

## **Raising Public School Funds in Saudi Arabia by Applying Strategies Used in the United States**

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### **Abstract**

This article aims to scrutinize and compare public school education financing in the United States and Saudi Arabia. It presents a new funding strategy to use in Saudi Arabia based on some successful strategies for raising funds in the United States. Since the United States' educational system is decentralized, the article will propose a form of public school finance for the centralized education system in Saudi Arabia. The study additionally provides a synthesis of the school funding to expand the understanding of educational practice in public schools. A SWOT analysis-marketing plan is used in the article to investigate the strengths and weaknesses of Saudi Arabia's school funding strategies. This marketing plan is presented in the paper, which analyzes the new strategy suggested for Saudi Arabia to raise funds for education. The study also provides future research for school marketing to raise funds for underdeveloped public schools. The study concludes with recommendations that may be implemented by stakeholders in both countries for the benefit of schools to foster increased funding and quality of education.

**Keywords:** School finance, SWOT analysis, strategic planning

## **Introduction**

Within the United States of America, each state has sovereignty in education; therefore, each state has the right to set its own education policies, including policies that address the duration of compulsory education, school regulations, and setting standards that teachers must meet regarding coursework, along with public school fund raising. In the United States, three departments are responsible for sharing the management of education: the federal government, state government, and local government. Thus, the education system in the United States is decentralized, while Saudi Arabia's educational system is centralized. There are significant differences in education finance for public schools from state to state that can sometimes create gaps in resources that appears to exist in lower income areas when compared to higher income areas. Public school finances depend on three major sources for funding: the federal government (4 percent of school funding), state government (39 percent of school funding), and local government (57 percent of school funding). Therefore, in lower income areas, a huge burden is placed on local and state governments to raise needed school funds, but also the schools within the district. This policy is due to the Tenth Amendment to the United States Constitution because it gives each state the authority to organize its own education policies (Wong, 2008). While the local and state government and school districts within the United States vary regarding their education policies, they have similar cooperative and collaborative aspects of the public school fund raising.

Even though there are numerous differences between the education systems of the United States and Saudi Arabia, there are also similarities between them. For example, both countries require that funds be raised for public schools. In Saudi Arabia, many public schools have difficulty raising needed funds. This may be due to the strict rules surrounding raising education funds in Saudi Arabia when compared to the flexibility found in the United States. In Saudi Arabia, public school administrators have limited authority to raise needed education funds, and school administrators do not have any flexibility regarding creating strategies to raise funds, nor are there any cooperative and collaborative features within limited authority or school administrators of raising public school funds. In the United States, school administrators are given much more freedom to be creative and fundraise for their schools than their counterparts in Saudi Arabia. Thus, the purpose of this study is to assess the public school funding challenges that affect Saudi Arabia and develop successful strategies that can be used to raise funds for Saudi Arabian public schools by applying strategies used in the United States.

## **Public School Funding in the United States and Saudi Arabia**

In many countries, education receives a large portion of national resources. Quality education must equip learners with the skills and knowledge they will need to contribute and effectively compete in the economic, social, and political development of their nations. The investment a country dedicates to education determines the value and quantity of education received by its students. A well-funded school system promotes efficiency and equity aimed at increasing the quality and quantity of education among all members of society. When increased education expenditures translate to optimum educational targets and ideal social development, learners perform well and school funding is balanced. In the United States, public schools are partially funded through taxes collected from local communities. Ideally, public schools provide students with

equal opportunities for educational success, regardless of the socioeconomic status of their communities, but this is not always true in practice. Students from underprivileged communities often attend public schools that are underfunded and severely lacking resources. This is a serious issue that must be addressed to ensure that public schooling in the United States lives up to its promise to leave no child behind.

