

Strategic Model and Strategic Planning in Higher Education

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Abstract

In the era of the 21st century, the best higher education institutions have more than one role. Not only do they educate and train students but they also create new ideas and knowledge for the short-term contemporary issues as well as long-term complex problems. In the strategic goals, five aspects are critical in higher education: the democratization of knowledge and access, the contestability of the market and funding, the research technologies, the global mobility and the integration with the industry. Universities should have strategic plans including strategic goals. In this study, the strategic models and plans of the public (5) and private (5) universities are analysed from the five different aspects. In order to deeply understand the dynamics at these universities, the phenomenological interpretive analysis is preferred. University leaders and managerial departments should consider market needs and do strategic plan accordingly. Hence, they should develop the strategic thinking capacity of both their academic staff and researchers for short and long terms need of the industry. Results have shown that most universities have wrong perception regarding the strategic model and plan. Neither private nor public universities possess enough knowledge on the subject.

Keywords: Higher education, university and industry partnership, strategic model and planning, higher education management, financing of higher education.

INTRODUCTION

In a globalized society, in line with changes in the business world, universities have different roles not only on students but also on industries. They develop different opportunities for all students, particularly the graduate ones as well as for the industry to earn more, to export more, to have better market shares, and to increase standard of living by improving technology based innovation. Not all universities, however, are successful in providing technology-based innovation so that they need new and dynamic strategic model and planning. The strategic model is the understanding of the needs of the socio-economic-political-cultural-environmental aspects of the interest groups, who are the students, the labour market, and different industries. In order to meet these needs, the higher education institutions should take into consideration their competencies and interests.

Today, most of the countries are faced with waves of globalization on their industries and business sectors as well as higher education sectors and universities [20]. Because of the effects of the globalization on higher education institutions, both public and private universities have strategic plans and goals. In its simplest terms, the basic step of planning the goals is the creation of future aims step by step, according to the needs of interest groups. Strategic planning is conducted by considering long-term targets. The power of strategic planning lies in its ability to help organizations anticipate and respond to change in wise and effective ways [1] and [12]. The world of higher education today is not the world in its origin [9]. Naturally, world changes affect the nature of higher education systems in all countries, including in Turkey. According to the World Bank Report [5] on higher education policy in

Turkey, one of the most crucial strategic directions is to develop financing strategy in order to find useful sources and realize strategic objectives. In the diversification of higher education system, strategic plans of the universities have to be flexible to match the market needs and changes. Due to the fact that the market changes in the global world are happening quickly and employability of graduates is increasing, most universities do not consider the market needs while drawing their strategic plans. It is obvious that market needs and changes should not be ignored in the process of carrying out strategic management and developing strategic goals. Moreover, higher education institutions should improve quality and make sure that their contributions to the market go hand in hand with its needs. Strategic plans should also serve as an encouragement for students to contribute to the market, as well as for the market to provide grants and loans. The report specifically puts an extra emphasis on the need of the labour market [5]. On the other side, according to the report of Turkish Industrialists and Businessmen's Association (TÜSİAD) on higher education in Turkey, strategic plans' core concepts should be a diversity of the institutions and markets. Additionally, in universities in Turkey, both senate and administrative board in each university are key resources for the strategic management [5].

In most universities of Turkey, strategic planning is being done but the goals are not worked out sufficiently. In fact, strategic plans have a tendency to encourage people and/or institutions to think about future [20]. Strategic planning includes both short-term and long-term objectives. Effective strategic planning may and must directly and positively influence the quality. Performance is effectively measured with the help of the strategic planning and its control standards. These are the basic benefits. Another benefit of strategic planning is communication [2], [8], and

[19]. The fundamental purpose of strategic planning in higher education is to provide a continuous process of examination and evaluation of an institution's strengths, weaknesses, goals, resource requirements and future prospects, and to set out a coherent plan to respond to the findings and build a stronger, more effective institution [20].

Since the beginning of the 1980s, strategic management for higher education institutions has become rather popular in many OECD countries [7]. Turkey has also built strategic management units since 2000s. However, the strategic plans of universities in Turkey start after 2000s [5]. It is obvious that Turkish universities are far behind European institutions in this sense. It is a fact that strategic planning is a tool to understand itself in terms of its effects. It makes easy to reach aims to the periodic controls. It helps the management of the universities understand university's potential. Briefly, strategic planning is a crucial tool for effective management not only in universities but also in all institutions.

