

## Adding value to college business majors through a model education station built for practice sessions

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**ABSTRACT:** University enrolment expansion in China, especially for business majors, is welcome but, at present, these types of students are experiencing a serious lack of opportunities to undertake learning through practical sessions. Many practice teaching plans in the business major syllabus exist only in name. Through creating a real business operating environment on campus, the study outlined in this article shows how to build a practice station model for business majors in colleges. The model is based on three basic modules, which are: first, the construction of the practice station; second, the activities associated with the practice station; and third, performance evaluation. It was found that such a practice device adds value to education by giving students the benefit of real exercises of the type likely to be encountered in the commercial marketplace.

### INTRODUCTION

The majors that have shown the biggest expansion among the subjects taught at colleges in China include business administration, marketing management, human resource management and international trade. The types of institution spread across China are: the comprehensive universities, universities of science and engineering and universities of business administration. The influx of students has produced a problem for the institutions as it is difficult to provide and arrange adequate practice teaching for this increased number of students. The problem has arisen through a lack of internships in enterprises. Further, there is a lack of teachers and funding for the huge number of students. Even the institution-run enterprises that exist may lack adequate provision to accept so many internship students.

In order to improve the practical abilities of college students, the Chinese Ministry of Education, as early as 2007, had placed particular importance on student practical learning opportunities, by emphasising the need to improve students' practical abilities, implementing innovative training programmes for college students, and promoting comprehensive reform of the colleges' teaching content, their course systems, the need for practical sessions, and so on. However, for the majority of the colleges, the management of students' practical professional activities has been for a long time confined only to the after-the-event documents reviewing their experiences in a real enterprise [1][2].

That is to say, after students seek jobs that expose them to real practical experience, the results of this experience are subject to reports students, then, must hand in to the institutions. This approach, which is unlike the learning and teaching process, has turned the evaluation of ability into an exercise in the quality of documentation. This seriously deviates from the training objectives of practically prepared professionals, and has negatively affected the development of business majors. It is imperative to change the system by, for example, setting up a practical enterprise environment or *practice station* on campus to mimic a real business enterprise and which can be used by business majors. Note that *practice* in this context is synonymous with *practical*.

### THE SITUATION AT PRESENT IN BUSINESS MAJOR PRACTICAL TEACHING

Business majors are described by many colleges as: cultivating senior specialised talents, who have knowledge of, and abilities relevant to enterprise management, including economic and legal aspects, and have the ability to work in management, teaching or scientific research in the enterprises, institutions and government departments. The teaching plan covering four years of study, requires students to master basic economic theory and modern enterprise management concepts, to be familiar with the relevant national economic policies and regulations, to have a strong awareness of economic management, a spirit of innovation, to have the ability to analyse and solve problems, and to possess good research, writing and presentation skills.

The main professional courses that are run include Principles of Management, Financial Management, Organisational Behaviour, Principles of Marketing, Leadership, Production Management, Human Resource Management, Strategic Management of the Enterprise, Management Diagnosis, Management Ethics, Modern Management Methods and Applications, Public Relations, Marketing Prognostics and Principles of Computer Engineering [3][4]. However, almost all of these courses are classroom-based. One reason is that with the expansion in college enrolment, the focus on teaching excellence for undergraduates has been secondary to the main task of accommodating the number of students.

The practice based teaching carried out does not form a coherent system, and is unable to meet the requirements of industrial and commercial enterprises. Also, the vast majority of Chinese college teachers' professional CVs are *from school to school*, i.e. their experience is only in schools. Although they have a strong level of theoretical knowledge and scientific research to support the theoretical teaching of some specialised courses, they lack the ability to carry out practice teaching because they have no experience of practical work in business management and lack management experience [5].

Clearly, business major students should not have to accept only classroom learning; they also should have some training within enterprises. Upon graduating, they should have the ability to analyse and solve enterprise business problems. Many colleges do pay attention to teaching that strengthens the applied abilities of professional students by adopting a modular teaching plan which, for example, includes an internship semester. This greatly increases class hours in practice teaching. The colleges make clear the practical emphasis expected in local, applied and international institutions. There is also a focus on cultivating senior and intermediate level students to satisfy the needs of the local economy. This modular curriculum enables students to acquire better professional skills than is the case by purely classroom teaching [6][7].

