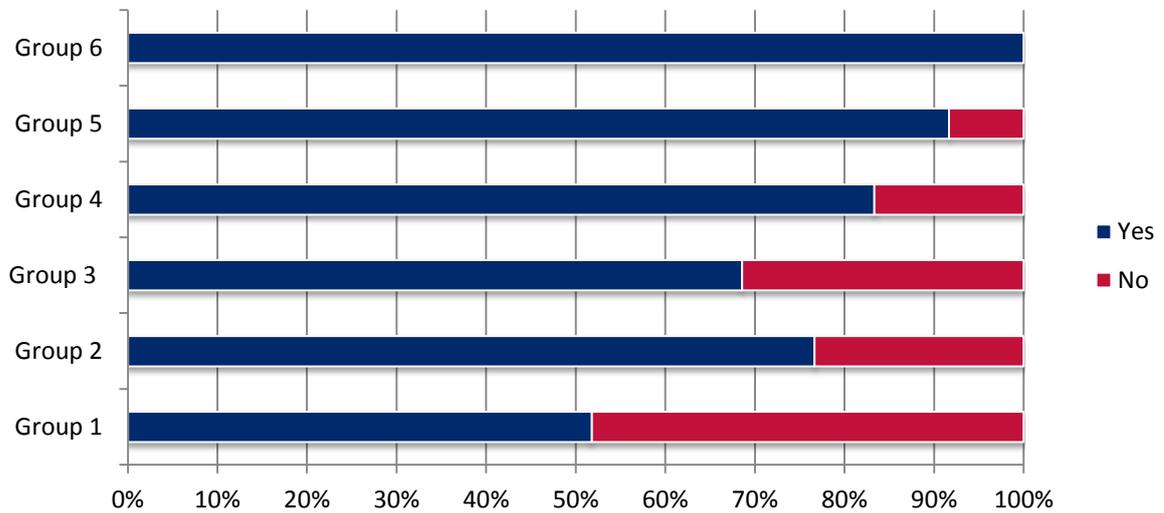
Sixty-four percent (64%) of schools have internal regulations that define the administrative and financial authorities in the school while 36% do not (Table 65).

**Figure42: Are there internal regulations that define the admin and financial authorities in the school?**



Between groups with the exception of group 3, there is an increase in the presence of internal regulations as the school size increases.

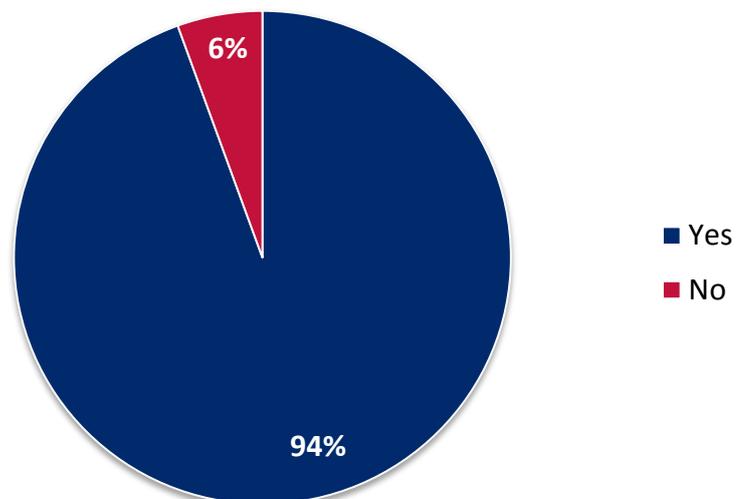
**Bar Graph24: Are there internal regulations that define the admin and financial authorities in the school?' by school size**



### QUESTION 71: DO YOU WANT THE SCHOOL TO BENEFIT FROM TECHNICAL ASSISTANCE AND OR TRAINING?

Ninety-four percent (94%) of schools want to benefit from technical assistance and or training, (Table 66).

**Figure43: Do you want the school to benefit from technical assistance and or training?**

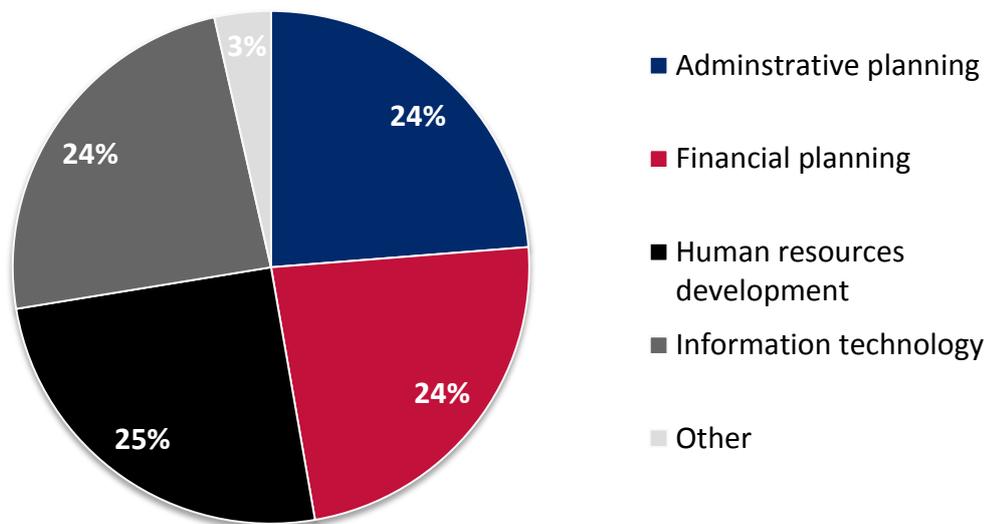


## QUESTION 72: AREAS THAT SCHOOLS WISH TO TAKE ADVANTAGE IN TRAINING

Schools are interested in all areas of training, e.g. administrative planning, financial planning, HR development and information technology (Table 67). Other areas of interest include:

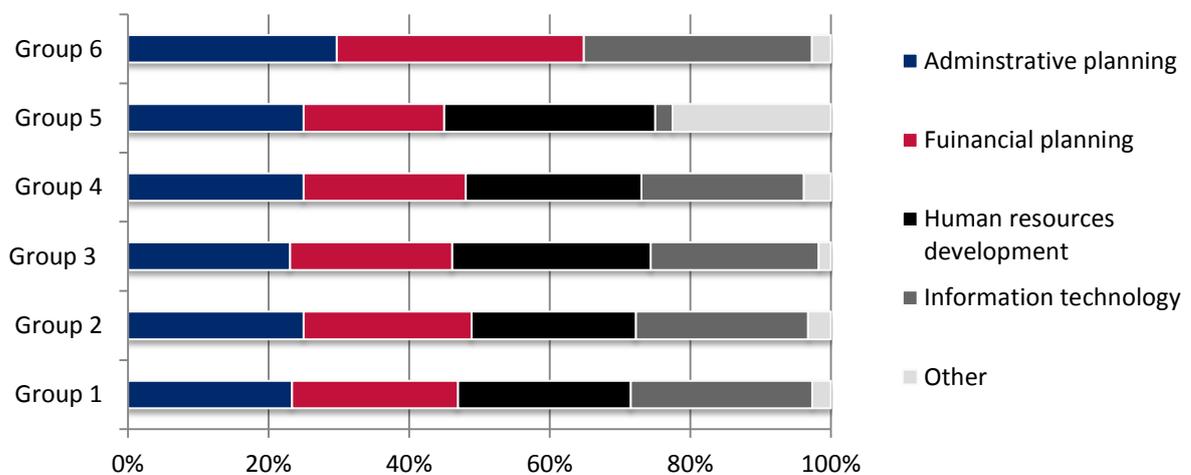
- Teaching and education techniques and methods
- Communication with international organizations specialized in education
- Education supervision

**Figure44: Areas that schools wish to take advantage in training?**



Between schools there is a similar trend, with the exception of group 5 where 29% wished for other forms of training.

**Bar Graph25: Areas that schools wish to take advantage in training?**

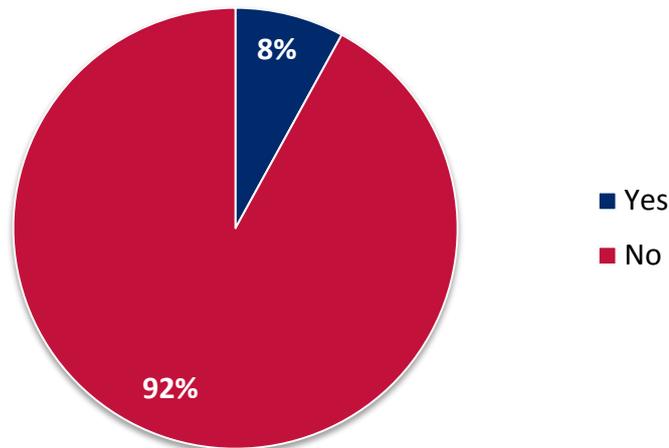


## SECTION 4: EVALUATION OF THE ABILITY TO SECURE FINANCING

### QUESTION 73: INTERNAL AND/OR EXTERNAL FUNDING SOURCES (EXCLUDING TUITION FEES)

With the exception of tuition fees, only 8% of schools have internal or external funding sources, while the remaining 92% have neither (Table 68).

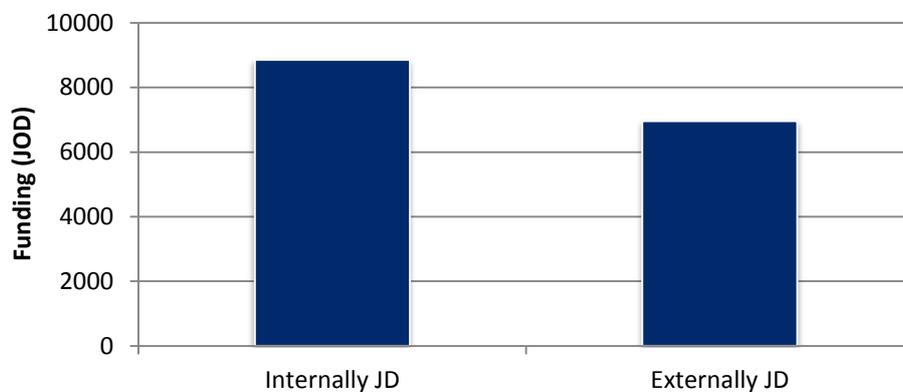
**Figure45: Internal and/or external funding sources (excluding tuition fees)**



### QUESTION 74: AVERAGE FUNDING IN THE EVENT OF INTERNAL AND/OR EXTERNAL FUNDING SOURCES

Of those who do have internal/external funding, the average amount of internal funding is approximately 8,850 JOD while the average amount of external funding is 6,950 JOD (Table 69).

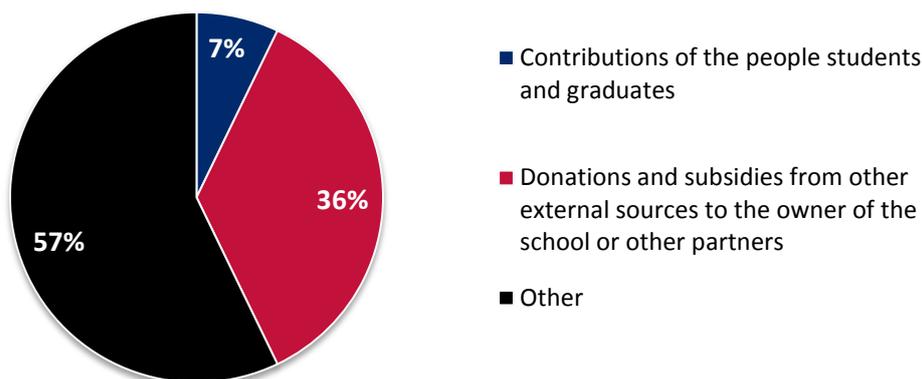
**Figure46: Average funding in the event of internal and/or external funding sources**



### QUESTION 75A: WAY IN WHICH INTERNAL AND/OR EXTERNAL FUNDING WAS RECEIVED

Fifty-seven percent (57%) of schools had 'other' ways in which internal/external funding was received, 36% received funding through donations and subsidies from other external sources (Table 70). However, it should be noted that the number of responses was minimal as only 14 schools were in a position to answer this question.