Saudi Arabia supports public education through national budgets, but the public school funding methods of both the United States and Saudi Arabia lead to inequalities in education. Proponents of equitable funding for public schools describe the close correlation between students' achievement and school resources. Those who oppose equal financing of public education argue that increased expenditures in education do not automatically translate into higher levels of education attainment (Greenwald & Laine, 1996). Public school funding is a contentious issue in the United States and Saudi Arabia, and it elicits various debates on education equality and the challenges that schools face. Thus, this paper will investigate the challenges that affect educational funding in the Saudi Arabia, and how effective educational funding strategies can be applied to raise funds for Saudi Arabia's public schools via strategies from the United States.

### **Theoretical Framework and Rationale**

Public school funding in any country takes on a social persona that emphasizes teamwork and team spirit from a cooperative and collaborative learning theory perspective. This public school funding activity in-group work is more efficient and effective, according to May and Doob (1937) cooperative and collaborative learning theorists. Since the theory's conception, there has been a plethora of studies to examine the idea of the cooperative and collaborative learning theory in various ways. Most of the studies' results have shown that in these environments students or others are able to learn from each other, and apply each other's skill sets and resources, while sharing experiences that could profit the comprehensive group and alleviate competitive behavior. The results also show possible life-long friendships and interaction; enhanced cognitive and communicative skills. The above theory is utilized in the United States' public school funding strategies that Saudi Arabia could adopt to be successful.

The education system in Saudi Arabia is centralized; therefore, all students have access to the same curricula and school lunch and nutrition programs at all elementary, middle, and secondary schools (Ministry of Public Education Handbook, 2014). As a result, school finances are the same in both large and small school districts. The education policy in Saudi Arabia has been working towards acknowledging schools' needs and supporting individual school's needs by adjusting education policies (Alhaqil, 2010), but public school funding policies are misleading and face several challenges on a daily basis. Public school funding challenges further complicate the shortage of proper education programs for Saudi Arabian students in public schools. Recently, some universities in Saudi Arabia have designed programs for graduate students who wish to become public school funding specialists, but this does not address the current shortage of proper education regarding public school funding policies and supporting students' needs in Saudi Arabia's public schools.

Saudi Arabia and the United States both face challenges regarding school funding, even though the two countries have different forms of education funding. In Saudi Arabia, education funding is centralized, while in the United States it is decentralized.

Nevertheless, education funding in the United States is more successful and balanced than in Saudi Arabia, and Saudi Arabia can learn from the United States as the country begins the process of changing how public schools are funded. Currently, efforts are underway in Saudi Arabia to improve students' educational attainment by increasing public school funding while paying attention to students' unique needs. Saudi Arabian society and education practices in general differ greatly from American society and education practices. Schools in Saudi Arabia are segregated by gender, and modesty is a countrywide policy that is taken seriously. Teachers are to be treated with the utmost respect, and asking questions inside the classroom is not encouraged. Thus, differences such as these must be taken into account while designing public school funding strategies intended to improve students' performance. Saudi Arabia's Ministry of Public Education recognizes the challenges that face its public schools, and it is committed to improving students' educational achievement. The Ministry of Public Education has recently established a department to assess and improve public school funding, but the department is in need of proven strategies that it can use to instill effective change in Saudi Arabian schools.

### **Administrative Challenges in Saudi Arabia**

In Saudi Arabia, many public school administrators are facing difficulties with their school funds. For example, in some areas, students attend classes in rented buildings, which prevent them from doing certain activities, such as science activities, and some schools are so crowded that multiple classes are held in the same classroom at the same time. Many teachers are overloaded with work and their heavy schedules prevent administrators from giving them additional duties, such as helping struggling students and gathering voluntary contributions of money or other resources by requesting donations from individuals, businesses, charitable foundations, or governmental agencies. The centralized education system in Saudi Arabia also prevents school administrators from acting outside of their assigned roles, and school funds are not allowed to be distributed to gifted or struggling students to help them perform to their abilities.

### **Challenges for Students in Saudi Arabia**

Many students in Saudi Arabia are in need of effective social environments that meet their interests and needs, including challenging their intellect and providing them with hobbies that stimulate their minds. New strategies are desperately needed to increase public schools funds because centralized and limited support from the government is not currently able to meet students' unique needs. Also, students do not receive awards or extra resources for mastering their current grade level. This means that there is no formal recognition of students' achievements, and there are no specialized curricula for advanced students or students with disabilities. Thus, in Saudi Arabia, students' achievements are not encouraged or appreciated (Student Evaluation System, 2011).