According to Weber [13] continuous development is crucial for higher education institutions that should provide favourable responses to social and market needs. Saad [11] emphasizes that evaluation is the strongest tool for strategic development. Also, Yarmohammadian, Mozaffari and Esfahani [20] draw attention to the fact that evaluation of higher education is only possible by the help of strategic planning in universities. They clearly mention that the role of the universities is absolutely critical in the growth and development of the markets and the societies by developing human resources. Therefore, they have to be aware of their strong and weak points and evaluate them accordingly [21]. In the World Bank Report [5], on the other hand, it is mentioned that educated young people experience slow transition into the labour market, except those who are coming from the best universities, which have better strategic model and planning. The following figure reflects this slow transition.

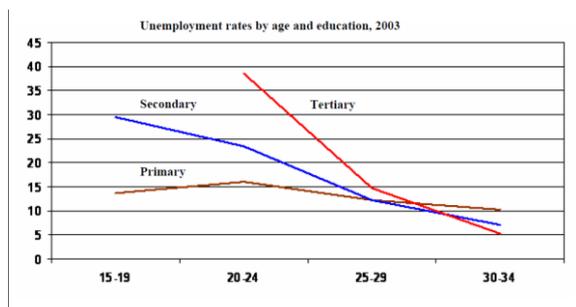


Figure 1. Educated Young People Have Slow Transition Into The Labor Market [5].

Obviously, strategic plans should be carried out by the universities taking into consideration the needs of the market. Academic education should be revised considering the industry's needs and should be strategically planned. Otherwise, universities without the short and long term goals cannot be efficient enough. Moreover, that the proper assessment of the needs of industry would increase also the success of higher education should not be ignored [5].

As it is suggested in Ernst and Young Report [4] named the "University of The Future" a new strategic way for universities is needed. Vas and Koruth [14] has said that universities need to reorganize their operations and asset bases while incorporating new teaching and learning

delivery mechanisms, organizing multiple channels to diffuse into the market, and managing stakeholder expectations for increased impact. Ernst and Young describes universities as "a thousand year old industry on the cusp of profound change" [4]. It is clear that higher education is facing a transformation according to the global changes. Universities have to apply more specialized methods rather than focus on particular students' cohorts in order to become more efficient in their education delivery model and to integrate with industry by differentiating their offerings [15].

According to Ernst and Young Report [4], five aspects are critical for higher education. The first one is the democratization of knowledge and access, which means access to university education in order to gain innovative knowledge for the developing and competitive markets. The second aspect is the contestability of the market and funding, which is one of the most important subjects for all universities in the competitive market economy. The third aspect is related to the research technologies, including the digital ones. The universities should deal with the latest technologies in order to create new values for the market as well as for the society. The fourth perspective has to do with the global mobility in which most of the academics as well as the students may find different opportunities for global partnership and dynamic synergy to improve talents and competencies. The most important aspect, however, is the integration with the industry. Universities need to develop significantly deeper partnerships with industry by changing teaching and learning programs, supporting the funding and application of research, and reinforcing the role of universities as drivers of innovation and growth [4]. Thus, taking into consideration all these strategic purposes making the strategic plans helps to see the performances for one year, two years, five years, ten years, twenty years and more. Those, which have followed this strategy, have become among the best universities in the world.

In terms of Turkey's higher education system, however, strategic plan and its reflections on society and industry has not been known so that it has to be researched critically in order to understand the latest situation. According to the TÜSIAD reports [16], Turkish higher education is at a crossroad because the stakeholders are aware of the principles of change. Despite the fact that many new universities came into existence, the number of those that can keep up with the modern trends is negligible.

In this study, 5 public and 5 private universities' strategic models and plans are analysed from the five different aspects of Ernst and Young report in 2012 [4].

METHOD

In order to deeply understand the dynamics at these universities, the phenomenological interpretive analysis was preferred. In the depth interviews, the academics and the professionals of the technology transfer offices as well as the active researchers were asked to answer 21 questions about the strategic model and planning.

Research Design

Methodology used by the author in the current study is based on the model of the Semi-Structured Interview. The interview was conducted in order to gather the answers to the 21 core questions from students and faculty members in private and state universities of Istanbul.

