

## STRATEGIC PLANNING- A NEW TOOL FOR CREATIVE MANAGEMENT OF INSTITUTES

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### SYNOPSIS

With the adoption of privatization policy in engineering education, in India and abroad, a new class of people. "Educational Entrepreneurs" has emerged. They have initiated vigorously critical examination of old values, institutions, missions, work methods., needs of education etc. demanding change in the perceptions of people. They wish to outwit in local and global competition and to make most of the opportunities.

They have generated a much needed competitive environment for themselves as well as for Govt. and aided institutes. Institutions now have developed a strong will to win. But mere will and enthusiasm is not enough. They ought to have the skills of strategic planning, without which, they will not be able to stand in competition.

The article, therefore prescribes, the adoption of strategic planning, without any loss of time, for all institutions including those which are managed and maintained by Government. This is not now an option but a compulsion without which they will become dysfunctional.

The paper presents, in brief, what is meant by strategic planning, what is a mission statement, how to arrive at it, who are stakeholders, how to assess their expectations , how to prepare strategic plan and how to implement it. Forces which Hi- JACK the planning process are identified. Strategies which have worked well in India and abroad, are also presented.

### 1. INTRODUCTION

Indian economy so far has been distinctly a technology follower. Although it has huge natural resources like land, water, minerals; human resources (16% of world population) third largest in S &T manpower, yet it is one of the poor most, ranking 136th

in 173 in Human Development Index; with 40% people below the poverty line. India's share in world trade is hardly 1%, per capita income is one of the lowest only 330 U. S. Dollars. Capacity utilization of installed projects is only 60%. Incremental capital output ratio is one of the highest 6.11, growth rate is hardly 4%.

To improve upon the situation, the Government have adopted the policy of Globalization, liberalization, privatization and competition. It has abandoned the policy of protectionism. It has been now making Quantum Strategic changes in every sector of economy. The economy is shaken and the people have to compete globally. The restructuring which is going on all round, cannot be without strategic changes in Technical Education. The Missions of the institutes have to be changed and redefined, keeping in view the GLOBAL winds of changes.

## 2.0 WHY STRATEGIC PLANNING :

Our institutions are lagging far too behind the world standards. Most of them have become teaching shops, like coaching classes. They have very little research base. They have almost no ability to teach the state of the art. Very few faculty members have M. E. and Ph.D. qualifications while elsewhere in the world most of them are Ph.D. The interaction between institutions and industry is weak. What is wanted by

industry is not taught and what is taught and researched is not wanted. There is a mismatch between the two, leading to low productivity in both the industry and institutes. The syllabi, laboratory, library and other infrastructure of Indian Institutes is far too weak by world standards. The output from our institutes, in terms of quality and quantity, is far too low.

There is a whole revolution taking place in the institutes round the world, and they have, in the recent past, added activities like incubator, research park, technology park, continuing education, entrepreneurship, industrial liaison programmes, technology licencing, intellectual property rights, patenting etc. But our institutions are still kilometers away from these developments. New life and blood needs to be pumped in them which demands strategic planning.

If the institutes are not performing as they should, if they are not coping with the change, if they cannot satisfy the educational needs of youths, it is largely because they are lacking in usage of strategic planning. It is observed at