### **Strengths, Weaknesses, Opportunities, and Threats: SWOT Analysis Funding for Public Education in the United States**

Each state in the United States has its own school finance system. The state of Illinois has been chosen in this paper to present and examine the education finance system in the United States and compare it to Saudi Arabia's, based on several elements: population, diversity, and regulation. Funding for public school education in the state of Illinois

comes from local, state, and federal sources. Public schools in Illinois are run primarily via property taxes collected from local property owners (Wilson, 2014).

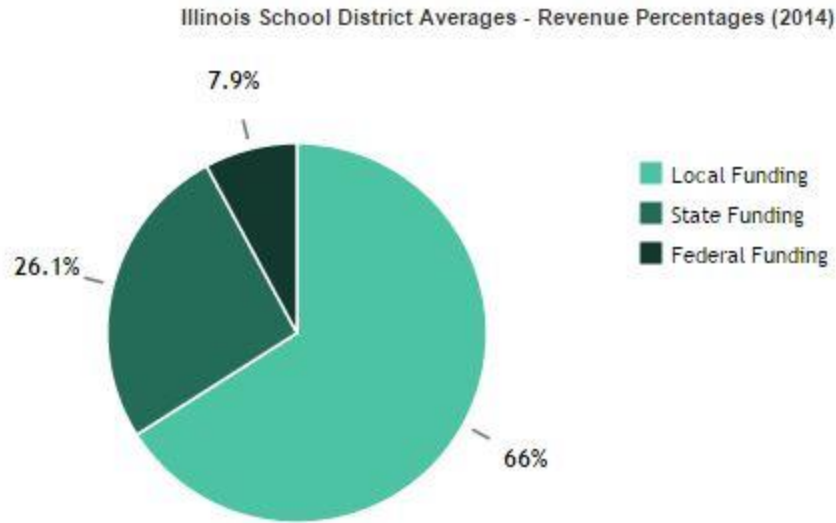


Figure 1: show Illinois School District Finance Averages

### **Strengths of the School Funding Formula Used in the State of Illinois**

A crucial strength of the school funding formula used in the state of Illinois is that local communities support local schools, and this means that local individuals have the capacity to improve poor schools. Funding public schools via money collected from local individuals (i.e., taxpayers) means that local communities play an important role in accessing and monitoring the progress of the education that schools provide students. The funding formula used in Illinois makes the local community responsible for the welfare of its schools and its students. Recently, the state of Illinois introduced a bill in which funds collected from wealthier neighborhoods are distributed to poorer areas to promote education equality. In addition, the school funding formula used in Illinois is effective in that communities can devise ways of supporting poor schools with additional funds, even when such schools are located in impoverished communities. Such behavior gives credence to the cooperative and collaborative fund raising process.

### **Weaknesses of the School Funding Formula used in the State of Illinois**

The effects of the school funding formula used in Illinois include the stark fact that wealthy communities generate more funds for their public schools than impoverished communities, and this leads to disparities in education. Thus, differences in education are more marked within the states' schools, school districts within the districts, and among schools within particular zones, e.g., zones of great socioeconomic disparities (Greenwald & Laine, 1996).

Within the state of Illinois, wealthy communities tend to have well-funded schools while impoverished communities are likely to have schools that struggle to obtain adequate funding. The general effects of the unequal funding of public education in the

state of Illinois include disparities in the quality of school facilities, curriculum, teaching aids, teachers' experience, class sizes, and other variations (Wilson, 2014). Other developed countries rarely experience such disparities in public school funding. One weakness of the school funding formula that is used in Illinois is that poor and minority children face more difficulties than in other countries with a universal funding formula. Children from poor and/or disadvantaged families can only afford to attend poorly funded schools, and doing so increases their handicap. The public school funding formula that is used in Illinois – one that relies heavily on local property taxes – is irrational, unfair, and insensitive to the resources required to properly educate students. The unequal distribution of resources in the state of Illinois is an important example of why the system of education funding used in the United States is imperfect, but the imperfection has some strategies that could be used to aid in Saudi Arabia's public school fund raises.