Some colleges are training students by building a real enterprise business environment or *station* on campus, to enable students to master both theory and practice [8]. Yunnan University's School of Business Administration, for example, has achieved good results by combining on-campus practical studies with enterprise-based work, and by adopting the approach of *students solve problems themselves creating a win-win result for the university and the enterprise* [7]. Though this approach is highly beneficial for the training of business students, they are still only exercises rather than being real practical commercial processes.

#### A MODEL FOR THE CONSTRUCTION OF A PRACTICE STATION

In addressing the shortcomings of business major practice teaching in colleges, put forward in this study is a model for a practice teaching system or station for business major students. The system has three basic elements: practice station construction, practical training operation and performance evaluation (see Figure 1).

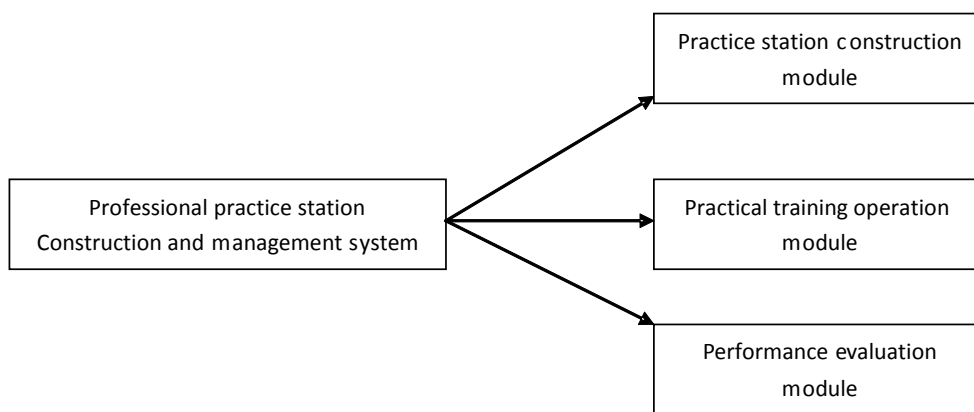


Figure 1: Structure diagram of a practical teaching system.

#### Practice Station Construction Module

The station construction module can be divided into three sub-modules: a holding company module, a project company module and a shares management module (see Figure 2).

1. The holding company is a limited liability company or a joint stock limited company. This holding company, controlled by the school authorities or its designated agents, carries out business guidance and financial supervision of the project company. The shares outside of the controlling shares are called *commemorative shares*, which will be subscribed to voluntarily by students participating in the practice sessions.
2. The project company is an aggregation  $S$  of some concrete, real student companies  $s_i$ , namely:

$$S = \{s_1, s_2, \dots, s_n\} \quad (1)$$

Where,  $i = 1, 2, \dots, n$ .

When the holding company is a limited liability company:

$$n \leq 13$$

When the holding company is a joint stock limited company:

$$n \leq 277$$

The shares of each student company  $s_i$  can be owned by two to ten (2-10) students. The joint-stock limited company is given the name, *teaching practice shares*. Fifty one per cent of the shares of each student company are held by the holding company, so that students are relatively independent to manage the enterprise. School authorities provide guidance and supervise the student companies.

