



Business Expansion Feasibility Study for UiTM Kampus Raub

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Introduction

This business plan is prepared for UiTM Kampus Raub to lay out the strategic framework of the campus, which currently offers certificate courses with 10 students despite of a decade of year's of existence. With this total of students' population, it has totally lost and forbade its competitiveness and market power in the area.

The plan concentrates on the strategic elements of sustainability and competitiveness, since it is believed that understanding the prime factors related to the students' enrolment and courses to be offered will explicate the overall success of the campus alongside with the required allocation for subsidy.

District of Raub

The Population

UiTM Kampus Raub is located in Raub, Pahang. The district, with a total population of 92,400 people of which 50,700 or 54.9% is Malay and Bumiputera (M & B), is the focused target market of this study. These groups principally dominate the 37 traditional Malay villages as opposed to that of the non-Malays of nine (9) new villages. These new villages occupy the town area where high economic activities take place while the M & B are in the inner parts of the district.

Raub's M & B population is highly dominated by males of 51 % as opposed to female of 49%. Population Statistics shows that birth rate is increasing (3.3 as opposed to its counterparts of 1.4). The age group of 0 – 19 shows an increasing trend, which is the age group for secondary education level and declines at age group of 20 – 24 by 6%. This shows that majority of Raub M & B populations are SPM holders and migrate to other towns for job related reasons. On the contrary, the M & B counterparts on similar age group shows stable trends and declines at the age of 25 – 29 by 20% due to business migration.

Other Attractive Qualities of Target Area

From the standpoint of population and development, Raub is particularly attractive as economic activities is fast escalating complemented with the developmental moves of other government agency, specifically FELDA; to integrate vast palm oil plantations central management into FELDA Mempaga which is adjacent to Raub, is currently being undertaken. This will ultimately lead to new heights of economic activities in the area. As such it is expected that new educational opportunities will simultaneously exist.

Access to good roads and other public amenities are readily available and new hypermarket is now being constructed. Facilities in the town of Raub itself now include better secondary school buildings, fast food restaurant, family restaurant, hotels, public hospital and construction of new housing area, which would provide space for students and staff in the initial

stage. Infrastructure and public facilities and amenities are available at the district of Raub that would be required to support various needs of university students.

UiTM – A Monopoly

UiTM Kampus Raub has been in existence since 1997 geared to tap the matured students who are working in the government sectors. The campus initially offered two courses: Diploma in Public Administration and Diploma in Business Studies to 80 PLK students. An experienced and dynamic retired lecturer made the campus relevant for the past decade and spearheaded the campus.

Having had the right mix of courses in place, necessary infrastructural and human resources, UiTM Kampus Raub envisaged being a Full Pledge Kampus by 2018. Currently and given the three storey building, it is capable of accepting enrollment for sixty (60) full time students for Pre-Business Course, certificate in Plantation Management for day time classes and PLK students for night time.

UiTM is the only university in the District of Raub that offers tertiary level of education. Its existence paves the way academic excellence of the Malay and Bumiputera populations to continuously support and sustain the growth of the economy in the western area of the State of Pahang that comprises the area of Bentong, Kuala Lipis and Raub. UiTM Kampus Raub is ideal to tap the Malay and Bumiputera students' market in this western part of the State of Pahang because of the following:

- Situated near the FELDA settlement areas of Raub, Kuala Lipis and Bentong with a total population of 6039 families. These areas are geared for greater developments as one of the focal points of the government land development arm: FELDA. However, based on population census statistics, these three areas have a total population of 172,800.
- There exist numbers of government agencies and statutory bodies in the areas of Bentong, Kuala Lipis and Raub where majority of employees' posses SPM qualifications. This connotes that these groups would aim for higher level of education for promotional exercise and competitiveness.
- The availability of busses and taxis as major transportation facilities connecting the neighboring major towns and cities is core to prospective students' mobility.
- Educational support services are aplenty in the town of Raub.
- UiTM Kampus Jengka could provide for UiTM Raub's needs for experienced teaching and support staff as and when it arises.