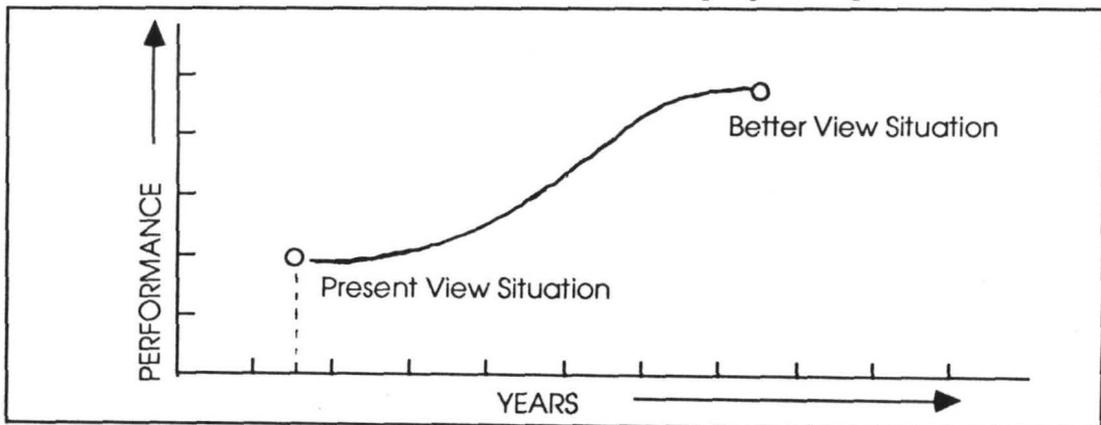


Fig. 1 Shows the need of Strategic Planning to move from present view situation to better view situation

most of the places that the limiting factor for better performance is not the availability of resources but the vision of people who work for institutes and the same could be created by this new tool of strategic planning. Many institutions want to bring about organizational change and take them to greater heights but they simply cannot do so, because they lack in capability to use the technique of strategic planning. Refer figure 1 on page no. 2.

In the absence of strategic plans, different people think and act differently in inconsistent directions not knowing that they are operating at cross, nullifying each others efforts. Often people remain unprepared for changes, unprepared for competition and hence they fail. New strategies and new directions are badly needed without which Indian institutes, the industry and economy as a whole, can have just no good future. Adoption of strategic planning is found from experience to develop a competitive spirit amongst the employees, makes them oriented to goals, targets and global opportunities. Today in the absence of strategic plans, most of the institutes do not have well defined missions, and hence their performance is low, inspite of high potential.

### 3.0 WHAT IS A STRATEGIC PLAN ?

Strategic plan is a written document of declared intentions. It is a pattern of consistent actions of today and tomorrow; detailed on 5 year and yearly basis. It projects the image of the college vis-a-vis the total environment, competitors- society- region etc. It is always accompanied by a contingency plan to

take care of deviations, if any.

### 4.0 STRATEGIC PLANNING PROCESS

The steps involved in the strategic planning are shown below in figure 2. (See Page No 4)

The institution has first to define its mission; and mandates. It has then to make an assessment of the expectations of the stakeholders. The stakeholders for an engineering college, by and large, are the managements, students, industry, Government, Assembly, Parliament and the people at large. Appropriate proforma will have to be designed, got filled up, from the concerned and then analysed.

Next and the most important thing is, to assess the Global environment, in particular, who are the competitors, what strategies they are adopting, and then identify the strategic issues, then make Strengths, Weaknesses, Opportunities and Threats analysis. (SWOT)

SWOT analysis is required to be done throughout the organization, starting from a small laboratory to a big department and ultimately aggregating for the college as a whole. It has to be participative, top down and bottom up. Every individual and department has strengths. We have to be aware of our strengths and apply them to harvest the opportunities.

While doing so we have to guard on our internal weaknesses and the external threats. Are our internal systems and procedures matching with objectives ? Are they upto date ? Are internal people co-operative ? Is the external competition manageable ? What are the forces which may Hi-Jack

