



Strategic Planning in Higher Education Institutions

Teay Shawyun

Mansour Al-Shehri



Academic Publishing & Press – King Saud University

P.O. Box 68953, Riyadh 11537, Saudi Arabia

© King Saud University, 2012

King Fahd National Library Cataloging-in-Publication Data

Shawyun, Teay

Strategic Planning in higher education institutions./
Teay Shawyun; Mansour Al-Shehri.- Riyadh, 1012

205 p., 17x24 cm
ISBN: 978-603-507-004-1

1-Education, Higher – Saudi Arabia – Strategic
Planning I-Mansour Al-Shehri (co-author)

378.10109531 dc

1433/3817

Legal Deposit no. 1433/3817

ISBN: 978-603-507-004-1

This book has been refereed by a specialized committee appointed by the Academic Council of the University. After examining the reports of the referees, the Council authorized its publication in its 12th session of the academic year 1432/1433H., which was convened on 20-3-1433H.

(The quality and clarity of all figures, diagrams and illustrations are the sole responsibility of the author)



Academic Publishing & Press 2012

Dedications and Acknowledgements

This book is dedicated to our students who have challenged us to learn how to teach and to share what we have learned; they have taught us never to stop learning and sharing what we have learned. This book is also dedicated to our families who have borne both the thick and thin of life's dramas with us; without their unquestioned love, this book would not have been completed.

This book could also not have been accomplished without the help of our friends who have shared their time, their thoughts and their efforts with us in ways, both large and small. Though many had contributed, we would like to acknowledge the help of Prof. Nirwan Idrus (Malaysia) and Dr. Vimolwan Yukongdi (Australia) who shed lights on improvement through their comments and Prof. Shirley Briggs (UK) who laboriously and meticulously go through the proof reading of the transcripts. Without their invaluable comments and help that have been rendered to us in the course of completing this book, this book would not have been realized.

To ALL, our readers, a big thank you

Preface

This book aims to bridge the gap between preaching and practice in Strategic Planning in Higher Education Institutions (HEIs). As academics, we have been preachers of management theories and concepts but, when it comes to the real world of practicing what we profess to know well, it is surprising that preaching and practice often diverge. Management principles are simple and straightforward to teach but when these principles are put into administrative or management practices in HEI, we do not fare that well in comparison to remaining within the safe zone of teaching.

This is normally the case facing most Higher Education Institutions (HEIs) as they move forward on quality drives which are both turbulent and never-ending journeys of continuous improvement. These journeys can be managed, however, if they are planned and, if planned, they can be better measured based on the mission and goals of the position that it is the institution's intention to achieve and sustain. This is basically management through measurement. In this management, it is necessary first to plan the desired outcomes; these then become the measures of achievement in terms of fulfilling the envisioned dreams. This is strategic management applied to managing Higher Education Institutions.

As Professor Dr. Abdullah Al-Othman, the Rector of King Saud University, mentioned in "Dare to Dream" regarding his dream of placing KSU on the global education map, this book has also been written with a dream in mind: how strategically to manage a Higher Education Institution. This book has therefore been written with the aims of: 1) developing a framework for the strategic management of HEIs by adapting the fundamentals of business strategic management and planning, and 2) developing a simpler framework for the analysis, formulation and implementation of strategies based on the "capabilities and position" perspectives used throughout this book.

Thus, it is hoped that this book will be useful to education industry practitioners in developing strategic plans that can be implemented successfully. It is also hoped that the perspectives used here will help such practitioners address issues regarding strategic capital assets (i.e. the human, information and organizational assets), of HEIs.

This book would not have been realized without the dreams of the Rector of KSU to whom this book is dedicated. We have learned a great deal from the KSU family and from our Asian counterparts whom we thank for the inspiration of our work.

There are many others we would also like to thank: our Deanship, our friends and colleagues, our stakeholders, but most of all, our families. This book is also

dedicated to everyone who strives always to learn and who dares to dream, especially our dearest students who challenged us to learn from them in order to teach better.

As a final note, in writing this book, there are still opportunities for improvement as we are still continuing to learn, improve and innovate. Thus, last but not least, we would like to learn from your input and hope that you find this book of great use in the management of your HEI or your school or even yourself. We thank everyone who has contributed in one way or another, by exploring, learning and growing together, to make this book a success and a reality.
Thank you.