**Graph27: Way in which internal or external funding was received**



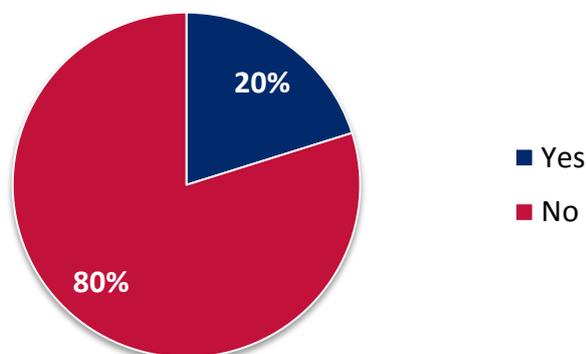
### QUESTION 75B: AVERAGE AMOUNT OF INTERNAL AND/OR EXTERNAL FUNDING

The average amount of internal/external funding for all respondents was 8,450JOD (Table 71).

### QUESTION 76: PREVIOUSLY APPLIED FOR LOAN FOR PURPOSE OF EXPANSION AND DEVELOPMENT OR TO COVER EXPENSES

Only 20% of schools have previously applied for a loan for the purpose of expansion and development or to cover expenses, the remaining 80% have not (Table 72).

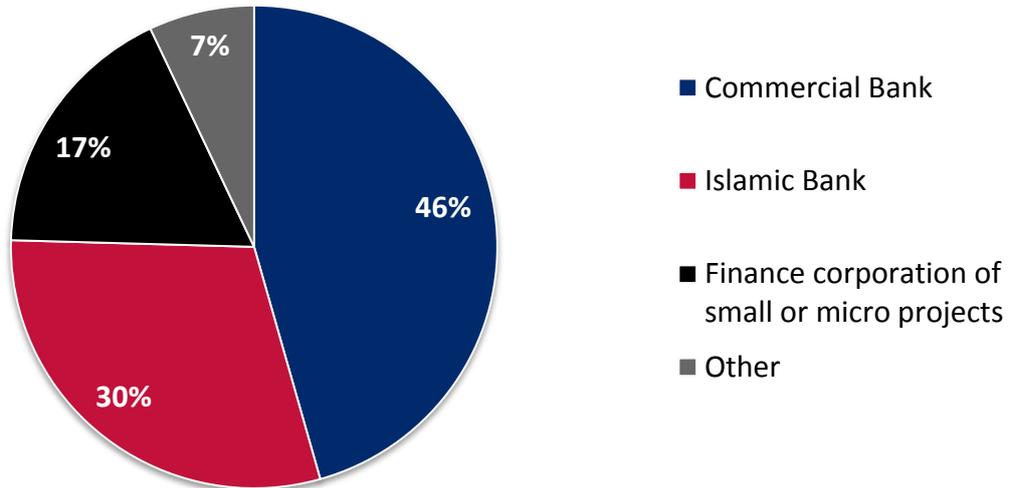
**Figure47: Previously applied for loan for purpose of expansion and development or to cover expenses**



## QUESTION 77: ENTITY THAT LOAN APPLICATION WAS SUBMITTED TO

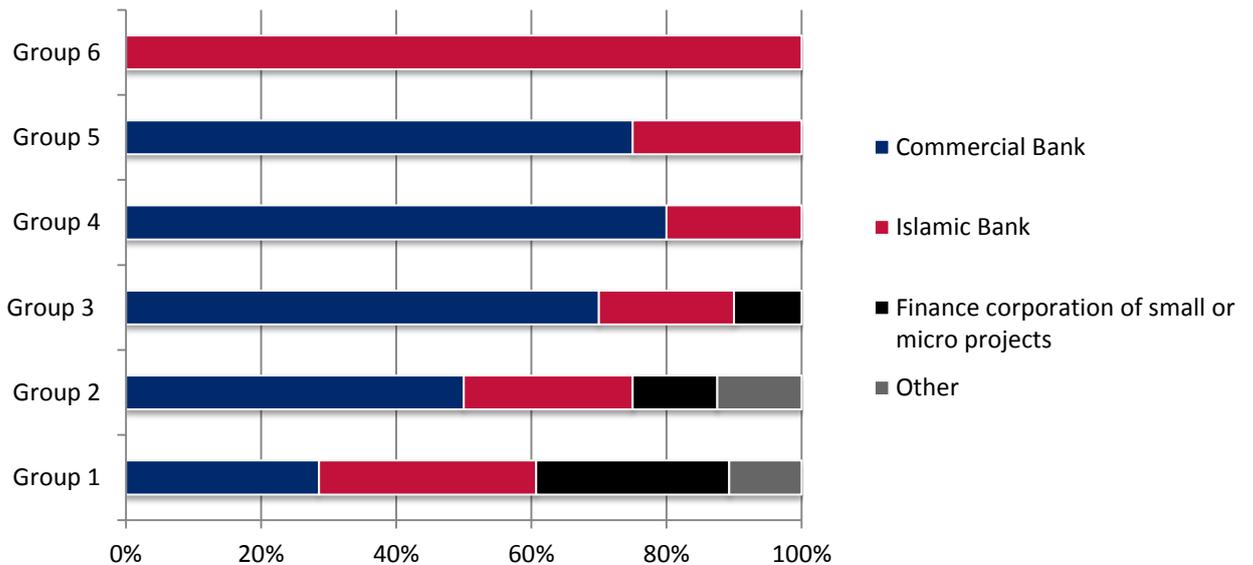
Of those who have applied for loans, 46% applied at a commercial bank while 30% applied an Islamic bank (Table 73). Another 17% applied to a finance corporation of small or micro projects for their loan.

Figure48: Entity that loan application was submitted to



Between groups, there is less diversification in the type of institution approached for loans as the school size increases. Generally, with the exception of group 6, there is a gradual increase in the number of applications to commercial banks with the increase in school size. However, it should be noted that there are only 10 schools in group 6.

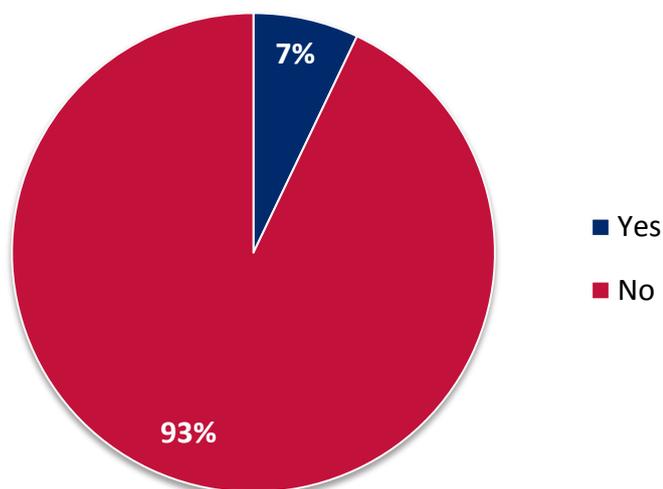
Bar Graph26: Entity that loan application was submitted to by school size



## QUESTION 78: HAVE LOAN APPLICATIONS EVER BEEN REJECTED?

Of those who have applied for loans, 93% were accepted (Table 74). The same is true between groups.

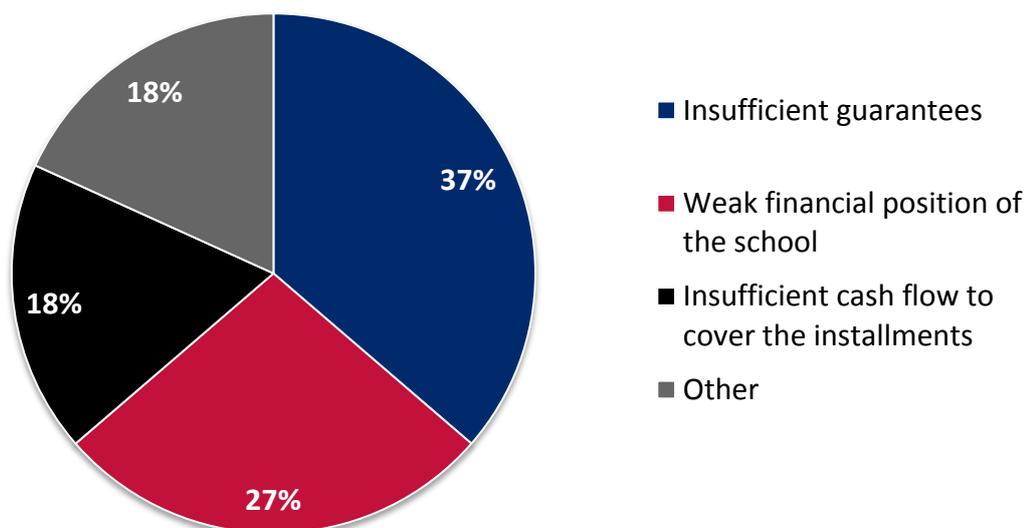
Figure49: Have loan applications ever been rejected?



## QUESTION 79: REASONS FOR LOAN REJECTIONS

Of those whose loans were rejected, 37% were due to insufficient guarantees while 27% were due to the weak financial position of the school (Table 75). Another 18% had insufficient cash flow to cover loan installment.

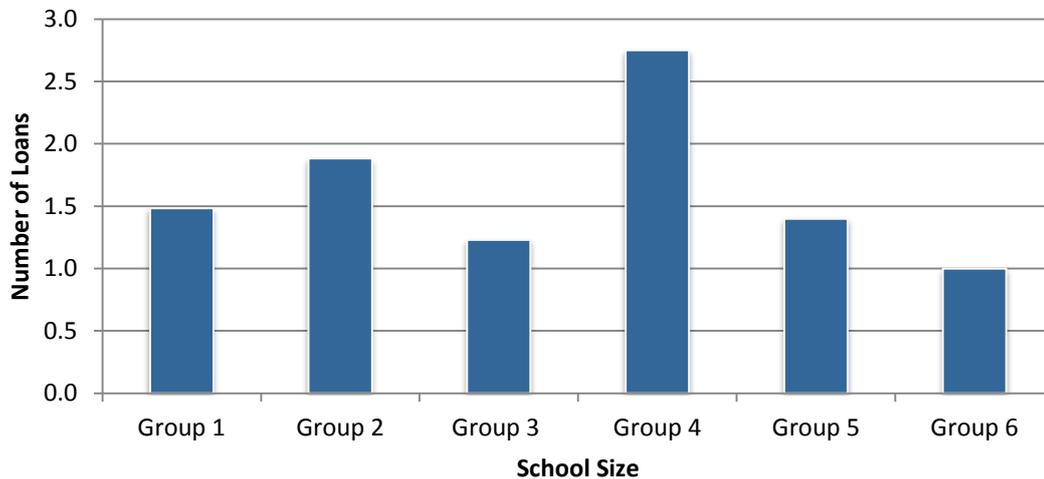
Figure50: Reasons for loan rejections



## QUESTION 80A: NUMBER OF LOANS OBTAINED BY THE SCHOOL IN THE PAST

Between groups, group 4 had the received the greatest number of loans (2.8, Table 76).

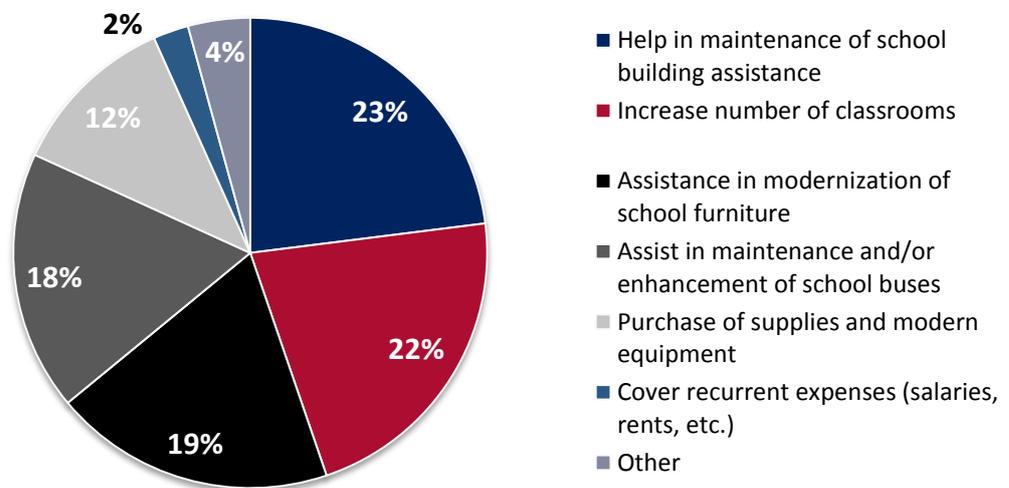
**Graph28: Number of loans obtained by school in the past by school size**



## QUESTION 81A: PROS OF OBTAINING A LOAN

Twenty-three percent (23%) state that a loan would help in the maintenance of the school building while 23% state it would increase the number of classrooms (Table 77). Another 19% state it will assist in the modernization of school furniture, 18% in the maintenance and/or enhancement of school buses and 12% state it would help in the purchase of supplies and modern equipment. A small percent (2%) state it will help in covering recurrent expenses such as salaries, rents, etc. 'Other' benefits include: new buildings, new facilities (e.g. library) and provide cash.