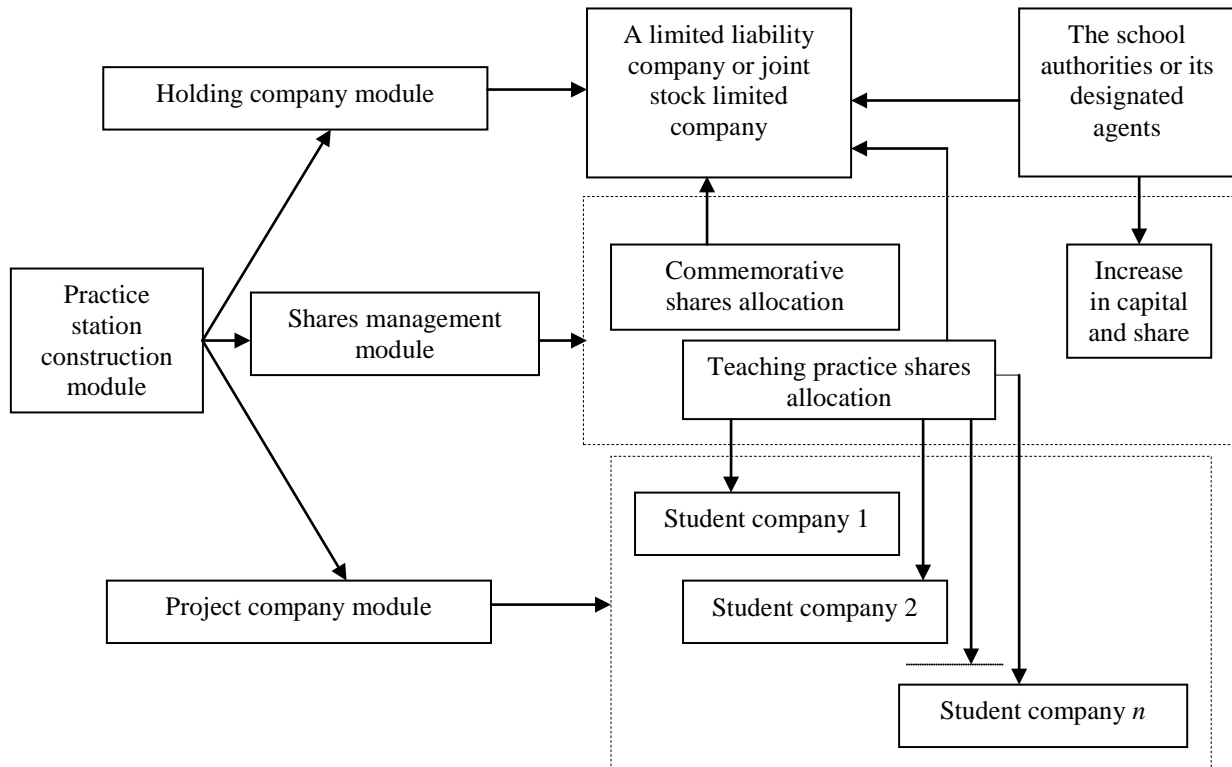


Figure 2: Station construction module.

3. The function of the shares management module is to achieve three goals through the management of the teaching practice shares and commemorative shares: a) allocation of teaching practice shares for students willing to join in the professional practice station; b) preservation of commemorative shares for students having a willingness to retain their shares while transferring out the teaching practice shares; and c) increase in the capital and shares of the holding company.

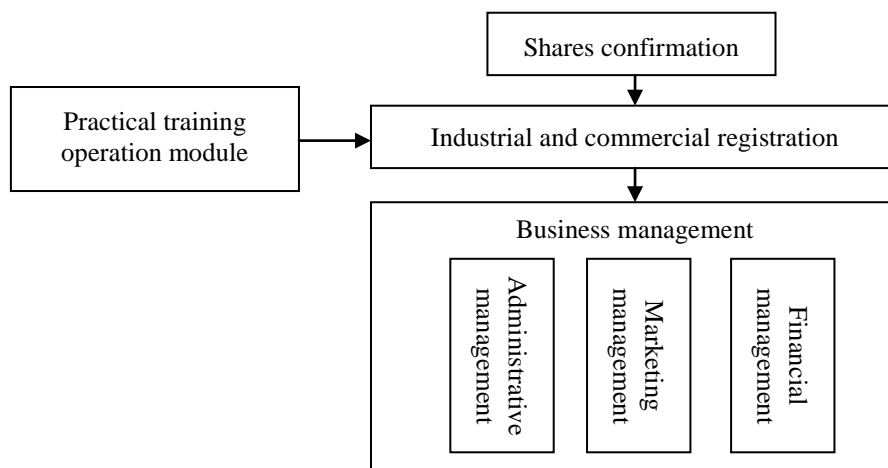


Figure 3: Diagram of the practical training operation module.

## Practical Training Operation Module

The practical training operation module is divided into four sub-modules, which include the shares confirmation module, industrial and commercial registration module, company management module and shares transfer module (see Figure 3).