Teay Shawyun and Mansour Al-Shehri

Table of Contents

		Page
Dedications and Acknowledgements		v
Preface		vii
Chapter 1. Strategic Management in a Higher Education Institution		1
1.1	Strategic Quality Management in Higher Education Institutions	1
1.2	Imperatives in Managing HEIs Strategically	4
1.3	Introduction to Strategic Management in a Higher Education Institution	5
1.4	An Integrated Model of Strategic Management for HEI	9
	1.4.1 Managing the Marketplace Strategy	9
	1.4.2 Managing Organizational Capabilities	10
1.5	“Capabilities” and “Position” Perspectives of Strategic Management	11
Chapter 2. Strategic Management of a Higher Education Institution		21
2.1	Introduction	21
2.2	Basic Planning Definitions	23
2.3	Developing the Basic Strategic Plan	28
	2.3.1 Writing the Vision Statement	29
	2.3.2 Writing the Mission Statement	29
	2.3.3 Writing the Values’ Statement	29
	2.3.4 Conducting an External Environment Analysis (OT)	29
	2.3.5 Conducting an Internal Environment Analysis (SW)	30
	2.3.6 Identifying the Strategic Issues	31
2.4	Guidelines in Developing the HEI’s or School’s Strategic Plan	32
	2.4.1 Strategic Analysis	33
	2.4.2 Strategic Formulation	38
	2.4.3 Strategic Implementation	39
Chapter 3 Internal Environment Analysis and Assessment		46
3.1	Internal Environment Analysis	46
3.2	Strategic Capacity and Capability Framework of the HE Institutions	47
	3.2.1 Strategic Capitals in Higher Education Institutions	49
	3.2.2 Analytical Framework of the Strategic Capacity and Capability of HE Institutions	50
	3.2.3 Literature on Capability and Capacity Building Tools and Methodologies	51

	3.2.4	Operationalization of Capability and Capacity Capital Sustainability	52
3.3		Capability and Capacity Assessment Tool (CCAT)	63
	3.3.1	Procedures of the Capability and Capacity Assessment	63
3.4		Value Chain Analytical Framework of a HEI or School	70
3.5		Financial Analysis	73
3.6		Summary of Internal Environment Factors Analysis (SIEFA)	75
		Appendix 3.1	83

Chapter 4 External Environment Analysis and Assessment			99
4.1		External Environment Analysis	100
4.2		Societal Environment Analytical Framework	102
4.3		BPEST Analysis	103
4.4		Stakeholders' Analysis	104
4.5		Education Industry Analysis	107
4.6		Customer Profile Analysis	111
4.7		Competing Education Products: Providers' Analytical Framework	113
4.8		Summary of External Environment Factors' Analysis (SEEFA)	116
4.9		Strategic Environment Factors: Analysis Summary (SEFAS)	117

Chapter 5 Strategic Formulation for the HEI or School			123
5.1		Strategic Formulation	124
5.2		Corporate and Business Strategies	127
5.3		What is a Corporate- or Organizational-level Strategy?	128
5.4		Five Competitive Strategies	129
5.5		Integration Strategies	133
5.6		Intensive Strategies	134
5.7		Diversification Strategies	135
5.8		Defensive Strategies	136
5.9		Joint Venture and Combination Strategies	137
5.10		Mergers	137
5.11		Mergers, Acquisitions and Takeovers: What Are the Differences?	138
5.12		Strategic Alternatives: Formulation, Evaluation and Recommendations (SAFER) Framework	139

Chapter 6 Actioning the Strategic Plan through Strategic Mapping			147
6.1		Introduction	148
6.2		Actioning the Strategic Plan	150
	6.2.1	Conventional Approach to Strategic Implementation	150

	6.2.2	Balanced Scorecard Approach to Strategic Implementation	153
	6.2.3	Strategic Mapping of the Initiatives of the HEI or School	160
	6.2.4	Strategic Mapping of the Strategic Themes	161
Chapter 7 From Strategic Mapping to Developing Operational Action Plans			171
7.1		Strategic Implementation	171
7.2		What Needs to be Done by the Schools, Departments and Programs?	172
7.3		From Strategic Mapping to Developing Operational Action Plans	174
	7.3.1	Guidelines in Developing the OYPB (One-Year-Plan and Budget)	174
7.4		Alignment of Strategic HEI Plan in Schools and Action Planning	176
	7.4.1	Worked Example of the Mission of a HEI	176
	7.4.2	Worked Example of Strategic Goals for Theme 2 on Creating and Strengthening Quality Teaching and Learning for a HEI (P1 – Phase 1 and P2 – Phase 2)	178
	7.4.3	Worked Example of the Mission of a School or HEI – SOA	179
	7.4.4	Worked Example of Strategic Thematic Strand 1 for a HEI – SOA	179
	7.4.5	Worked Example of Goals and Objectives for a HEI for Teaching and Learning	180
	7.4.6	Development of the Action Plans for Strategic Thematic Strand 1 of HEI	181