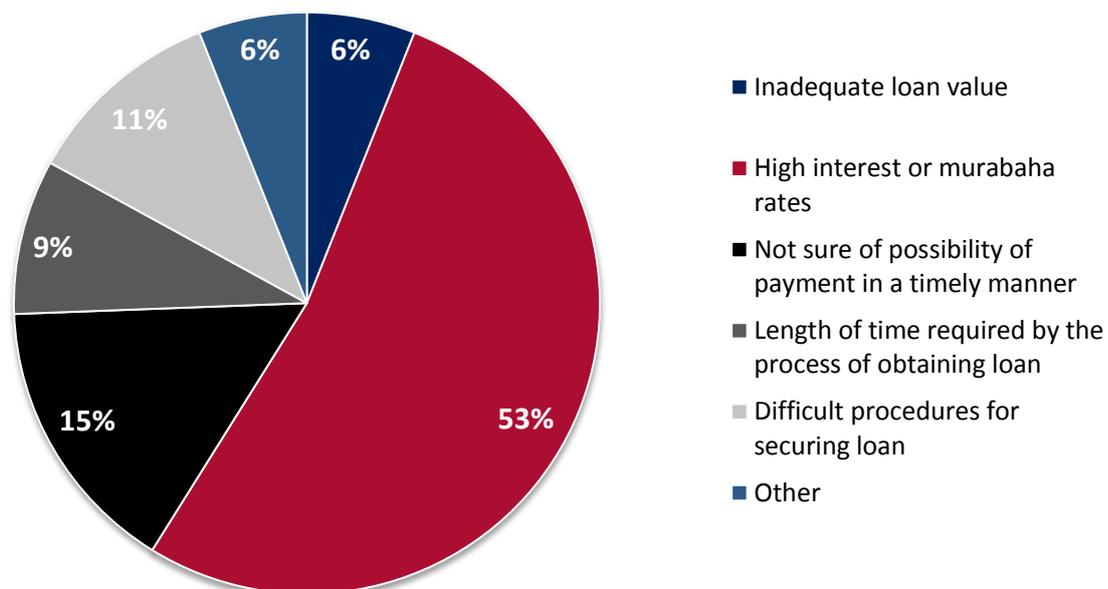
**Figure51: Pros of obtaining a loan**



## QUESTION 81B: CONS OF OBTAINING A LOAN

Fifty-three percent (53%) state high interest or *murabaha* rates as a con (Table 78). Others state not being able to repay the loan in a timely manner (15%), while 11% find the procedures for securing the loan difficult. 'Other' negative aspects of obtaining a loan include the prohibition of interest by religion as well as the lack of long-term loans.

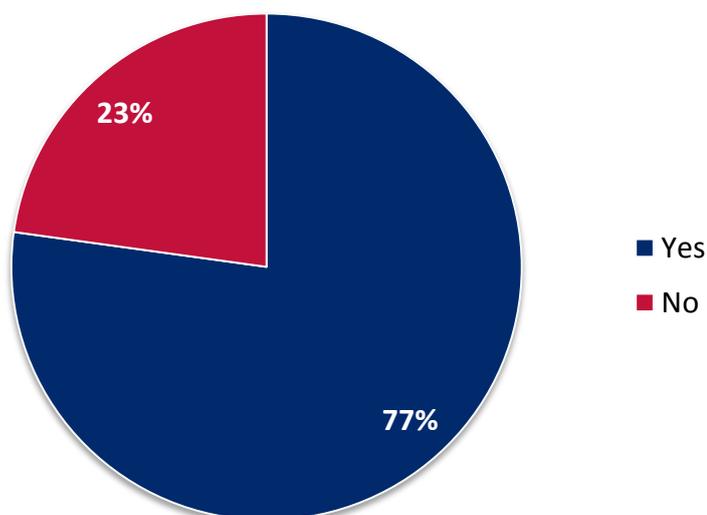
Figure52: Cons of obtaining a loan



## QUESTION 82: DOES THE SCHOOL HAVE DEVELOPMENT OR EXPANSION PLANS?

Seventy-seven percent (77%) have development or expansion plans for the school (Table 79).

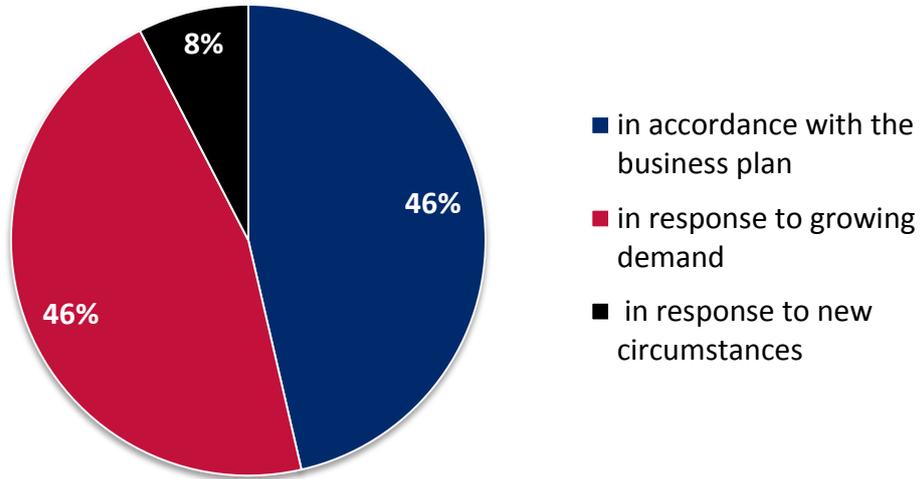
Figure53: Does the school have development or expansion plans?



### QUESTION 83: SCHOOL HAS DEVELOPMENT OR EXPANSION PLANS...

Of the schools that have development or expansion plans, 46% are in accordance with a business plan while an equal 46% are in response to a growing demand. Only 8% are in response to new circumstances (Table 80).

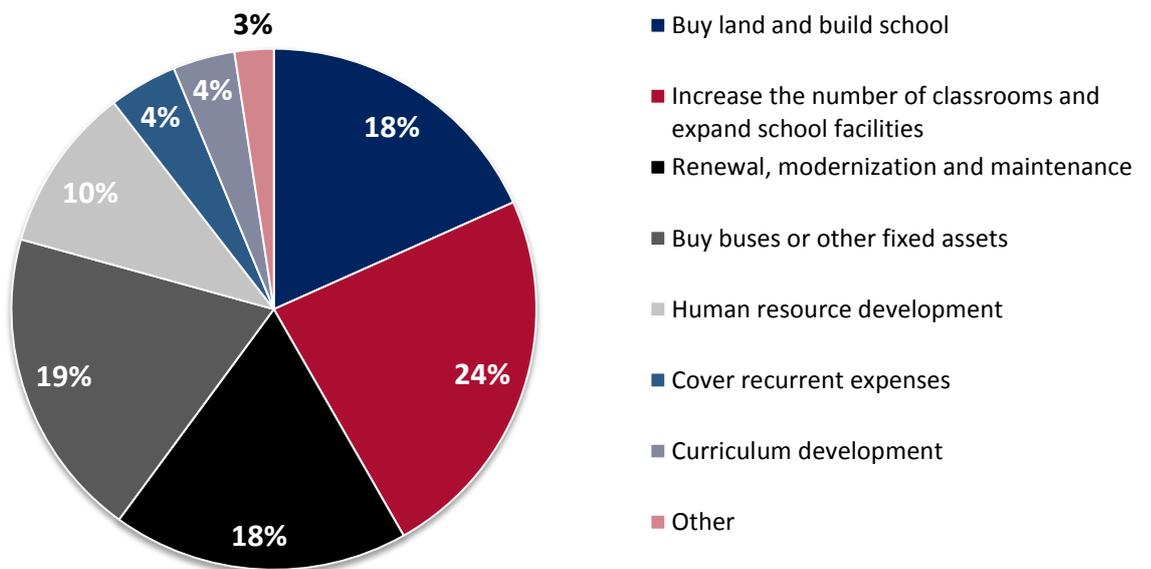
Figure54: School has development or expansion plans...



### QUESTION 84: PURPOSE OF DEVELOPMENT AND EXPANSION

Twenty-four percent(24%)want to increase the number of classrooms and expand school facilities while 19% want to buy buses or other fixed assets (Table 81). Another 18% wish to buy land and build a school while an equal portion seek renewal, modernization and maintenance. ‘Other’ purposes include leasing of school building, equipment and buses as well as the introduction of new grades.

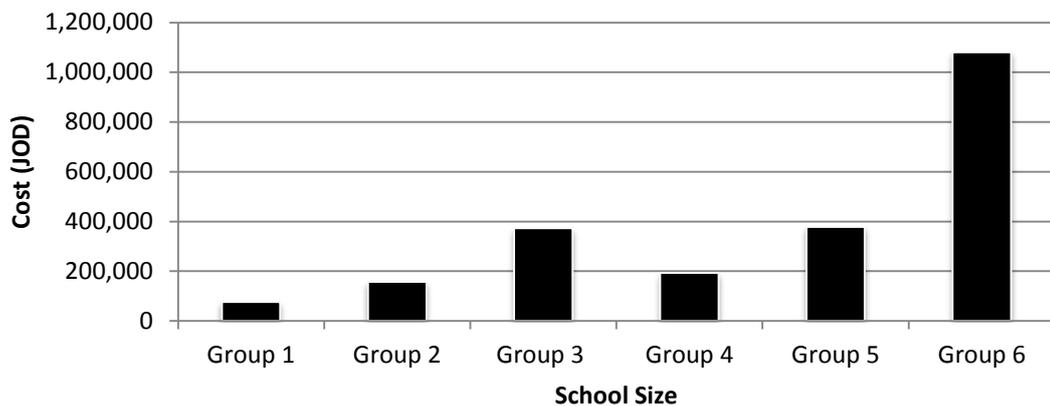
Figure55: Purpose of development and expansion



## QUESTION 85: ESTIMATED COST OF DEVELOPMENT AND EXPANSION

The estimated cost of development and expansion varies between groups. Groups 1, 2 and 4 have estimates below 200,000 JODs (Table 82). Groups 3 and 5 stated similar estimates that reach nearly 400,000 JODs while schools in group 6 exceed a million JODs.

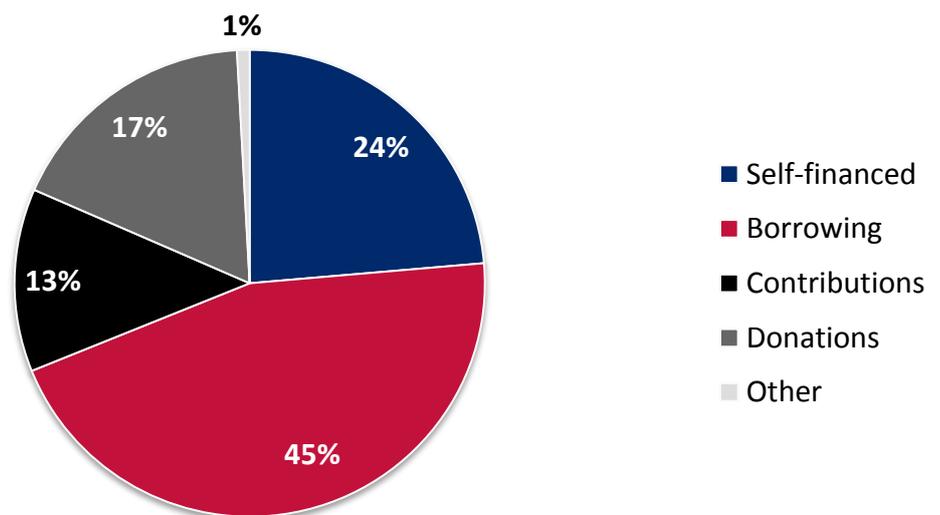
**Figure56: Estimated cost of this expansion and development**