Aside from the building own by UiTM, it also possess a better bargaining power to acquire a few hundred acres of land within the area of Raub for future Campus development as the top management of the Majlis Daerah of Raub have high regards for the UiTM educational prowess.

Programs / Courses to be Offered

The campus would concentrate on dependable and students' well-acclaimed courses as follows:

Diploma Courses (PLK)

	Course	Duration	No. of Subject
(i)	Diploma in Public Administration	8 semester	24
(ii)	Diploma in Business Studies	8 semester	24
(iii)	Diploma in Plantation Industry Management	8 semester	

• Full Time Courses

(i)	Pre Commerce	1 semester	2
(ii)	Certificate in Planting Industry Management	6 months	9

• Certificate Courses (InED-PLK)

(i)	Certificate in Planting Industry Management	12 months	9
(ii)	Sijil Kemahiran Komputer (Existing)	3 semester	9
(iii)	Sijil Pengurusan Pejabat	3 semester	9
(iv)	Sijil Perakaunan	3 semester	9

• Short Term Courses – duration: 3 – 8 days' course during daytime and weekdays

Computer Related Courses

- (i) Microsoft Word
- (ii) Microsoft Excel
- (iii) Microsoft Powerpoint
- (iv) Windows Movie Maker
- (v) Macromedia Dreamweaver
- (vi) Membaikpulih Komputer

Language Related Courses

- (vii) Bahasa Inggeris
- (viii) Bahasa Mandarin

Accounting Related Courses

- (ix) Simplified Bookkeeping
- (x) Computerized Accounting

Business Related Courses

- (xi) Kursus Asas Keusahawanan

Office Management Related Courses

- (xii) Kursus Pengurusan Pejabat

Plantation Related Courses

- (xiii) Kursus Asas Pengurusan Ladang

Others

- (xiv) Kursus Penyediaan Makanan

The above mentioned short term courses will be conducted during daytime to accommodate the vacant classrooms. The duration of the courses will range from 1 to 3 days. Please refer to the market survey on Appendix C. Currently, the campus has 10 students for Sijil Kemahiran Komputer. With this expansion plan, UiTM Raub endeavors to add on two (2) full time, three (3) diploma, four (4) certificate and fourteen (14) short term courses as shown above. The full time courses will be offered to SPM leavers whereas the diploma courses are on a PLK basis to cater the needs of the working groups. The short term courses and CPIM full time students are envisage accommodating vacant classrooms on weekdays for full capacity. But for the second semester of the first year of the expansion program, additional classrooms will be required.

Course Fees Structure

The proposed fees are as follows:

- Diploma Courses
 - Diploma in Public Administration }
 - Diploma in Business Studies } RM 55 per credit hour
 - Diploma in Plantation Management - RM 5,960 per 6 months
- InED Certificate Courses - RM 150 per subject
- Certificate in Plantation Management - RM 5,960 per 6 months
- Short Term Courses
 - Computer Related Courses
 - Microsoft Word } RM100
 - Microsoft Excel } RM100
 - Microsoft Powerpoint } RM120
 - Windows Movie Maker } RM120
 - Macromedia Dreamweaver } RM150
 - Membaikpulih Komputer } RM150
 - Language Related Courses
 - Bahasa Inggeris (Basic) - RM150
 - Bahasa Mandarin (Basic) - RM150
 - Accounting Related Courses
 - Simplified Bookkeeping - RM 150
 - Computerized Accounting - RM 160
 - Business Taxation - RM 150
 - Business Related Courses
 - Kursus Asas Keusahawanan - RM 150
 - Office Management Related Courses
 - Kursus Pengurusan Pejabat - RM 150
 - Plantation Related Courses
 - Kursus Asas Perngurusan Madang - RM 150
 - Others
 - Kursus Penyediaan Makanan - RM 150

Potential Market

The potential students of UiTM Kampus Raub are the Malay and Bumiputera populations in the FELDA settlement areas, the employees of the government offices and agencies (GOA), employees from corporate sector and individual residents of Bentong, Kuala Lipis and Raub districts.