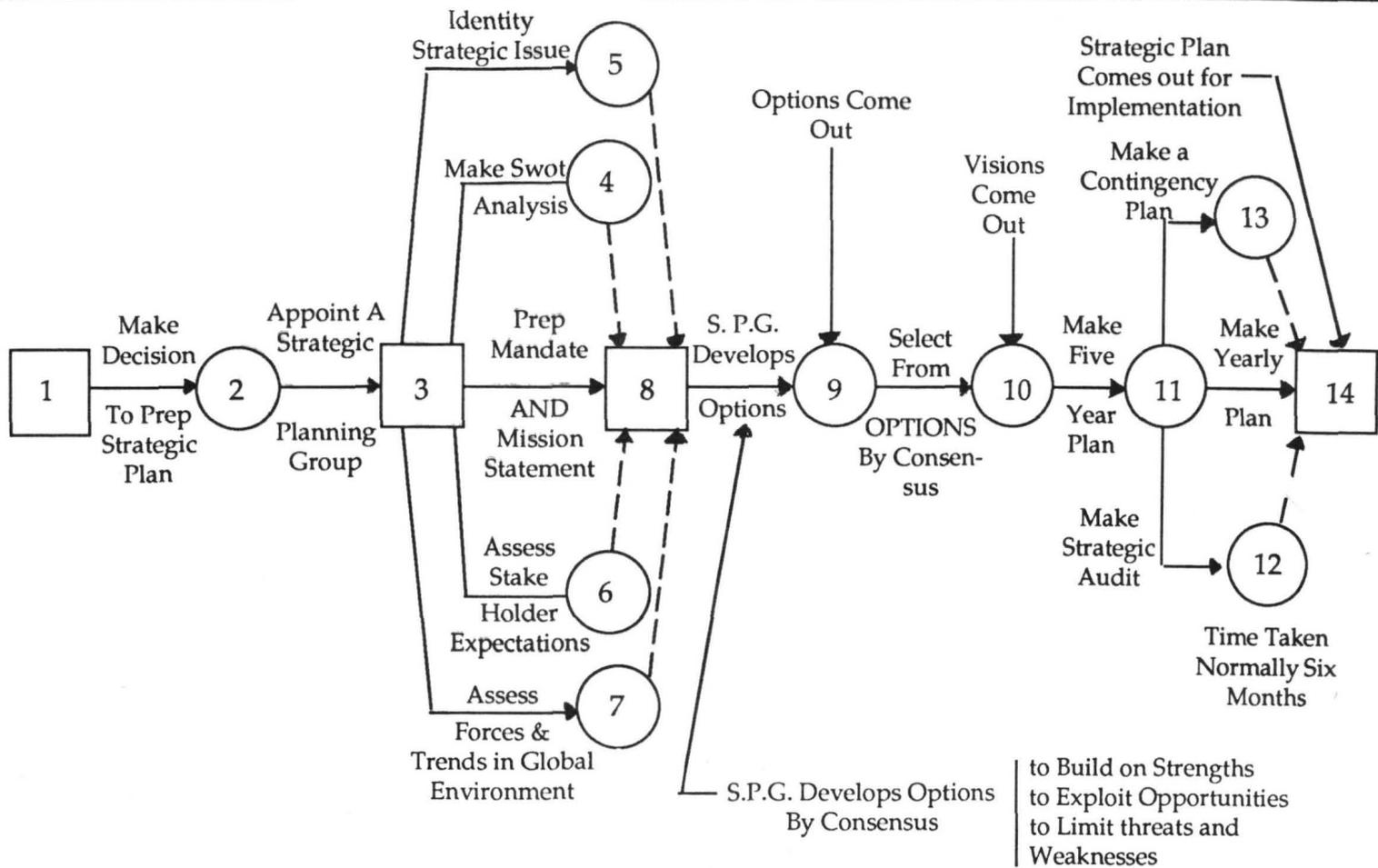


Fig. 2 - Shows the Steps in Strategic Planning Process in the form of PERT

the people and organizational strengths? These are some of the questions which need to be answered.

Various options will come out from the exercise above, so as to meet the stakeholders' expectations. These options will have to be carefully studied by all and the best ones selected. What comes out from this exercise is a strategy or strategies which can turn out our vision into reality. People in the organization at various levels develop a vision and also an ability to crystallise the visions. There is a saying "Seeing a problem is half solving it." Minds of people are energised right from planning stage and they all know, where they are heading. Vision formation in people of the organization, is very important step, without which the organizations tend to perish.