## QUESTION 86: TARGET SOURCE FOR FUNDING OF EXPANSION

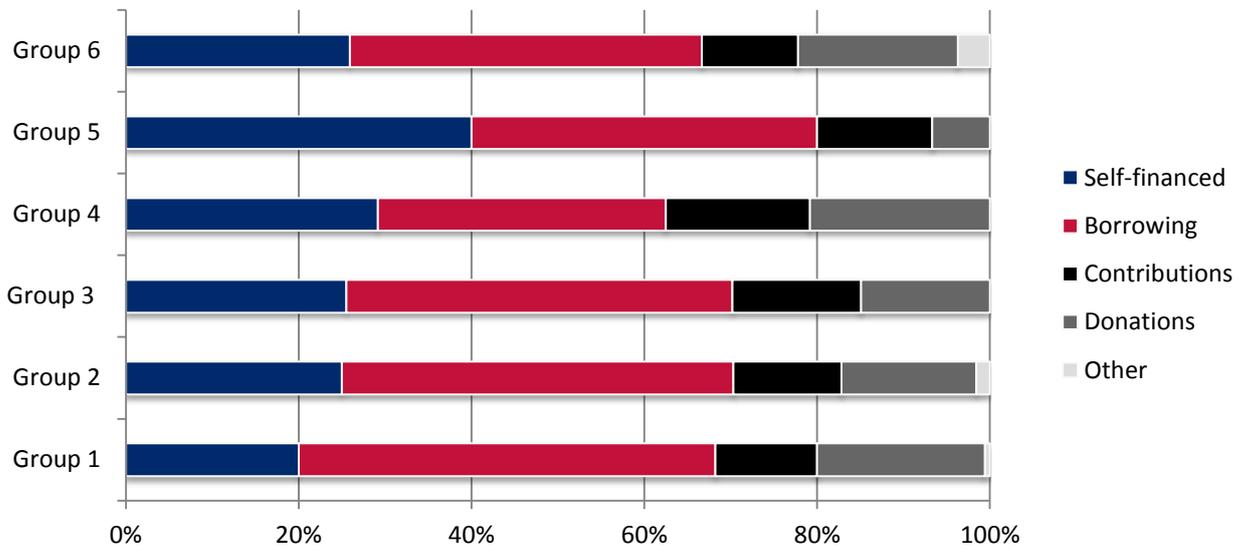
The target source for funding and expansion according to 45% of the schools is through borrowing while 24% are by means of self-financing (Table 83). Seventeen percent (17%) expect to fund their expansion plans via donations while 13% through contributions. 'Other' target sources include strategic partners and stocks.

**Figure57: Target source for funding of expansion**



With the exception of groups 4 and 5, the proportions of responses do not vary much between groups.

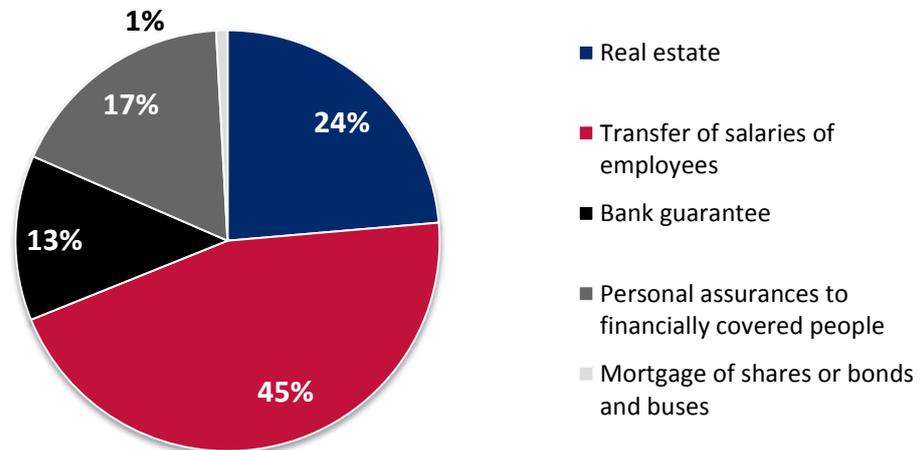
**Bar Graph27: Target source for funding of expansion by school size**



**QUESTION 87: ASSURANCES TO BE OFFERED IN THE CASE OF BORROWING**

Forty-five percent (45%) state the transfer of salaries of employees as their assurance while 24% state real estate (Table 84). On the other hand, 17% use personal assurances for financially covered people while 13% use bank guarantees. Only 1% state mortgage of shares, bonds or buses as an assurance.

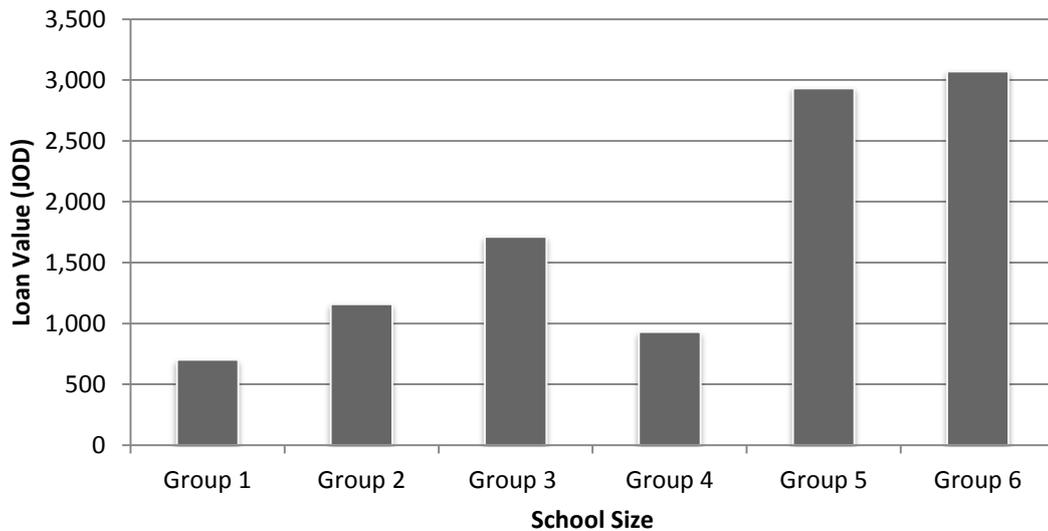
**Figure58: Assurances to be offered in the case of borrowing**



**QUESTION 88: AFFORDABLE VALUE OF MONTHLY INSTALLMENT WHICH CAN BE COMMITTED AND REPAID TO THE LOAN**

There is variance between groups, with the exception of groups 5 and 6, who can afford around 3,000 JODs per month (Table 85). Groups 1 and 4 range between 500 and 1,000 JOD; group 2 can afford just over 1,000 JOD while group 3 can afford just over 1,500 JODs per month.

**Graph29: Affordable value of monthly installment which can be committed and repaid by school size**



### QUESTION 89: PRIORITIES FOR SPENDING ADDITIONAL FUNDING IF NO CONSTRAINTS

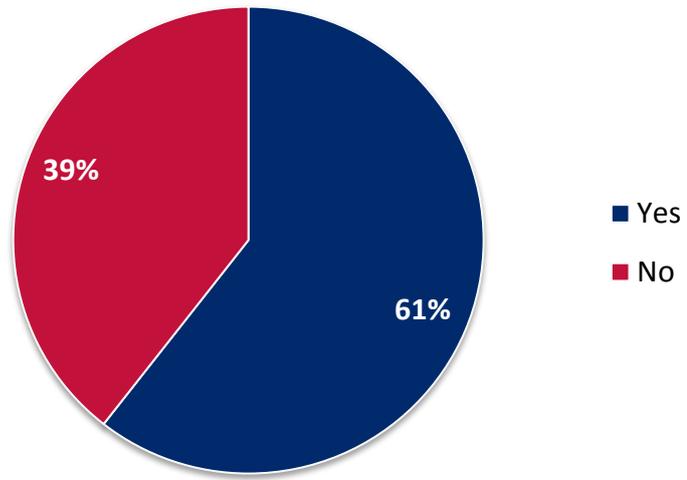
Of those with no funding constraints, the priorities for spending additional funding are stated below:

- Rental of buildings and increase the number of classrooms
- The establishment and expansion of school building
- Salaries and wages
- Work on curriculum development to enhance the quality of education
- Expansion
- Purchase hardware and equipment for the school
- Purchase or maintenance of buses
- Payment of obligations and debts
- Equip classrooms for special needs students

### QUESTION 90: IS SCHOOL EXPECTED TO APPLY FOR A LOAN TO FUND PRIORITIES?

When funding priorities, 61% are though loans while 39% are not (Table 86).

**Figure59: Is school expected to apply for a loan to fund priorities?**

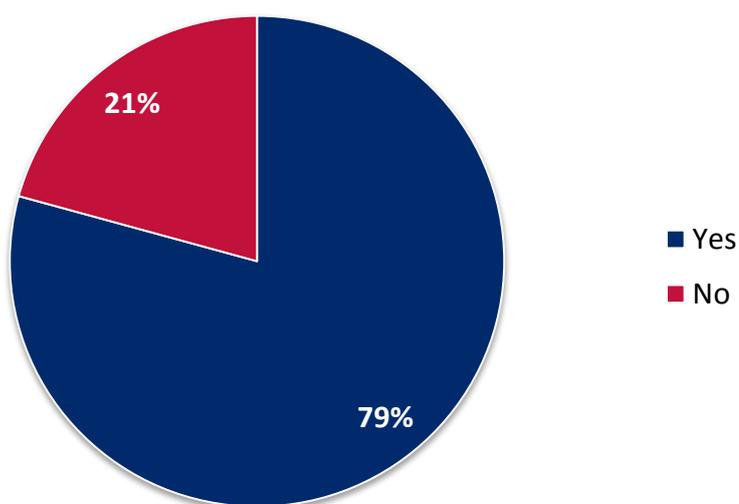


## SECTION 5: QUALITY OF EDUCATIONAL SERVICES AND MARKETING

### QUESTION 91: MARKETING USED TO PROMOTE SCHOOL

Seventy-nine percent(79%) of schools use marketing as a means to promote the school (Table 87).

**Figure60: Marketing used to promote school**

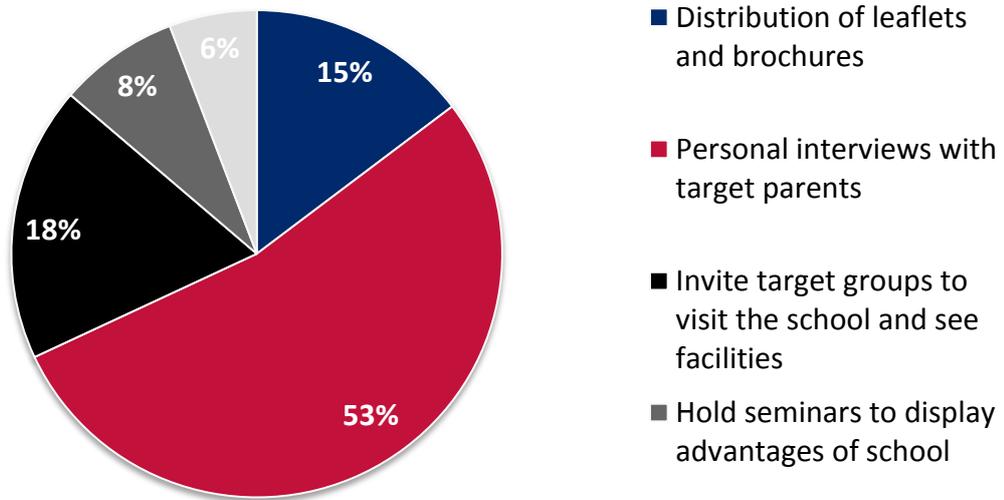


### QUESTION 92: MEANS OF MARKETING

Of those who do use marketing as a means of promoting the school, 53% do personal interviews with target parents as a means of marketing (Table 88). Eighteen percent (18%) invite target groups to visit the school and see the facilities while 15% hold seminars to display the schools advantages. The same proportion of responses can be found between groups. 'Other' means of marketing include:

- Email and internet marketing
- School reputation
- Summer club for students
- Graduation ceremony
- Special discount or offers

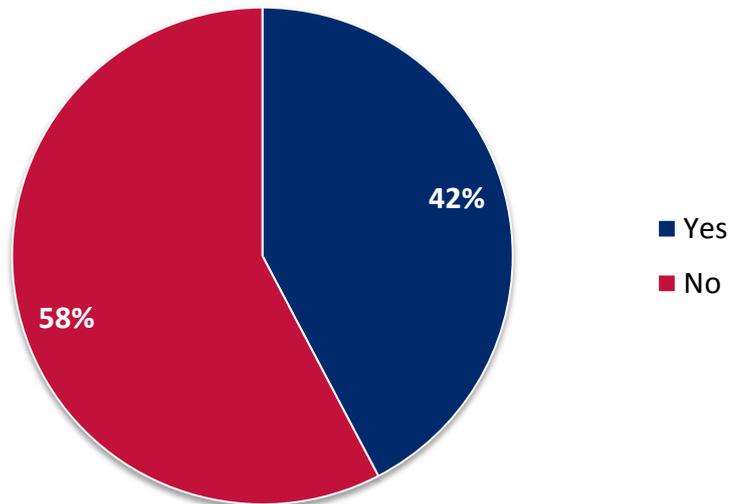
**Figure61: Means of marketing**



**QUESTION 93: DEMAND FOR ENROLLMENT EXCEEDS SCHOOLS MAXIMUM CAPACITY**

Only 42% of schools have a demand for enrollment that exceeds the schools maximum capacity (Table 89).