The market survey made by Ahli Jawatankuasa Perancangan Strategik Kampus Raub is considered as being the most accurate indicator to indicate that there are 515 or 62.2% of the employees in the government agencies and offices in the area of Raub. Taking into account that only 20 (50%) of the 40 GOA have responded to the market survey. Initial demands from these targets for diploma courses and short-term courses are high evident, as shown in the market survey, even without any means of promotions and advertisements.

As already noted, the FELDA settlement areas of Bentong, Kuala Lipis and Raub are the prime targets as well. The Malay and Bumiputera populations from these areas are in need of a dependable university within their vicinity for brighter economic and educational advancement. By offering courses that meet the market requirement, i.e. Certificate in Planting Industry Management (CPIM), is highly in demand since it matches the population's daily core activities and businesses. Based on statistics for year 2007, the following Table 1 are the M & B population counts of the target areas. This figures are based on aged group ranging from 15 – 44 chosen on the basis of potential target students. However the total M & B populations are shown in Table 2.

Table 1: The M & B population counts of the target areas

Area	Malay	Orang Asli	Total	Target (5%)*
Bentong	25,400	1,800	27,200	1,360
Raub	21,600	1,800	23,400	1,170
Kuala Lipis	28,600	5,600	34,200	1,710
Total	75,600	9,200	84,800	4,240

*equitable percentage of the total population

Table 2: The total M & B populations

Area	Malay	Orang Asli	Total
Bentong	54,400	3,400	57,800
Raub	46,400	3,600	50,000
Kuala Lipis	51,100	10,900	72,000
Total	151,900	17,900	172,800

Availability of Classroom (Current)

The emphasis will be placed in using the current campus infrastructure, that is, 2 computer labs and 2 conventional classrooms. The projected usage of classrooms is identified in order to determine the classroom capacity as in Table 3.

Table 3: Usage of the classroom

Day/Time	8.00 – 9.50	10.00 – 11.50	2.10 – 4.00	4.10 – 6.00	8.10 – 11.00
Monday	(1)	(2)	(3)	(4)	(1)
Tuesday	(5)	(6)	(7)	(8)	(2)
Wednesday	(9)	(10)	(11)	(12)	(3)
Thursday	(13)	(14)	(15)	(16)	(4)
Friday	(17)	(18)	(19)	(5)	
Saturday			(6)	(7)	
Sunday	(8)	(9)			

Classroom Occupancy Analysis

a) First semester

Full time students (Daytime Classes):

Weekly classroom availability (19 slots x 2 units) = 38 classes

Classroom size : 25 students.

Suffice to accommodate the following:

- Pre-commerce students (2 groups x 2 Slots = 4 classes)
- Certificate in Plantation Management students (1 group)
- Short term courses (as scheduled)

PLK & Certificate Classes (Night Classes):

Weekly Classroom capacity (9 slots x 2 units) 18 classrooms

Classroom size : 25 students.

Suffice to accommodate 6 PLK programs.

(Enough classrooms during the first semester of the first year)

Computer Lab capacity per week:

Lab size : 20 students

Classroom capacity per week : (19 slots x 2 units) or 38 classes.

(There are more computer classrooms available for use).

b) Second Semester

For the second semester, the forecasted students' population grouping can be summarized as follows:

Pra Perdagangan (Full time)	4 groups of students of 25 students per class.
CPIM (full time)	1 group x 9 subjects
Diploma Courses (PLK)	3 groups of diploma students x 3 different subjects
Certificate Courses	3 groups of diploma students x 3 different subjects
Short term courses	14 different classes during daytime classes

Based on the above analysis, additional classrooms will be needed for the second semester of the first year of the expansion program implementation as students' intakes increases.

Based on the table below, the campus requires 38 classrooms during weekend to accommodate the PLK students for 6 diploma courses. This means that renting an additional building is necessary to accommodate the increasing students' population. The building should have six to eight (6-8) classrooms. Moreover, the students need one (1) waiting bay or room for them to relax or do some class necessities.

Courses	Student size	Total classroom
Pra Perdagangan (Full time)	4 group (new)	4 x 2 = 8 daytime
CPIM (Full time)	1 (new)	1 x 3 = 3 daytime
Diploma courses	3 (old) + 3 (new) groups	6 x 3 = 18 weekend
Certificate courses	3 (old) + 3 (new) groups	6 x 3 = 18 weekend
Certificate course in computer	1 (old) + 1 (new)	2 x 3 = 6 daytime

In summary, there are enough classrooms for the first semester of the expansion program and the need for additional classrooms is imperative in the second semester of the first year of the expansion project to accommodate the growing number of classes.