Research Sample

Two groups divided into subsections were used as the sample of the present research, including 12 professionals of different kind, 18 researchers, currently involved in active studies and 22 academics. The author applied cluster sampling. Their ages ranged between 24 and 41 for researchers, between 28 and 52 for professionals and academics.

Table 1. Sample Distribution of Department Frequencies by Gender

	Gender	Participants	SUBTOTAL
Tech Transfer Professionals	F	4	-
	M	8	12
Active Researchers	F	12	-
	M	6	18
Academics	F	9	-
	M	13	22
TOTAL			52

Research Instrumental and Procedure

As the initial step of the research, a pilot study was conducted in order to properly develop and verify the set of questions. Comprehensive literature review was done in order to lay a solid background for the questionnaire part. The author was interviewing people personally. Necessary approval was obtained from the Ethic Committee. The study was carried out during the spring semester of 2013/2014. The author took the interviews that lasted between one and two hours on average, with the questionnaire checked and fixed after the pilot study, mentioned earlier. All participants voluntarily joined the research and collaborated. Interviews were recorded and later transcribed.

Questionnaire

21 Core Questions

1. How do you picture new leadership model in universities?
2. In what ways will it differ from the current model?
3. How do you perceive strategic planning and model for higher education?
4. What is the future role of higher education in terms of preparing leaders?
5. What must be the functions of the higher education management?
6. What can management do to increase the access to the university education?
7. What is the role of the innovative knowledge at universities?
8. What can universities do for the markets?
9. How can universities benefit back from the markets?
10. How do you picture research technologies of the future?
11. In what ways can research serve industry and society?
12. What is the role of the global partnership?
13. How do you perceive the mobility of higher education?

14. How should teaching and learning methods change in order to serve industry?

15. What can be the major sources of funding for the universities?

16. How is financing higher education related to the growth of industry?

17. What else can be done for the integration of industry and higher education?

18. What can be done to promote the spirit of entrepreneurship in universities?

19. Should higher education adapt to the needs of economy or vice versa?

20. How do you picture a globalized world in a decade?

21. What will be your own role within this framework?

Data Analysis

Atlas.ti 7 software was used for data analysis. 52 participants were coded as TTP1, TTP2, TTP3... and AR1, AR2, AR3... AND A1 A2 A3 etc. and, at the first stage, descriptive information was elicited. Analysed content was split into categories and work upon. At this stage the author used an Interpretative Phenomenological Analysis (IPA). All written data were analysed in depth, many times re-checked and rearranged in order to produce a reliable outcome.

RESULTS AND DISCUSSIONS

The results show that the private universities are 75% better in developing business models and business plans. It could be said that flexible and dynamic structure of private universities to follow the developments and is more suitable for application. On the other hand, private universities are often intertwined with various sectors of economy, which assists them in better understanding of the needs of the sectors. It gives them a clearer view on the role of the strategic planning and what it can supply to the economy. After all, they can more easily adapt to the changes, needed in the higher education.

Additionally, most of the participants (88%) were not aware of the strategic model and plan. Neither private nor public universities had much knowledge about the strategic model and planning. The height of the rate in this area is important for showing what needs to be done. The respondents were not aware of the strategic planning and modelling depends on the sector are also less and less of the indicator can be. Both public and private universities, lack of strategic planning awareness in terms of the overall high missing education is bad.

More importantly, they (95%) have wrong perception regarding the strategic model and plan. Academics and professionals treat the strategic plan as additional workload. The reason for this failure is in the subsequent processes of controlling the plans. In case of failing to control the implementation of a plan, the plan itself is usually blamed and perceived as a mere procedure that the actual processes and developmental trends within higher education cannot possibly benefit from.

Regarding the 5 strategic purposes, two public universities as well as three private universities were aware of them, but they did not have well-developed and well-defined strategic model and plan.

The rest of the changes related to higher education in the world development may not be precisely defined yet.

This is the most basic effect of globalization. The work force profile needed by industry has been changed by the power and compulsion of globalization. At this point, the importance of universities gains extra momentum because universities are the most important institutions, which train work force. This is a very important task, and strategic planning becomes inevitable. Yet the perception of the importance of strategic planning and research done on this issue is extremely weak; consequently, a national strategy on this should be settled and timelines must be set. Also, a control mechanism should be put in place in order to understand whether the goals are reached or not. University leaders and managerial departments should consider market needs and do strategic plan accordingly. Hence, they should develop the strategic thinking capacity of both their academic staff and researchers.

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