**Figure62: Demand for enrollment exceeds schools maximum capacity**



**QUESTION 94: DIFFICULTIES THAT PREVENT ATTRACTING A GREATER NUMBER OF NEW STUDENTS**

The difficulties that prevent schools from attracting a greater number of students include:

- People's attitude toward the weak education
- High tuition fees while the individuals income is low
- Greater availability of public schools and kindergartens
- Registration fees increases as the number of enrolled students increase. In order for schools to avoid high registration fees they register their license for a minimum number of students
- Buses are old and few
- Propaganda
- The population density is low
- The building is rented and expansion or additions are difficult
- Not all of the regions are served with transportation facilities
- The reputation of the old school
- Unavailability of another building to separate the students (male and female)

#### QUESTION 95: ADMINISTRATIVE DIFFICULTIES PREVENTING THE SCHOOL FROM ACHIEVING ITS OBJECTIVES SUCCESSFULLY

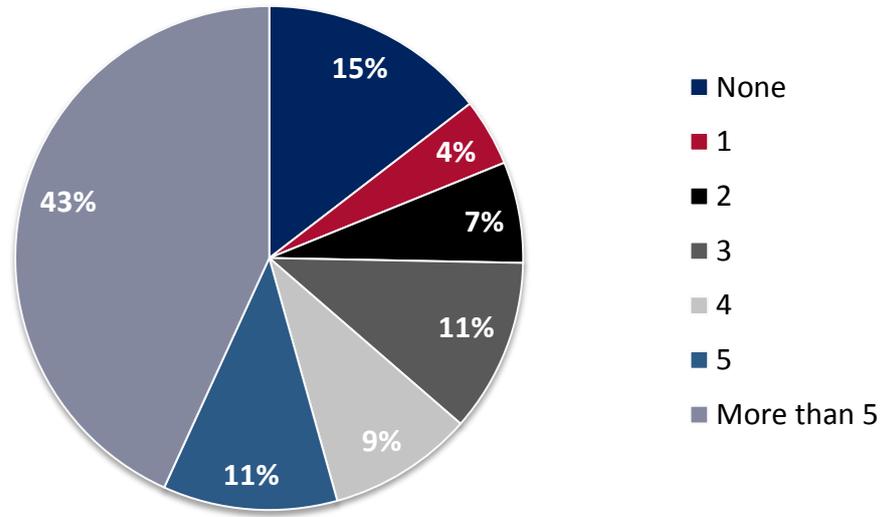
Administrative difficulties preventing the school from achieving its objectives successfully include:

- The frustration by the teaching staff
- High demand but lack of available space
- Small and limited budget
- Dealing with parents
- The inability of accomplishing the MoE's required tasks by the administrators or the teachers
- Delay or delinquency in receiving tuition payments
- Building size is small
- expenses and shortage in income
- Lack of qualification and experience
- The absence of transportation organizer (department)
- Shortage in educational tools
- Shortage in the number of administrators

#### QUESTION 96: NUMBER OF SCHOOLS COMPETING IN AREA OF OPERATION

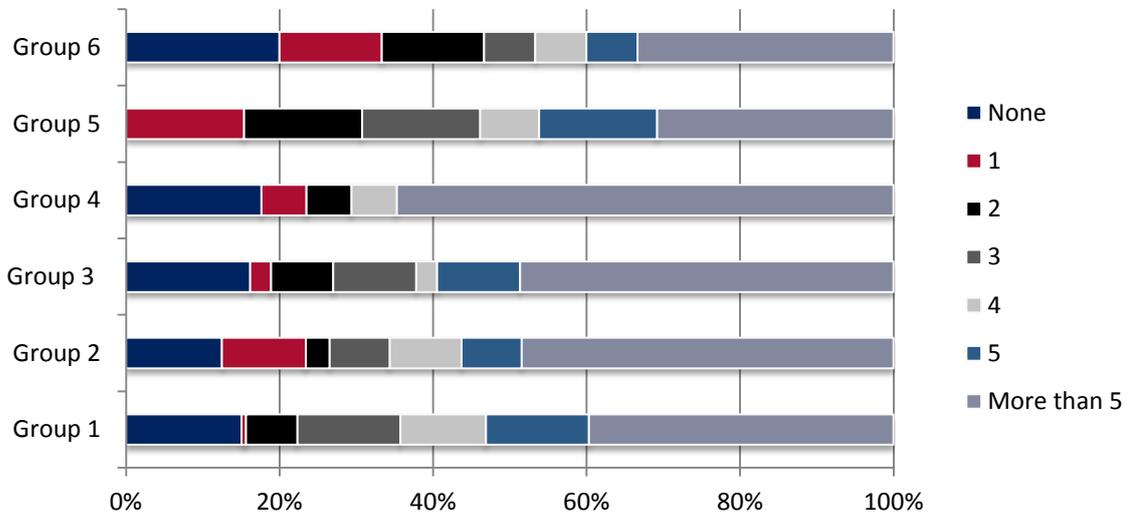
Forty-three percent (43%) of school are presently competing with more than 5 schools (Table 90). Only 15% of schools state no competitors.

**Figure63: Number of schools competing in area of operation**



There is variance between groups in the number of competitors. In group 5, schools have at least 1 competitor.

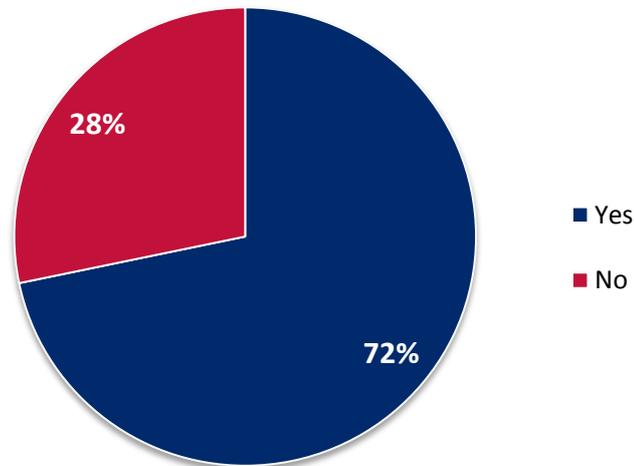
**Bar Graph28: Number of schools competing in area of operation by school size**



### QUESTION 97: NUMBER OF COMPETING PRIVATE SCHOOLS IN AREA INCREASING

When asked if the number of competing private schools in their area were increasing, 72% of schools responded in the affirmative (Table 91).

**Figure64: Number of competing private schools in area increasing**



#### QUESTION 98: ADVANTAGES OF THE SCHOOL OVER ITS COMPETITORS

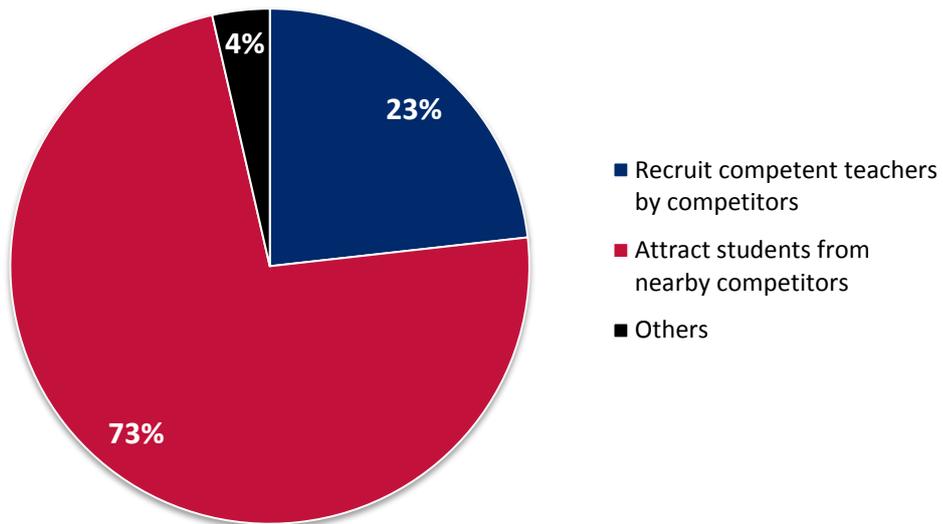
Advantages of the school over its competitors include:

- Large space
- Monthly meetings and seminars for parents
- New teaching methodologies
- Moderate tuition fees
- Qualified administrative and teaching staff
- Numbers of students in class rooms are not large
- Attention toward behavioral and moral issues
- Attention to build the student educationally
- Typical building
- More facilities and equipment
- Commitment to the requirements of the MoE
- Good communication and dealing with parents and students
- Family and friendly environment with dealing with parents
- Strengthen the students with low grades
- Good reputation
- International
- Text books with exercise sections/activities
- Scoring a good rank in King Abdullah Reward
- Non profited and financial return is not important

## QUESTION 99: THREATS THAT MAY RESULT FROM PRESENCE OF COMPETITORS

Seventy-three percent (73%) of school are fear that competitors will attract their students while 23% fear competitors recruiting their competent teachers (Table 92). 'Other' threats include reduction of tuition fees as well as rumors and gossip.

**Figure65: Threats that may result from presence of competitors**



## FOCUS GROUP SUMMARY

The focus group session took place on Saturday, November 13<sup>th</sup>, 2010 at the IBIS Hotel in Amman between 10am and 1pm.

Nine topics were examined throughout the course of the session. The following is a summary of the session's findings according to the topic discussed.

### TOPIC 1: WAYS AND METHODS OF FINANCING THE ESTABLISHMENT OF THE SCHOOL

- A number of educators (teachers, principals, supervisors) rented a building and self-financed the establishment of the school partially, and the other part was financed by loan or post-payment. Unplanned expansion led to more loans from banks and the accumulation of bank interests consumed the profits.
- School owners ordered construction contractors to build and establish the school using direct loans from banks.
- Collaboration with capitalists to establish limited or public shareholding companies and finance the building and establishment of the school. Large schools can afford the establishment cost (rich schools).
- Long term loans from banks.
- A number of partners with self-owned capital. Marketing for the school through public relations of partners with parents. Buses were rented which increased the operational cost.
- School was established using a small capital and then the owners took loans from banks to expand.
- School and buses were bought from the owners by means of self-finance without loans.
- School was totally established through bank financing.

### TOPIC 2: WAYS AND METHODS OF FINANCING THE OPERATIONAL EXPENSES

- Operational expenses are covered mostly by the tuition fees income and profits from other sources (student transportation).
- Operational cost is covered by selling assets (real estate).
  - Operational cost might be self-financed by school owner if income is inadequate.
- Monthly income of the school must equal the operational cost of the school, in order to be covered easily.
- Bank loans/credits are used to cover the running expenses of the school.

### TOPIC 3: FINANCIAL CHALLENGES AND DIFFICULTIES FACING PRIVATE SCHOOL OPERATIONS

- Accumulation of debts harmed the image of the school, which forced the management to change the name of the school and restructure its operations. The reason for debts is mainly weak financial and administrative management.
- Major financial challenges of the private school are represented by bus leasing and staff monthly salaries.
- Unavailability of financial and administrative system in the school to control the cash flow and collection of fees.
- Lack of financial consultant or manager at the school led to wrong decisions and miscalculations of the interest rate and the accumulated due amount of loans after the loan was approved and consumed.
- Conflicts among partners.
- Financial challenges can be met by getting finance from banks (credit facilities).
- Additional debts due to expansion led to financial difficulties in the operational expenses.
- Unpaid tuition fees delay the collection of profits that can be used to cover the operational cost.
- Multiple regulatory and supervision entities which demand fees and dues for licensing and registration.
- Laws and regulations of MoE do not support the collection of delayed tuition fees in a reasonable timeframe, and the acceptable payment guarantees. It is not allowed for the school to keep the files of the student at its possession in order to put pressure on the parents to pay the delayed tuition fees. In other words, the school cannot prevent the student from registering and moving to another school even if he still owes it money.
- High cost of buses leasing and the practices of bus drivers.
- Risk of the new property leasing law (or landlords and tenants law) that might increase the burden on schools due to raising the leasing amount by property owners. In case of law enforcement in 2011, the landlord has the right to kick out the tenant if they did not renew the annual leasing contract for any reason, which might threaten the sustainability of the school and its ability to approach financing institutions.
- School licensing standards and requirements add significant cost to the operational expenses of the school.
- Recurrent monthly expenses particularly in the administration of the school (salaries).
- Income taxes and other taxes.
- Social security payments.