Rent of the Space (Second Semester)

a) Adjacent shop lot (classroom)

A ground floor of the storey adjacent shop lot could be rented for RM 1,000 per month or RM 12,000 per annum. This could be converted into a classroom. The cost to renovate the premises would be RM 50,000.

b) Bungalow houses as hostel

With 60 full time students, 4 bungalows would be rented out as hostels assuming there are 46 female students and 14 male students. The current rate of bungalow house is RM 800 per month per unit or RM 9600 per annum excluding utilities. The bungalow is assumed to have basic amenities and that it is newly painted and furnished.

Purchase of the furniture and fittings

Hostel furniture and fittings should be purchased as the rented bungalows are not furnished. The following are the estimated costs:

Double Decker bed (wood)	30 @ RM 400	12,000
Bed mattress	60 @ RM 140	8,400
Curtains & sewing	28 sheets @ 60	1,680
Cabinet	60 @ RM 200	12,000
Study table	60 @ RM 150	9,000
Chairs	60 @ RM 15	900
Pillows	60 @ RM 15	900
		RM 44,880

Students' forecast

a) Pre – Commerce

It is expected that 60 students would be assigned in UiTM Kampus Raub per-every semester or 120 students per year.

b) Diploma PLK Courses

Diploma in Public Administration would be offered to cater the government staff wanting to acquire skills in higher level of management in the government offices around the area. It is expected to accept 25 students in the first semester and an expected growth of 100% for the following semester making it up to 50 students for the

first semester. The enrollment will increase slowly of another 20 students but anticipated dropped outs would be possible at 15%. Similar trend would be experienced for Diploma Business Studies.

c) InED Certificate Courses

UiTM Raub is envisaged to offer three (3) certificate courses in Computer, Office Management and Accountancy with students' intakes of 40, 40 and 30 respectively in the first year. In the first semester, students' enrolments are expected to be half of the total projection

d) Certificate in Planting Management (CPIM)

UiTM Raub will be offering CPIM courses in two modes, i.e. full time and part time. This course would be under the smart partnership arrangement between UiTM Pahang and the Institute of Planting Management of UiTM Malaysia. The number of students' intake is expected to be 70 for both full time and part time.

e) Short Term Courses

Fourteen (14) varied short term courses will be offered on regular basis to SPM leavers and the general public. The expected class size per course is expected to be 20 – 25. Classes will be held on weekdays. Weekend classes can be conducted based on availability of classrooms.

f) Students' Projections

The following table shows the summarized students projection for the next five years exclusive of short term courses. The number of students' population is expected to be 400 students in the first year and will grow at an average rate of 7% within the first 5 years' budget.

Expected Number of Students' Enrolment

COURSES	2009	2010	2011	2012	2013
Pre Commerce	120	120	120	120	120
Diploma in Public Administration	50	60	70	80	90
Diploma in Business Studies	50	60	80	85	100
Sijil Kemahiran Komputer	40	60	60	60	60
Sijil Pengurusan Pejabat	40	60	60	60	60
Sijil Perakaunan	30	40	40	40	40
CPIM	70	70	70	70	70
Total	400	470	500	515	540

Future Development Program

As the number of student enrolment increases, UiTM Kampus Raub has the opportunity to acquire a piece of land for possible expansion and erect permanent campus site. The site has been earmarked by the Majlis Daerah Raub for UiTM.

Advertisement Campaign

Posters, banners, leaflets, personal contact by telephone and advertisement in the newspaper are common ads for Kampus Raub. Yearly forecasted advertising schedule, frequency and costs are shown in the table below. Banners will be posted in strategic location of Bentong, Kuala Lipis and Raub while the leaflets will be distributed directly to government agencies and other target groups.