### **Funding of Education in Saudi Arabia**

The government of the Kingdom of Saudi Arabia funds education in its public schools. Saudi Arabia has a huge budget, which is financed through massive investment and income from oil exploration. The budget funds enormous projects and government duties, such as education, and the government allocates a large portion of its budget to education funding at all levels. In 2014, Saudi Arabia spent around twenty-five percent of its total budgets on education. In 2015, the budget allocations for education and training increased by three percent, and this increase includes SR14 billion for new projects, SR12 billion for the refurbishment of universities and the construction of three new universities, and SR400 million for the refurbishment of school centers. The 2015 budget also allocates SR22 billion for Saudi Arabia's approximately 207,000 students who are studying abroad (2015 Saudi Arabian Fiscal Budget). Primary and secondary education is the backbone of education in Saudi Arabia, and the government spends freely and committedly on education.

### **Strengths of the School Funding Formula Used in Saudi Arabia**

In Saudi Arabia, school funding is a collective task that is undertaken by the national government. The Saudi Arabian government allocates education funds for all levels of public education. The national government pools financial resources from various areas and the resources are then shared equally amongst all of the country's public schools. This is important as it erodes funding disparities between public schools in wealthy and poor communities. When the state funds all schools, equal standards of education are promoted and this eliminates inequalities in regard to school facilities, personnel, and other training resources.

### **Weaknesses of the School Funding Formula Used in Saudi Arabia**

The school funding formula used in Saudi Arabia eliminates community participation in public education because the government provides all funds and monitors the use of school resources. In this case, the funding formula used in Saudi Arabia may adversely affect communal responsibility in the management and running of public schools. When the national government provides funds to all schools in an equal manner, regardless of student attributes, community characteristics, and other important considerations, this formula also breeds inequality. In big cities in Saudi Arabia, public schools typically

have ideal literacy levels and teaching infrastructure and more teaching personnel and teaching aids than schools found in more remote, rural areas. Schools in rural areas generally have a harder time attracting and keeping top teaching talent than city schools, because many teachers prefer to live and work in modern cities versus rural desert communities.

### **Comparing the Education Funding Formulas of Illinois and Saudi Arabia**

In the United States, public schools receive funds from taxes collected from local communities, and this perpetuates inequality in public education. Public schools in wealthy communities receive more funds compared to those in poor communities. In this sense, the education funding formula of the state of Illinois promotes education inequality (Klinger, 2013). In contrast, the government of Saudi Arabia allocates approximately twenty-five percent of its yearly budget for education (2015 Saudi Arabian Fiscal Budget). However, inequalities persist in the allocation of resources in Saudi Arabia, and new public school funding strategies are needed to ensure that all Saudi Arabian students have access to high quality, well-funded education (Mohammed, 2013).

Despite the existing disparities in education funding between the state of Illinois and Saudi Arabia, education funding in the state of Illinois, and in the United States in general, is more conscious of disadvantaged students needs' than education funding in Saudi Arabia (Saudi Arabian Ministry of Education, 2008). This means that local communities in the United States can respond more effectively to bridge educational funding inequalities than the federal government of Saudi Arabia can rectify educational gaps. Local communities understand the needs of students who live in less privileged communities, and such communities are equipped to understand when increased funding is needed to support their schools. Local communities are also able to organize fundraising (cooperative and collaborative effort) drives to increase public school funding, and permission from the state is not needed to raise money for needed resources. On the surface, the education funding provided by the Saudi Arabian government appears to promote equality, but there are serious disparities in its funding formula (Profanter, 2014). For instance, when the government provides funds to all public institutions, this formula is unjust as it gives an equal share of resources to both wealthy and lower income schools. By equally distributing education funds, the Saudi Arabian government fails to meet the needs of the disadvantaged (Reizberg, 2011). Funding of public education via the federal government, such as the education funding found in the United States, is an active strategy that promotes equality in all public institutions (Roy, 1992).