### TOPIC 4: THE NEED FOR EXPANSION AND DEVELOPMENT

All small and medium private schools need expansion and development particularly in space (classrooms, facilities) to increase the capacity due to high demand observed by schools, which increase year by year.

## TOPIC 5: PURPOSES OF EXPANSION AND DEVELOPMENT

The expansion and development purposes may include:

- Classrooms
- Infrastructure
- Facilities
- Activities facilities (playgrounds, theater, Gymnasium)
- Rehabilitation of parts of the school buildings to become suitable for teaching
- Buses
- New building for the schools to avoid leased buildings
- Install systems for financial management and human resources management
- Human resources development and training

## TOPIC 6: NEED FOR FINANCE FOR THE EXPANSION AND DEVELOPMENT PURPOSES

All small and medium private schools need external finance to implement their expansion and development purposes, in addition to their own contribution from internal sources.

## TOPIC 7: SOURCES OF EXTERNAL FINANCE

There are a number of possible finance sources that could be approached by private schools:

- Soft loans from non-banking institutions
- Strategic partner
- Capital leasing
- Microfinance institutions
- Islamic financing institutions

## TOPIC 8: BARRIERS AND DIFFICULTIES AGAINST SECURING FINANCE FROM FINANCING INSTITUTIONS

- Age of the school owner
- Huge bonds and guarantees required by the financing institutions
- Strict laws and regulations imposed on loans
- Lack of experience in bank requirements among school owners and managers
- Numerous bank requirements (financial statements, analytical reports, feasibility studies)
- Limited upper ceiling for loans
- High interest rates, and interest amounts specially on large loans
- Unsuitable frequency of payments program
- Difficulty of financing the real estate as land
- Relatively short payback periods for loans
- Risk of project failure and collection of the mortgaged real estate by the bank.

## TOPIC 9: ASPECTS OF SUITABLE AND RESPONSIVE LOAN PRODUCT PROVIDED BY MFI'S TO SMALL AND MEDIUM PRIVATE SCHOOLS

Purpose	Finance amount (JD)	Repayment period (years)	Guarantees and bonds	Interest rate (%)	Installments program	Contribution of the school (%)
<b>Land and building</b>	500,000	20 years	Real estate mortgage	4%	One year grace period, payments according to school's tuition fees income program	0 – 15%
<b>Buses (per bus)</b>	50,000	10 years	Bus mortgage, full insurance	5%	Monthly payments	0 – 10%
<b>School area expansion (classrooms)</b>	5,000 – 250,000	5 – 15 years	Existing real estate mortgage	4%	payments according to school's tuition fees income program	0 – 15%
<b>Facilities (shades, bathrooms)</b>	1,000 – 15,000	5 -10 years	Existing real estate mortgage, alternative guarantees in case of rented schools	5%	Monthly payments	0 – 10%
<b>Upgrading (equipment, labs, furniture)</b>	10,000	7 years	Existing real estate mortgage, alternative guarantees in case of rented schools	5%	Monthly payments	0 – 10%
<b>Human resources development</b>	No need for financing, because these expenses can be covered by the school. Schools are not in favor of allocating part of the loan for investment in human resources or teachers capacity building purposes.					

## SCORING RESULTS

The private schools are grouped into three categories in order to customize the capacity building interventions according to the specific needs of the school. The categories are based on a scoring mechanism that was applied to each section of the initial questionnaire. The total score is out of 100 and is distributed as follows:

Section	Total score
<b>1. General information</b>	0
<b>2. Assessment of the financial position</b>	30
<b>3. Assessment of the financial and administrative management</b>	30
<b>4. Evaluation of the ability to secure financing</b>	25
<b>5. Quality of educational services and marketing</b>	15
<b>Total</b>	<b>100</b>

The scores are further broken-down by question and weighted according to its significance within the section.

The schools are classified into three categories:

Category	Total score
<b>A: High-performing schools</b>	More than 70%
<b>B: Medium-performing schools</b>	50% to 69%
<b>C: Low-performing schools</b>	Less than 50%

The scoring results are categorized and distributed according to the school size:

Category	Cross Tabulation	School Size						Total
		Group 1	Group 2	Group 3	Group 4	Group 5	Group 6	
<b>A</b>	Count	1	0	1	1	0	3	6
	%	16.7%	0.0%	16.7%	16.7%	0.0%	50.0%	100.0%
<b>B</b>	Count	76	45	27	13	11	9	181
	%	42.0%	24.9%	14.9%	7.2%	6.1%	5.0%	100.0%
<b>C</b>	Count	90	17	9	5	1	1	123
	%	73.2%	13.8%	7.3%	4.1%	0.8%	0.8%	100.0%
<b>Total</b>	Count	167	62	37	19	12	13	310
	%	53.9%	20.0%	11.9%	6.1%	3.9%	4.2%	100.0%

The following tables give a detailed breakdown of each school and its respective scores according to category. The ownership status is provided for future reference.

**Category (A): total score more than 70%**

School Name	School No.	Section Scores				Total score	Rented/owned
		Sec.2	Sec.3	Sec.4	Sec.5		
عبدُ أخص	170610	20.95	26.225	14.124	10.996	<b>72.295</b>	Rented
أم حطّين أخص	172499	23.15	23.95	14.741	9.997	<b>71.838</b>	Owned
سوضة لب، أخص. انفي	172031	21.1	27.85	13.283	8.998	<b>71.231</b>	Rented
أخص الانفي	172031	21.2	27.25	13.783	8.998	<b>71.231</b>	Rented
أياخ العراخ الاسلامي	170147	18.9	28.75	13.749	9.497	<b>70.896</b>	Owned
ذيس عراخ، به طلب وية	170201	21.8	26.725	12.775	9.497	<b>70.797</b>	Owned

**Category (B): total score 50% to 69%**

School Name	School No.	Section Scores				Total score	Rented/Owned
		Sec.2	Sec.3	Sec.4	Sec.5		
اوداخ شواد اذواخ اليبس اخص	172250	20.45	28.025	11.473	9.664	<b>69.612</b>	Owned
سوضة طلائع اخص الاسلامي	172570	19.85	23.65	12.691	13.33	<b>69.521</b>	Rented
اوداخ شوان طلب وية لانس	171903	21.2	26.625	11.649	9.829	<b>69.303</b>	Owned
سوضة الخادع زاشنوي	170676	22.05	27.325	12.199	7.663	<b>69.237</b>	Owned
ذيس عراخ طاش اخص	170088	22.55	23.175	11.649	11.831	<b>69.205</b>	Rented
فلس ط اوع اذهبي زاشنوية	172235	21.45	27.1	11.016	9.496	<b>69.062</b>	Rented
ذيس عراخ شاعروم اذواخ	171889	22.4	25.35	13.482	7.664	<b>68.896</b>	Owned
ذيس عراخ شبلح العراخ	170785	21.55	28.25	11.949	6.998	<b>68.747</b>	Owned
فيلانق رور	170553	22.4	26.35	12.974	6.998	<b>68.722</b>	Owned
ور اام الاسلامي	170866	22.6	27.65	10.091	8.331	<b>68.672</b>	Owned
سوضة اجب	171927	21.9	26.1	11.658	8.166	<b>67.824</b>	Owned
اخص ج	170217	22.85	28.1	9.758	6.831	<b>67.539</b>	Rented
ذيس عراخ ازيه الاسلامي ذانضخ	170726	21.15	24.05	15.84	6.498	<b>67.538</b>	Owned
ذيس عراخ عبد الرحمن اليعراخ	170606	23.65	19.125	15.158	9.331	<b>67.264</b>	Rented
ذيس عراخ شب	170536	19.7	24.65	16.39	6.498	<b>67.238</b>	Rented
اير اعراخ	170004	22.4	23.2	11.424	9.665	<b>66.689</b>	Rented
باص شبي الانجياخ	170235	17.65	26.35	14.24	8.165	<b>66.405</b>	Endowment
سوضة الاصب	170429	16.15	27.1	11.615	11.498	<b>66.363</b>	Rented
الرقبي زاشنوي	171895	21.6	26.75	10.608	7.164	<b>66.122</b>	Owned
سوضة باص ش ذانضخ	171942	20.45	22.875	11.058	11.665	<b>66.048</b>	Owned
جمعية عا نوسخ اش اخص	170070	22.15	23.45	9.415	10.998	<b>66.013</b>	Owned
سوضة اخص ج	170324	22.1	27.55	9.008	7.331	<b>65.989</b>	Rented
رخ ش الاسلامي	171900	20.35	23.025	15.032	7.579	<b>65.986</b>	Owned
ولباد، اخص الاذغ اخص العربية	170731	22.65	24.5	8.266	9.33	<b>64.746</b>	Owned
سوضة بحر اعر	171938	20.8	23.8	12.116	7.664	<b>64.38</b>	Owned
لش، ي اخص اوطينا (ش اللاتي)	170473	17.95	26.5	12.641	7.165	<b>64.256</b>	Owned
ذيس عراخ الاثرية الاسلامي	172030	21.45	24.275	9.366	8.998	<b>64.089</b>	Rented
سوضة وهبة بتسي	170171	19.45	26.55	8.816	8.999	<b>63.815</b>	Owned

سوضة أمجدية ا وندجية	170701	20.35	20.825	14.424	8.165	<b>63.764</b>	Owned
سوضة، ش آلات	170426	18.35	24.925	11.141	9.165	<b>63.581</b>	Owned
سوضة أهلي الاسلامي	170711	16.55	24.325	13.832	8.832	<b>63.539</b>	Owned
عمب الإهاخ	170447	22.05	18.075	16.032	7.164	<b>63.321</b>	Rented
الاصبّخ ا وندجية	170655	23.9	20.85	12.083	6.165	<b>62.998</b>	Rented
ذا سطبسرح العوم الاسلامي	170493	21.35	22.65	13.324	5.665	<b>62.989</b>	Rented
سوضة اذواش	170875	22.95	18.575	15.441	5.998	<b>62.964</b>	Rented
ذارس وريض فبرج ا وندجية	171878	21.9	20.65	14.074	6.247	<b>62.871</b>	Rented
ذيس عخ ا غوم اصب عذطي ا خ	172244	17.65	24.6	13.84	6.58	<b>62.67</b>	Owned
اوه ا خ ترضاء العراخ اذواخ	172565	18.1	24.075	10.991	9.331	<b>62.497</b>	Rented
ذيس عخ ا بهظ العمي	171918	23.9	27.3	2.7	8.498	<b>62.398</b>	Rented
سوضة انيس الاسلام	170708	15.65	22.375	14.508	9.832	<b>62.365</b>	Owned
ظلمخ اذواخ	171909	22.4	23.35	8.066	8.498	<b>62.314</b>	Rented
ذيس عخ وسوضة الام ا زجا ا خ	170079	21.85	16.3	15.157	8.999	<b>62.306</b>	Rented
سوضة ذخ غ خ ث ذخ و يذ	140007	18.9	22.4	11.349	9.497	<b>62.146</b>	Rented
سوضة ا خ ط ا ي خ اذواخ ١٤ بيس بعشبا	172484	19.95	20.575	9.108	12.331	<b>61.964</b>	Rented
ا فخر حليب وية اشب خ	170776	22.8	21.9	10.883	6.331	<b>61.914</b>	Rented
ذيس عخ وسوضة فضل فرا	170048	19.15	25.4	9.574	7.749	<b>61.873</b>	Rented
ذيس عخ شارع بطون اش	170729	20.95	24.225	9.366	6.997	<b>61.538</b>	Rented
سوضة ا ج غرب	170295	18.95	24.5	11.108	6.831	<b>61.389</b>	Rented
الاموية	172024	18.35	26.125	10.974	5.832	<b>61.281</b>	Rented
عهذ الايب	170082	21.9	26.1	9.157	4	<b>61.157</b>	Rented
سوضة ا غب عه الاولي	170262	22.6	19.75	11.474	7.331	<b>61.155</b>	Owned
ذيس عخ امجدية ا وندجية	170833	21.45	19.7	13.316	6.498	<b>60.964</b>	Rented
سوضة ا غ هذا المضخ لتوا	172246	17.35	25.075	6.408	11.997	<b>60.83</b>	Owned
سوضة الهرب خ هذا المضخ	170425	20	23.225	11.908	5.498	<b>60.631</b>	Rented
ذيس عخ الهلي الاسلامي	170734	22.45	27.5	4.308	6.332	<b>60.59</b>	Owned
سوضة الاو	170689	21.55	20.425	12.566	5.999	<b>60.54</b>	Rented
سوضة الحدخ	170249	22.15	20.9	11.216	6.164	<b>60.43</b>	Rented
ذيس عخ اصفياء ا و عاخ	170099	20.85	11.9	15.441	12.164	<b>60.355</b>	Owned
ذيس عخ شارع ا غذ	170029	22.35	21.8	7.65	8.498	<b>60.298</b>	Rented
سوضة لطوش الاسلامي	172487	18.9	18.375	11.483	11.498	<b>60.256</b>	Owned
سوضة هلتب اذواخ	172038	19.6	24.725	5.033	10.832	<b>60.19</b>	Owned
ولية الاطبي	170522	19.3	24.3	6.066	10.331	<b>59.997</b>	Rented
ا غوم اصب عذخ الاوي	170645	20.2	22.525	9.241	7.999	<b>59.965</b>	Rented
بفس عخ ك خ ذو	170509	21.6	23.675	6.641	7.997	<b>59.913</b>	Rented
ذيس عخ شارع بسوب ا و عاخ	170301	24.15	10.6	13.599	11.498	<b>59.847</b>	Owned
ذيس عخ شارع ا ف ع ج ة	170496	19.45	16.8	14.399	9.164	<b>59.813</b>	Owned
سوضة الامراء	171941	20.1	21.35	11.774	6.498	<b>59.722</b>	Owned
زهري شلاف ا خ لئج خ	172561	18.75	23.8	6.658	10.498	<b>59.706</b>	Rented
ذيس عخ واد الاقصى البسع ا خ	170013	21.15	23.4	4.824	10.332	<b>59.706</b>	Owned
لمش و ا الاولي	170464	19.85	24.75	8.466	6.333	<b>59.399</b>	Owned