Month	Advertisement	Costs (RM)
November - December	Banner (7 units)	RM 1,500
	Leaflets (3 reams)	RM 250
	Newspaper (common with UiTM Malaysia)	
	Government offices promotional activities	
May - June	Same as above	RM 1,750

Human Resource Requirement

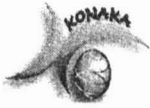
In order for UiTM Kampus Raub to sustain its growth, a fully committed Coordinator (80%) cum Lecturer (20%) is to be appointed. He will be responsible for the day to day operational activities of the campus, advertising, promotions, marketing to sustain the desired number of students and reports directly to the UiTM Pahang Campus Director. Monthly emolument for non-academic staff is RM9, 400.00. The coordinator will be assisted by:

Designation	Number & Job Assignment
Pembantu Takbir	(2) - Librarian & Administrative Clerk functions
Pembantu Rendah Awam	(1) - Assists
Lab Assistant	(1) - Assigned in the computer labs.
Penyelia Asrama	(1) - Handles the hostel operations

Financial Budgets

Appendix A shows the projected cash inflow and outflow of the campus for the next six years. Based on the projected intake of students, UiTM Kampus Raub will require an annual funding subsidy of 84% of the total fund disbursements. The projected yearly income statement is shown in Appendix B. The initial investment requirement is RM198, 400 to subsidize the preparatory work as follows:

Initial Investment	RM
Rental Deposit – Shop lot cum classroom & hostel	9,000
Renovation (classroom)	60,000
Purchase of Library Books	50,000
Purchase Book Racks	1,000
Purchase of Hostel furniture & fittings	45,000
Purchase of Classroom tables & chairs (62 x RM 400)	24,800
Purchase of white boards (6 x RM 900)	5,400
Rental	3,200
Total	198,400



'What if' Analysis of the Expansion Plan

a) If Continued - Benefits (Advantages)

Classroom utilization rate increases to 100%.

The projected fees from students are able to cover 60% of the total operational expenses.

Ability to offer educational excellence to an average of 250 M & B students per year from rural areas.

Serves as an avenue to realizing the vision & mission of the university.

Continuously supports the enlistment (mobilization) of the socio – economy of the M & B generations.

Marks a way of caring and sharing a small amount of public higher educational subsidy to needy – group of individuals who blooms their excellence in the later part of life from outskirts of towns and cities.

b) If discontinued

The value of the physical assets i.e. building, computers, furniture & fittings is partially lost.

Gives up the potential higher educational assistance of reaching out the farfetched M & B population to other private institutions.

Competitors

a) Diploma & Certificate Courses

There are a number of universities and community colleges including preparatory colleges in the State of Pahang but these are situated in Kuantan, Mentakab and Jengka where the students have to travel a distance from their residence. Although, Kuala Lumpur is just two hours away from Raub, Bentong and Kuala Lipis (the target area) but it is prove too inconvenient and cost too high for working students to study in Kuala Lumpur as traffic jam is horrendous. With UiTM Kampus Raub being in place, this problem is much lessens up.

b) Short Term Courses

These short term courses are a monopoly of UiTM Kampus Raub because no one dares to offer these courses in Raub with the level of technology at a reasonable cost. Moreover, UiTM is known for its sustainability.



Time Chart

Activities/ Months	2009						
	December	Jan	Feb	March	April	May	June
Administrative & approval							
Preparation of materials							
Asrama related work							
Advertisement							
Marketing							
Classes begin on July 2009							

Acknowledgement

The author wishes to thank a number of people who have extended their valuable support in the development of this feasibility study. First, I must thank the Director of UiTM Pahang, Associate Professor Dr. Hj Hilmi Bin Ab. Rahman. His enthusiasm, comments, questions and experience have honed my understanding and appreciation of this undertaking. Second, I would like to express my sincerest thanks and gratitude to Zainab binti Othman, Abdul Razak bin Said, Prof Madya Wan Hanisah bt Wan Ismail, Md Jamaluddin Bula of UiTM Kampus Jengka, Rozeleenda binti Abdul Rahman, Juhaida binti Ismail and Mi Hassan Bin Jamaludin of UiTM Kampus Raub and finally, million thanks to the administrative academic colleagues who have given feedback or reviewed parts of the manuscript.

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