The Saudi Arabian government must place a greater emphasis on erasing the disadvantages in accessing education. Although, public school funding in the state of Illinois is not entirely fair, it has its advantages; and it promotes some level of equality. In Illinois, disadvantaged students can get more support from their government and local communities than disadvantaged students in Saudi Arabia, where the national government provides uniformed funding for all public schools (Hanushek, 1989). The public school funding approaches used in the state of Illinois and Saudi Arabia differ. The state of Illinois uses a devolved approach to fund public schools (Wilson, 2014), while the Saudi Arabian government uses centralized resources to finance public education (Mohammed, 2013).

### **Public School Marketing and Fundraising**

In the United States, state and federal funds for public schools are limited; public schools must raise needed school funds by creating marketing strategies and fundraising campaigns. Therefore, public school administrators must develop suitable strategies based on facts and detailed visions in order to design and implement successful marketing strategies that raise much-needed public school funds. The administrators have to make feasible that all parties involved in the raising of funds, must adhere to the cooperative and collaborative effort to acquire mutual success. Thus, by establishing marketing strategies and fundraising campaigns, public schools are better positioned to raise needed funds, as opposed to when marketing strategies and fundraising campaigns are not utilized (Verstegen, 2011).

Public schools should use SWOT analysis – the most popular and successful analysis model – to analyze the strengths, weaknesses, opportunities, and threats of each marketing strategy that they might decide to employ to raise funds. Using SWOT analysis would allow public school administrators to ensure that marketing strategies and fundraising campaigns are worthwhile and likely to be successful before such strategies and campaigns commence. It is essential that public school fundraising is effectively incorporated within the community environment. Thus, before or during the use of SWOT analysis, public school administrators must present the school in a positive light to members of the local community and students' needs should be conveyed to the community. Public school fundraising may not require long-lasting SWOT analysis because such fundraising is typically associated with a solid core of school administrators who all have the same goal in mind: increasing their school's funds. However, if a public school's fundraising campaign is affected by the withdrawal of a major sponsor, such as the school's principal, then the entire fundraising team will be affected and the team may not be able to maintain its goals or meet its objectives (Neely, 2015). Successful fundraising campaigns have a cohesive leadership unit whose members are united by the same goals and objectives.

The location of public schools plays a large role in the process of raising school funds. Public schools that are located in low-income areas are likely to experience difficulty raising needed funds because their surrounding communities typically do not have extra funds that can be given to local schools. Students of schools in lower income areas may also have additional needs that are not present as often in higher income areas, such as an increased need for federally supplied school breakfasts and/or lunches. Funding such expenditures requires schools to spend funds, even if schools are eligible for federal supplemental aid. This means that extra funds for necessities, such as music classes or physical education classes, must be raised via fundraisers. This involves school administrators working together with their local communities and accepting funds from community members, parents, and stakeholders, and petitioning the federal government for additional funds. The city of Chicago, Illinois is an example of a successful, city-led marketing strategy that was developed to gain federal approval to provide tutoring programs for students in schools that are not making adequate yearly progress (AYP). A successful strategy to get more state aid support was led by Pennsylvania Governor Edward Rendall. The strategy was designed to increase state funding for school districts that have a higher attentiveness of needs and a lower fiscal base (Wong, 2008).



Administrators in a Colorado school district created a successful marketing strategy that is engaging parents and stakeholders in decision-making and problem-solving processes. The administrators call their strategy “seizing the day” and the program focuses on engaging parents and other stakeholders in complex decision-making processes and making them aware of the needs behind fundraising campaigns, thereby increasing their interest in funding the district’s schools (Poynton & Haddedd, 2014). According to Poynton and Haddad, “The program known as Leadership St. Vrain provides citizens with knowledge about school district operations and management (know-how) and relationship-building opportunities with key decision makers (know-how)” (2014).