الانصبس	170431	16.35	26.5	8.833	7.583	<b>59.266</b>	Owned
سوضة غشخ أم ش	170677	22.35	13.075	12.408	11.165	<b>58.998</b>	Rented
سوضة دب الأونجية	170513	22.7	21.4	8.508	6.333	<b>58.941</b>	Rented
سوضة ذس عح أجب ورا عاب	170283	16.9	24.5	9.515	7.832	<b>58.747</b>	Owned
سوضة اثخ ذو	170541	20.6	23.425	8.641	5.998	<b>58.664</b>	Rented
عخ السلام	170582	19.4	22.575	7.108	9.497	<b>58.58</b>	Rented
ثس ابا اوعاخ	170437	16.4	21.4	12.249	8.498	<b>58.547</b>	Rented
سوضف ويبعا	172126	16.4	26.675	6.249	9.164	<b>58.488</b>	Owned
ذس عح الاراضي اذعخ	170789	20.65	23.275	9.94	4.331	<b>58.196</b>	Rented
سوضة ازهر عاب الأونجية	170685	21.65	11.7	17.107	7.497	<b>57.954</b>	Rented
اغورح زعرا لى ووجي والهديمي	170420	20.65	18.375	12.907	5.915	<b>57.847</b>	Rented
سوضة جش لثس اموذجي	170585	19.1	19.475	12.108	7.164	<b>57.847</b>	Rented
ذس عح اوشس الاععاخ	172088	21.2	22.1	8.541	5.998	<b>57.839</b>	Rented
سوضة اش اط اش	172127	19.35	20.3	9.558	8.498	<b>57.706</b>	Rented
ذس عح اظخ	172085	20.65	21.975	8.208	6.665	<b>57.498</b>	Rented
سوضة العباخ الاولى	170587	20.9	26	3.7	6.831	<b>57.431</b>	Owned
اور اغذذا الأونجية	170052	21.55	17.025	12.191	6.663	<b>57.429</b>	Owned
سوضة الابكس اخ الاندعاخ	170668	19.05	24.975	4.05	9.332	<b>57.407</b>	Owned
شراعم ازطوير الأونجية	170564	20.15	15.05	14.149	7.999	<b>57.348</b>	Owned
فل ط اغوشح زعرا لى ووجي والواديمي	170422	19.4	21.125	9.583	7.165	<b>57.273</b>	Rented
سوضش غشخ ذس	170683	18.3	22.65	9.191	6.998	<b>57.139</b>	Rented
ذس عح رغ الابععاخ	170612	19.2	19.8	12.473	5.665	<b>57.138</b>	Rented
سوضة اوفياء	170259	18.15	15.525	14.699	8.665	<b>57.039</b>	Owned
ذس عح اش ازعراخ	170091	21.15	19.925	7.958	7.998	<b>57.031</b>	Rented
ذس عح اغش اط	170895	24.1	20.925	8.441	3.5	<b>56.966</b>	Rented
سوضة اصور	170824	20.2	21.4	8.833	6.498	<b>56.931</b>	Owned
ذس عح افشخ الاسلامية ذامضخ	170837	18.95	21.2	11.408	5.332	<b>56.89</b>	Rented
ذس عح اعبد ادواخ	172247	20.9	25.825	4.833	5.166	<b>56.724</b>	Rented
سوضة اش شرق العربي	170829	19.35	19.75	8.574	8.998	<b>56.672</b>	Owned
شوعخ الاسلام	171924	21.4	15.25	13.54	6.165	<b>56.355</b>	Owned
سوضة اورام الاصلاح	170885	18.9	26.4	2.95	7.832	<b>56.082</b>	Owned
الاولى طلفم اخ العربية الاصلاح	171894	19.45	17.4	10.532	8.664	<b>56.046</b>	Owned
سوضة شوم اصن واه	170335	14.9	23.7	9.558	7.833	<b>55.991</b>	Owned
سوضة عهد الايمب	170157	20.5	20.925	8.608	5.832	<b>55.865</b>	Rented
سوضة ونس عح ليه اخاب د	171898	21.15	20.1	6.69	7.748	<b>55.688</b>	Rented
طلانع الهخ الاسلاميخ	172555	18.7	22.575	2.6	11.747	<b>55.622</b>	Rented
سوضة عبد الرحمن	170571	20.75	17.35	10.158	7.165	<b>55.423</b>	Rented
ذس عح اغ طب طب وية اغذخ	170562	19.7	14.1	13.591	7.663	<b>55.054</b>	Endowment
سوضة فل طاظخ	170684	19.15	20.625	9.408	5.831	<b>55.014</b>	Rented
سوضة وبراعم اش وك	170300	20.35	19.925	9.241	5.415	<b>54.931</b>	Rented
ذس عح الحكخ	170206	17.9	20.95	10.916	5.165	<b>54.931</b>	Rented
شوم اصن واه	170123	18.65	26.275	2	8	<b>54.925</b>	Owned



سوضة لمجذب لصاين	172567	19.95	16.025	9.366	6.332	<b>51.673</b>	Rented
سوضة عمية اب حاش	170405	13.75	19.85	9.191	8.832	<b>51.623</b>	Owned
سوضة فل ط اغب عطض	170297	17.05	25.55	2.5	6.499	<b>51.599</b>	Owned
سوضة اب خ	170325	19.6	16.5	9.841	5.499	<b>51.44</b>	Rented
سوضة كس الاسلاخ	171950	20.8	14.3	8.59	7.497	<b>51.187</b>	Rented
سوضة ضو اعد	172486	19.95	21.825	2.9	6.499	<b>51.174</b>	Rented
سوضة اشوق ا وذية	170067	19.55	20.8	1.4	9.331	<b>51.081</b>	Owned
سوضة ا ج ظا و عا	170025	20.65	22.55	0.25	7.497	<b>50.947</b>	Rented
سوضة اغوم اصاعن	170645	18.15	23.575	1	8.081	<b>50.806</b>	Rented
همي السلام	172253	19.55	12.6	10.491	8.165	<b>50.806</b>	Rented
سوضة اهذي واور	170080	19.55	15.1	7.949	8.165	<b>50.764</b>	Rented
اوه اشونك	170865	24.7	14.05	5.699	6.166	<b>50.615</b>	Owned
سوضة الايمب ا وذية	170158	18.55	17	7.866	7.165	<b>50.581</b>	Owned
سوضة راهب داوون	170234	16.9	25.6	1	6.999	<b>50.499</b>	Owned
عبا زها اخناض	170798	23.05	9.2	12.208	5.999	<b>50.457</b>	Rented
اورد ا وذية	170142	12.9	24.15	6.883	6.415	<b>50.348</b>	Rented
سوضة الاجبي اواعده	170458	19.75	13.85	8.533	8.164	<b>50.297</b>	Rented
سوضة ابي ط الاسلاميخ	170814	17.55	16.8	6.608	9.332	<b>50.29</b>	Rented
سوضة اغب عطيب ويتطي اخ	170323	19.8	23.45	1	5.999	<b>50.249</b>	Owned
ظفشح ا وذية	171953	17.45	17.725	9.691	5.332	<b>50.198</b>	Owned
سوضة شل شق	170561	19.7	17.35	9.799	3.332	<b>50.181</b>	Owned
سوضة اه ا هني	171936	14.9	16.275	11.473	7.498	<b>50.146</b>	Rented
اثر راخ اليبع اخ	170596	20.3	22.1	0.9	6.832	<b>50.132</b>	Rented
سوضة الاربء	171929	18.15	15.75	10.033	6.164	<b>50.097</b>	Rented
سوضة ابي القاش لصلغ اش	172099	19.3	13.55	9.724	7.498	<b>50.072</b>	Rented
سوضة خمس اليبع اخ	170012	18.55	13.225	14.174	4.081	<b>50.03</b>	Owned
سوضة دب الطفيبي ا وذية	170256	15.15	25.95	2.5	6.415	<b>50.015</b>	Rented

#### Category (C): Total score less than 50%

School Name	School No.	Section Scores				Total score	Rented/Owned
		Sec.2	Sec.3	Sec.4	Sec.5		
سوضة اوتالضخ	170565	18.5	20.025	2.6	8.831	<b>49.956</b>	Rented
سوضة بوش لاش	171930	18.15	15	7.641	9.165	<b>49.956</b>	Rented
سوضة نبي اذي	170266	20.65	22.1	3.6	3.499	<b>49.849</b>	Rented
سوضة اهد الاهاخ	171886	20.3	13.85	8.533	6.999	<b>49.682</b>	Owned
سوضة سباسق اناخ	172340	17.75	20.475	2.4	8.998	<b>49.623</b>	Rented
امحبة ا وذية	170092	20.65	7.35	11.041	10.498	<b>49.539</b>	Owned
سوضة اغهد الاسلاخ	170813	17.95	13.85	8.241	9.165	<b>49.206</b>	Rented
سوضة لبهيخ	170333	19.35	18.4	2.6	8.498	<b>48.848</b>	Rented
سوضة اهبضة اليبع اخ	170252	16.65	12.175	11.349	8.664	<b>48.838</b>	Rented
سوضة ونس عا البهش والافيس	170549	17	19.9	6.416	5.498	<b>48.814</b>	Owned
سوضة اغذو	170290	20.6	19.8	2.9	5.499	<b>48.799</b>	Rented
سوضة سبج الزهراء	170317	20.45	12.35	8.833	7.166	<b>48.799</b>	Rented