The shares confirmation module includes the teaching practice shares confirmation and the commemorative shares confirmation. The industrial and commercial registration module includes real registration with the local administration for industry and commerce of the school. The company management module includes the workshift practices and training of administrative management, marketing management and financial management. The shares transfer module is designed for students to implement the *drop-out* of teaching practice shares.

## Performance Evaluation Module

The performance evaluation module is divided into two. These include the actual economic performance evaluation module and the practical training process filing module. The actual economic performance evaluation module is designed to sort by merit according to the actual economic commission income of students during their practical training. The practical training process filing module is designed to arrange original schedule records and filings according to the practical activities of the student companies (see Figure 4).

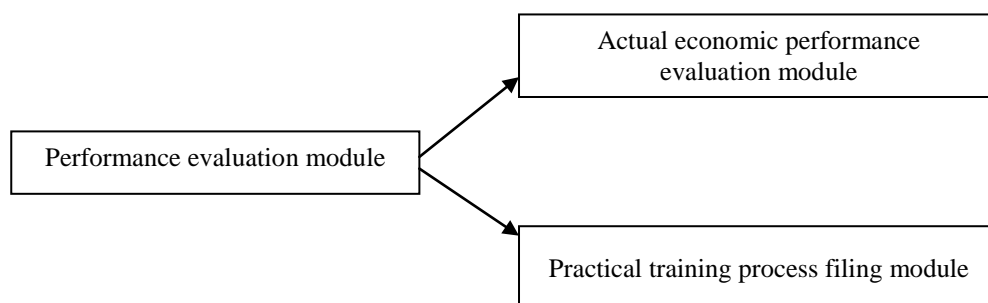


Figure 4: Performance evaluation module.

## CONCRETE IMPLEMENTATIONS

### Embodiment or Implementation 1

In implementation 1, the holding company is a limited liability company. Both establishment and management of this holding company is carried out according to the principles outlined in this article.

In this example, the initial share of the controlling shares of the holding company is 95%, which is gradually reduced to 60%, with an increase in commemorative shares.

Here, the holding company is designated a limited liability company, with a registered capital of 500,000 yuan. The commemorative shares were allocated equally to students, who subscribe voluntarily. Also, guidance counsellors are allowed to subscribe voluntarily to commemorative shares and teaching practice shares. All these shares can be transferred or permanently held as securities.

In this example, the project company's registered capital is (Renminbi) RMB 30,000 Yuan.

### Embodiment or Implementation 2

In this implementation, the holding company is a limited shares company. The holding company controlled by the school authorities will carry out business guidance and financial supervision of the project company. The project company is a limited liability company with shares owned by eight students. In this example, the initial share of the holding company is designated as 99%, and is gradually reduced to 60% with the increase in commemorative share subscriptions. The holding company is designated a joint-stock limited company with a registered capital of RMB 10 million. The project company is still a limited liability company with a registered capital of RMB 30,000. Others are similar to those in implementation 1.

In practice, the project companies were very popular with the students. Many companies were registered under this programme in three-months, i.e.:

- Enterprise management business (Hangzhou Blue-chip Enterprise Management Co. Ltd.);
- Catering management business (Hangzhou Xuezheng Catering Management Co. Ltd.);
- Financial counselling business (Hangzhou Xuezheng Financial Counseling Co. Ltd.);

- Education business (Hangzhou Xuezheng Education Science and Technology Co. Ltd.);
- Advertising business (Hangzhou Dayup Advertising Co. Ltd.);
- Trading business (Hangzhou Xuezheng Trading Co. Ltd.);
- Tea leaves business (Hangzhou Redpoint Tea Leaves Co. Ltd.);
- Home-textile business (Hangzhou Xuezheng Home-textile Co. Ltd.).

These companies can accommodate practical teaching for more than 200 students every year.

## CONCLUSIONS

The design of the programme is consistent with government policies to encourage student start-ups. Through building a real business operation environment on campus, the authors have developed a model for practice teaching for business majors. The model includes a sound practice teaching system, which enables the business major students to develop the capacity to complete their professional learning and, in the process, combine theory and practice.

## ACKNOWLEDGEMENT

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