According to *Family Circle* magazine, there are numerous methods that public schools can use to raise needed funds and improve their operations. For instance, a school can organize a baked goods fundraiser that includes baking cakes, cookies, or scones and then selling the baked goods, with the proceeds from each sale going to the school. Alternatively, a public school may also employ an intelligent-sponsored approach. Through such an initiative, the school administration may engage merchants or celebrities in different fields and encourage them to make a contribution to the institution with no strings attached. Such donations may be turned into cash and used to improve the school’s operations (Leslie, 2015). Ultimately, the school may also organize child-centric fundraising initiatives by asking students to distribute global-sustainability placards to the community with the hopes of getting donations to improve the school (Leslie, 2015).

### **A Marketing Plan to Fund Public Schools in Saudi Arabia Based on the SWOT Analysis**

According to Rizzo and Kim (2005), SWOT analysis is “a commonly employed framework in the business world for analysing the factors that influence a company’s competitive position in the marketplace with an eye to the future.” A school can be viewed in a similar light as a company, because both schools and companies must raise needed funds in order to operate successfully. Therefore, it will be valuable to use SWOT analysis to develop and employ suitable strategies that can be used to raise funds for public schools in Saudi Arabia. Moreover, the following lists contain suggestions that can be used to develop public school fundraising strategies in Saudi Arabia, including strengths, weaknesses, opportunities, and threats based on the SWOT analysis framework.

#### **Strengths:**

- School funding is provided by the national government
- All public schools in Saudi Arabia are funded equally by the government
- Equal standards of education are promoted and this eliminates inequality with regard to school facilities, personnel, and other training resources

#### **Weaknesses:**

- School administrators and local communities are severely restricted from participating in school funding activities
- Equality of school funds may lead to inequalities in the quality of education provided by schools

#### **Opportunities:**

This study aims to present the opportunities could be gain if the strategies will be apply. The opportunities analysis based on SWOT analysis; which are

- Decrease the government's school budget, which is currently twenty-five percent of Saudi Arabia's national budgets
- Gain community support for public school fundraisers
- Build positive partnerships with community members, stakeholders, and all individuals who donate funds to public schools
- Improve schools' resources
- Become a model of how best to fund public schools in countries that have a centralized education system
- Gain insight and perspectives from students, parents, and community members
- Eliminate school money shortages
- Improve students' health care and nutrition, and increase the availability of needed school supplies
- Improve students' academic progress in struggling schools until all schools make adequate yearly progress
- Encourage school leaders to achieve goals and improve students' academic performance
- Positively impact each school's local community
- Teach students about responsibilities, creativity, and problem-solving skills

**Threats:**

- Fears might prevent school leaders from developing school fundraising campaigns
- The time needed to develop marketing strategies and fundraising campaigns in public schools
- In Saudi Arabia's centralized education system, public school leaders currently do not have the authority to organize school fundraising campaigns
- Poor participation from students, parents, and local communities during fundraising campaigns
- Saudi Arabia does not have strong curricula in place to build professional skills
- Software glitches could stall full implementation of marketing strategies or fundraising campaigns
- Donor partnerships could sour
- Teacher engagement could be difficult to encourage
- Schools in the suburbs are located a great distance away from the Ministry of Education, which may stall any proposed marketing strategies or fundraising campaigns for suburban schools
- The postponement or failure of other units' projects may negatively impact retention goals in individual schools
- Other schools may become territory leaders, thereby gaining support from the Ministry of Education, while other schools languish

**Recommended Strategies to Fund Schools in Saudi Arabia:**

- Online school supply fundraisers
- Book fairs
- Direct sales, including door-to-door fundraisers
- Encouraging donors to support schools via monetary gifts with no strings attached

- After-school tutoring programs
- Selling students' crafts or artwork to the general public
- Media support
- Field trips
- Selling tickets to sporting events
- Allowing school clubs to organize individual fundraisers
- Providing nutrition programs for the general public after school hours
- Business aids
- Selling plants to the local community
- Encouraging students to brainstorm creative ideas for raising funds

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