سوضة منه الله ا وذجية	172337	19.15	11.2	11.708	6.498	<b>48.556</b>	Rented
ذيس عخ وسوضة الحرما	170143	19.3	17.625	3.208	8.165	<b>48.298</b>	Owned
سوضة زهور ابع ا	170647	20.55	10.55	7.524	9.664	<b>48.288</b>	Rented
سوطا ط و ح راش شوي	172086	20.6	13.3	7.358	6.997	<b>48.255</b>	Rented
سوضة ورا غ خ	172479	19.9	12.125	7.208	8.997	<b>48.23</b>	Rented
سوضة انج ش ذانض خ	170838	17.95	15.775	6.658	7.832	<b>48.215</b>	Rented
سوضة اظ خ	172102	19.15	19.1	3.6	6.332	<b>48.182</b>	Rented
سوضة واكت اور الاسلاميخ	172113	20.9	9.35	10.491	7.332	<b>48.073</b>	Rented
سوطا ط اغ ذويد اوع اخ	170141	19.85	18.925	2.9	6.331	<b>48.006</b>	Rented
سوضة افصاح	170180	19.4	11.7	9.465	7.165	<b>47.73</b>	Rented
سوضة اج ظا اوع اخ	170330	19.15	20.45	0.25	7.83	<b>47.68</b>	Rented
سوضة ريجا	170153	17.95	13.275	10.324	5.832	<b>47.381</b>	Rented
داس اهل الاولى	170139	16.55	11.2	14.241	5.165	<b>47.156</b>	Rented
سوضة الاسطويه	170337	19.3	10.75	7.008	9.998	<b>47.056</b>	Owned
الافق ط ائ	171882	18.95	15.025	3.708	9.332	<b>47.015</b>	Rented
سوضة امحبة ا وذجية	170253	19.15	9.7	8.041	9.998	<b>46.889</b>	Owned
ذيس عخ فس اغ نوح	170511	16	12.75	10.866	6.831	<b>46.447</b>	Rented
سوضة اشرا عص و ج	170408	17.1	15.675	6.316	7.332	<b>46.423</b>	Rented
ذيس عخ وسوضة الايب ا وذجية	170007	21.15	18.725	1.05	5.415	<b>46.34</b>	Rented
اويه افس اون خ	170742	20.1	8.75	8.958	8.499	<b>46.307</b>	Rented
سوضة الابه ا خ العراخ	170370	19.3	19.05	1.2	6.666	<b>46.216</b>	Owned
سوضة اشرا عم ثل خ اعربية	170027	20.8	8.8	5.9	10.666	<b>46.166</b>	Rented
سوضة عشوش ا وذجية	170831	17.4	10.4	10.108	8.249	<b>46.157</b>	Rented
سوضة الاحياء لريش	170827	20.4	5.15	9.458	10.998	<b>46.006</b>	Rented
سوضة عمعيف ا ذ دع	170175	15.65	19.6	3.3	7.165	<b>45.715</b>	Owned
اخيبي ش ثل ا الاسلاميخ	171911	19.65	11.7	8.774	5.581	<b>45.705</b>	Owned
اصديق الا الاولى	170727	14.85	14.7	8.483	7.664	<b>45.697</b>	Owned
ذيس عخ اعبي قيس وق	170094	20.9	15.1	1.8	7.832	<b>45.632</b>	Rented
سوضة اوسود الاسلاميخ	170638	16.4	11.2	9.791	8.165	<b>45.556</b>	Rented
سوضة ابح	172048	18.65	15	5.25	6.499	<b>45.399</b>	Owned
سوضة طش م خ ش بطاخ	170681	18.7	18.7	2.4	5.499	<b>45.299</b>	Owned
سوضة ونس عخ ابن حبيب	177890	16.15	16.9	4.691	7.497	<b>45.238</b>	Owned
سوضة دبع ا وذجية	171972	20.15	9.1	8.491	7.165	<b>44.906</b>	Owned
سوضة صلاح اذ	170634	19.55	8.25	10.908	6.165	<b>44.873</b>	Rented
ذيس عخ الاشطورح	170053	18.15	9.9	6.408	10.331	<b>44.789</b>	Owned
سوضة ونس عخ ش واد	170174	19.45	12.25	7.058	5.998	<b>44.756</b>	Rented
سوضة ونس عخ ش ق	172036	17.7	14.25	2.9	9.831	<b>44.681</b>	Owned
سوضة اللان ان ثل شوية	170892	18.4	10.85	10.09	5.248	<b>44.588</b>	Rented
سوضة ش ا ح اهل	171951	15.45	12.9	10.032	6.165	<b>44.547</b>	Owned
ذيس عخ عنق ا اور	170065	21.2	7.35	8.883	6.666	<b>44.099</b>	Rented
سوضة اوان	172539	20.45	16.4	2.15	5.082	<b>44.082</b>	Owned
سوضة فد م الاقبي	170818	17.85	17.175	2.15	6.831	<b>44.006</b>	Owned
داس اهل طلي ا خ	170038	17.15	9	10.491	7.331	<b>43.972</b>	Rented



سوضة الشاط	170491	16.7	8.85	6.948	5.332	<b>37.83</b>	Rented
سوضة شازشوية	170848	17.95	8.25	7.791	3.832	<b>37.823</b>	Rented
سوضة اغواهر	170843	13.7	15.4	2	6.664	<b>37.764</b>	Rented
سوضة الارج	172111	13.9	5.4	9.558	8.664	<b>37.522</b>	Owned
سوضة عواسكه	171971	20.95	6.45	2.95	6.666	<b>37.016</b>	Rented
سوضة زهوج اذائ	170248	20.15	5.65	6.524	4.665	<b>36.989</b>	Rented
سوضة خائك ابا عا	170700	15.35	8.8	6.774	5.915	<b>36.839</b>	Rented
سوضة اصحوج الاسلاخ	170850	19	8.575	2.4	6.832	<b>36.807</b>	Rented
سوضة المحراة الاسلاخ	171947	15.8	5.4	6.891	6.998	<b>35.089</b>	Rented
سوضة ابن حزم	170738	16.1	7.65	2.9	8.082	<b>34.732</b>	Owned
سوزع اسلام	170117	14.85	6.55	8.191	4.749	<b>34.34</b>	Owned
سوضة علاخ الطوخ	172345	19.8	1.8	6.058	6.664	<b>34.322</b>	Rented
سوضة نحن الطفبي	170823	17.8	7.85	2.4	6.165	<b>34.215</b>	Rented
سوضة ام وطلغ تلج	172584	15.15	4.7	3.158	10.999	<b>34.007</b>	Owned
سوضة ام الاسلاخ	170859	21.15	5.5	1	5.665	<b>33.315</b>	Owned
سوضة زهور اوط	170433	16.65	7.25	2.333	6.832	<b>33.065</b>	Owned
سوضة شلضوي ا وذجية	172583	17.75	4.55	2.9	7.498	<b>32.698</b>	Rented
سوضة اعفاخ	170173	10.15	9.3	7.124	5.581	<b>32.155</b>	Rented
سوضة طفبي العوج	170154	12.2	10.4	3.2	6	<b>31.8</b>	Owned
سوضقاوخ العز	172577	20.05	4.7	0.7	5.999	<b>31.449</b>	Rented
سواتا الاسعاخ اعطخ	170075	16.15	9.45	1	4.166	<b>30.766</b>	Owned
سوضة بشلوخ ا وذجية	172114	17.9	2.15	0.7	6.499	<b>27.249</b>	Owned
سوضة ابس الاولى	170443	18.55	0.8	1.4	6.165	<b>26.915</b>	Owned
عاهب شوة الاراهن واه	170152	13.25	6.75	4.149	2.666	<b>26.815</b>	Owned
ذس عاخ	172029	18.55	0	1	4	<b>23.55</b>	Owned

## SELECTION OF 150 PRIVATE SCHOOLS TO BENEFIT FROM PSSP'S SERVICES

The assessment shows that out of the 310 private schools, 60% (186 private schools) are located in East Amman, and 40% (124 private schools) are located in West Amman.

A sample of 150 private schools out of the 310 was selected to benefit from PSSP's services. The 150 private schools were selected with a focus on under privileged areas and consists of 90 schools located in East Amman (60% of the 150), and 60 schools located in West Amman (40% of 150).

The list below outlines the areas that located within each category:

East Amman:

- Qweismeh
- Basman
- Marka
- Abdali and Jabal Al Hussien
- Bader
- Al Yarmouk and Zahran
- City Center and Ras Al Ein
- Sahab, Jawa and Khreibet el Souq
- Om Qasair, Al Benyyat and Al Muqabalain

West Amman:

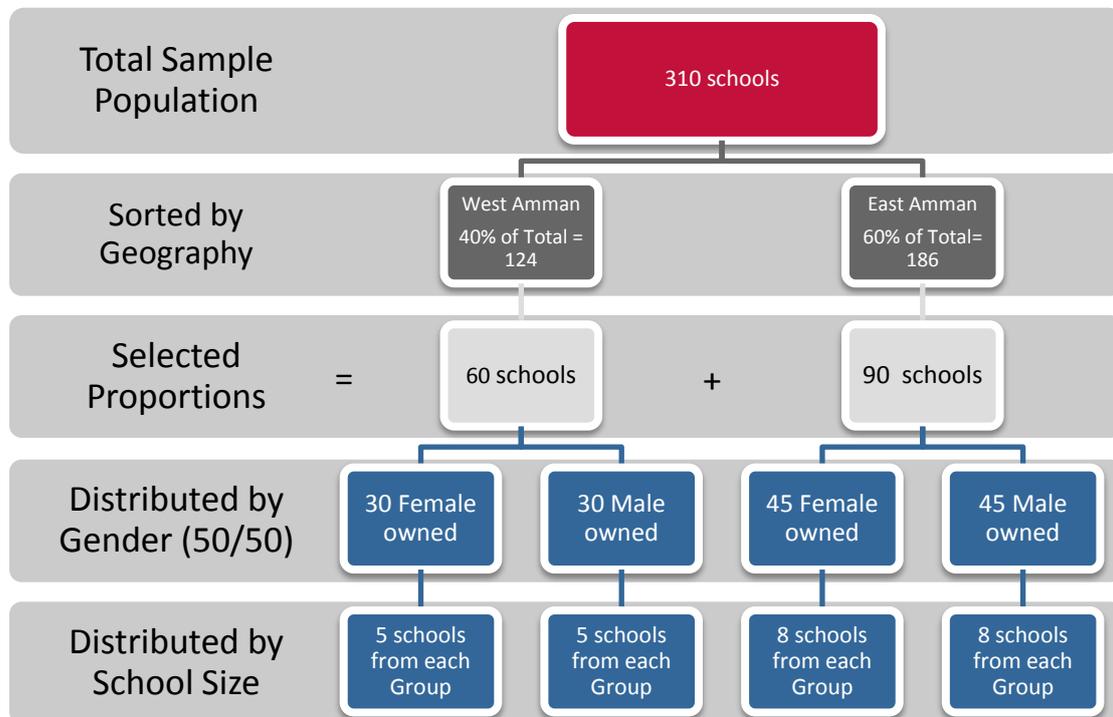
- Al Jubaiha
- Tla'a Al Ali and Khelda
- WadiEsseer and Abdoun and Sweifieh
- ShafaBadran, Abu Nsair, Tareq and Tabarbour
- Sweileh, Nao'ur, Hesban and Om Al Basateen

After selecting schools based on geographical areas, the schools were further selected according to the gender of the owner, and schools size, in order to have equal representation. Furthermore, schools from all categories (A, B and C) were represented in the 150 schools that will benefit from PSSP's services.

The selected sample list of schools is included in the Annex 4.

The following diagram outlines the selection process at each step.

**Diagram I: Selection process**



## CONCLUSIONS

1. In groups 5, and 6 the larger the schools, the more advanced the financial and administrative systems used.
2. Most schools are not reaching their maximum potential as they are running under-capacity; this prevents smaller schools from breaking even at the end of the year.
3. Smaller schools have limited income compared to their constant expenses, which creates a burden on the management.
4. Successful schools are more firm in their managerial and administrative practices as they abide by school policies more closely when it comes to the collection of fees and demanding the payments on time.
5. Many schools are established due to the increased number of students and the lack of schools available.
6. Due to the lack of qualified people to manage financial systems effectively, many schools are not encouraged to take loans. Schools tend to hide behind religious and other excuses when discussing the urgent need for finance from MFIs or banks.

## RECOMMENDATIONS

1. Schools should see themselves not only as educational institutions, but also as business institutions for sustainability. This can be achieved by developing special training programs for the owners and managers of the schools, based on their scoring levels in the survey.
2. Schools have to develop clear and defined policies in order to avoid complications regarding the enrollment of students and the payment process. This should be part of the administrative capacity building designed for schools in the future activities of the program.
3. There is a potential segment among the private schools, which is interested in applying to MFI's and receiving loans. It is recommended to initiate a process with MFI's to develop a customized loan product that caters the needs of this segment.
4. Schools operating under capacity should develop their marketing skills in order to attract more students, which may in turn increase revenues and profits. It is advisable to concentrate on the marketing aspect during the training of schools.
5. A behavioral and cultural change program is recommended to create awareness about MFI's services among private schools.

# ANNEXES

**You can find the following annexes by visiting.....:**

Annex 1: Arabic Questionnaire

Annex 2: English Questionnaire

Annex 3: -Descriptive Analysis Table