Many times big visions, promises are kept in view but they are not adequately supported by physical and financial resources. For example, many colleges have a mission of research and development but have no staff, funds, systems and procedures. The value system required for R & D is just absent and hence no financial resources, earmarked to permit the academic staff to attend international conferences. How can they become world class without attending international meets?

Therefore, "Strategic Audit" of the plans needs to be carried out before they are firmed up and declared. It must be ascertained through strategic audit whether there is a will at the top to carry it out or not, whether there are adequate finances available or not. Otherwise, it results into frustration. Especially in Govt. Institutions strategic audit, is a must. We often want to

build Tajmahal with resources not enough even for small house.

## 5.0 MISSION STATEMENT

Some sample mission statements for institutes are given below. The list is not exhaustive. Institutions have to develop their own mission statements which have to be unique. They are to be evolved by consensus amongst all the stakeholders. The suggested missions are

1. To provide high standard of education to B.E., M.E., Ph.D. students reaching up to employment, self-employment.
2. To provide employees security of working, with job satisfaction, acknowledging the right to be informed and consulted in all matters which affect them.
3. To conduct education with due care for the environment.
4. To remain on forefront in technology, and transfer the same to industry to maintain them competitive by global standards.
5. To provide testing, consultancy to industry.
6. To provide continuing engineering education to in-service engineers and maintain them competitive.
7. To bring about regional development, community development.
8. To provide equal opportunity in education to all.
9. To provide new technology to industry to improve its productivity.
10. To generate employment and income to the people.

Mission statement has a effect in involving people, gaining employee

commitment to achieve goals and targets. It however, necessitates a process of education, to continuously upgrade the quality of people.

The mission statement is an outcome of a long drawn process of debate and discussion amongst the stakeholders, over a period of at least six months.

#### 6.0 SOME CURRENT STRATEGIC ISSUES OF ENGINEERING EDUCATION INSTITUTES.

The first and foremost issue is how to increase the competency of people working for colleges and bring them on par with their counterparts in developed countries. There are teaching staff members, administrative cadre and laboratory instructors whose capability needs to be upgraded by undertaking suitable schemes. If schemes are drawn out and colleges make investment in their employees this is likely to increase their commitment and loyalty. Today, big institutions are in the hands of small men.

Secondly, our institutes and people are too inward looking; so also the students. They lack in international perspectives. The issue is therefore how to orient them to Global standards.

It is not enough, if only a few employees and management people think strategically. All employees have to acquire the mental skills to think strategically. Ways and means will have to be devised to promote strategic thinking in the whole organization.

Developing a style of management suitable to local culture and bent of mind of the people, is important issue. The style of management would have to be different at different places,

flexible and participative to achieve the goals. It will have to provide relevant information to all, at appropriate times. Systems would have to be designed, fit for the purpose.

One of the important issues is how to increase relevance of education to regional needs, how to make curricula oriented to national need? For this, the participation of industry is needed which is quite difficult and is a challenging issue to be resolved.

Today, the institutes are highly deficient in technology transfer, research, continuing engineering education, etc. How to develop a innovative character for the institute is the big issue to be addressed by key persons.

One of the prime issues yet is, how to meet growing needs of technical education of the vast masses of people, interms of quality and quantity. The priority given by Government in budget to education is too low, only 3% of NP is allocated as against 10% by many countries. It is said that lack of budget to education has failed the nation.

#### 7.0 STRATEGIES SUGGESTED

One of the successful strategies in institution development is to tap the innovative and creative talent of employees especially the teacher. It is predicted that knowledge based organizations will lead in future and hence our strategy should be towards usage of new knowledge. Intellectual capital is a valuable asset which an organization should try to possess. Networking of knowledge workers leads to synergistic conditions, and now the organizations should take special efforts to create networking.

Next, the institute should adopt a strategy of listening to students, industry personnel and people. Listening means obtaining a feedback, positive or negative, which is very useful to maintain equilibrium. Proforma may be designed and got filled at regular intervals, analysed and corrective action taken, wherever necessary.

Thirdly, the learning ability of the individuals and the organization as a whole is very crucial to make the organization flexible enough to adopt to change. If there is no learning, the people become stiff and often resist change. If they are continuously learning they are more susceptible to change and remain in tune with time. Life long learning is a very important aspect to be attended to, to reduce inertia of people. This strategy should be adopted especially for non-teaching employees, who tend to be neglected, and they create bureaucratic hurdles.

Fourthly, grant of autonomy to people, keeping a central control is a good strategy to motivate knowledge workers. Less of hierarchy, less of departmentalism, more interdisciplinary

working, helps to succeed and hence these strategies are suggested.

Making the work measurable of each and every employee in the organization has to be tried. What is not measurable remains uncontrollable leading to waste and less efficiency. It is not easy to achieve this, but still it has to be aimed at, and given a fair trial.

### 8.0 WHY STRATEGIC PLANNING FAILS ?

All strategic plans are not implemented as they are. They are partly implemented and partly not. This is due to a variety of reasons, such as political disturbance, natural calamities, non-availability of funds, organizational bureaucracy and departmentalism. The plans prepared are often Hi-JACKED. The managers, however, should not feel frustrated;

Hidden agenda, invisible strategies, in the minds of people is yet another potential danger. Key persons make strategic plans out of formal process, with the help of the sixth sense. (Refer figure 3)

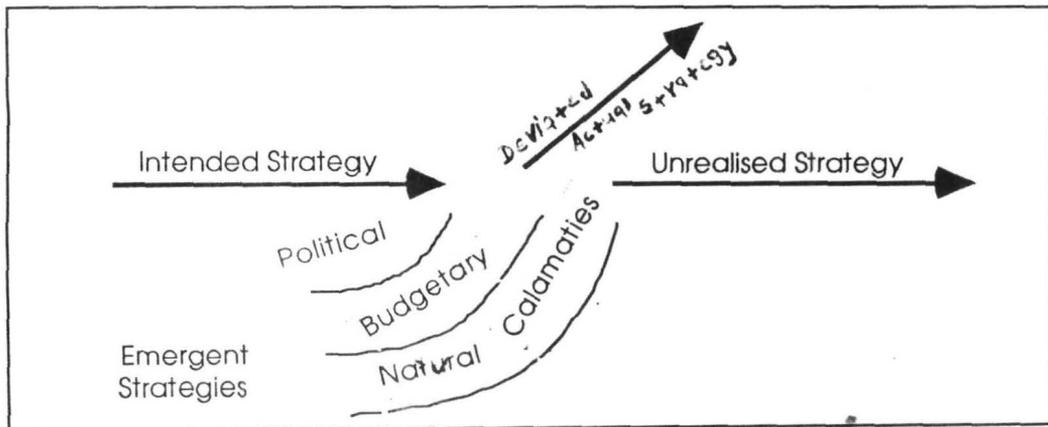


Fig. 3 - Shows Intervention by emergency strategies in intended strategies

It also fails when top management and strategic planning group gets engrossed in current problems and spend insufficient time on long range planning, and the process becomes discredited amongst other staff. It is also on account of the failure of the management to create a climate which is congenial and not resistant to planning.

#### 9.0 CONCLUSIONS :

The article has presented, how urgently Indian Institutes need to prepare the strategic plans. It has outlined few missions, issues and suggested possible new approaches which the institute may follow. The institutes have to take a stock of their capabilities, short-comings, policies and vision. They have to share the same with the people, who work for them. This is the way prescribed in strategic planning to improve performance and productivity of institutes. It is hoped that the article will provide some guidelines for the preparation of the strategic plans. Thanks to the new class of educational entrepreneurs who have put institutes in high gear of competition and thereby made it compulsory to use the technique of strategic planning.

Strategic planning has helped

industry to perform better. Now it is the turn of academic institutes, and hence this article.

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