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DEVELOPING STRATEGIC PLANNING IN ORGANIZATION HIGHER EDUCATION

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Abstract. In this article we will touch on SWOT analysis is a strategic planning and strategic management technique used to help an organization higher education to identify Strengths, Weaknesses, Opportunities, and Threats related to business competition or project planning. It is sometimes called situational assessment or situational analysis. Additional acronyms using the same components include TOWS and WOTS-UP. This technique is designed for use in the preliminary stages of decision-making processes and can be used as a tool for evaluation of the strategic position of organizations higher education. It is intended to identify the internal and external factors that are favorable and unfavorable to achieving the objectives of the venture or project. Users of a SWOT analysis often ask and answer questions to generate meaningful information for each category to make the tool useful and identify their competitive advantage. The article contains a methodology for constructing a SWOT analysis and directions for using its results.

Keywords: higher education; development; SWOT analysis; strategy; management.
JEL codes: L20; I23.

Introduction

Using the capabilities and position, perspectives of strategic management, as shown in the diagram (Fig. 1), it can be noted that the strategic management matrix has two mains in dimensions: three-time

dimensions and the capabilities and position dimension. These should be analyzed interdependently to determine the institutions performance and achievement − the purpose of this article.

1. Theoretical base

1.1 Organizational strategy

Strategy is a framework a company develops to show the course it intends to follow to its purpose and objectives (Turban et al., 2016) [1]. The strategy also identifies the plans and guidelines that must be followed. According to Mintzberg et al. (2003) [2], strategic planning is how an organization determines its strategy and direction and decides how to allocate resources to execute this goal. The word "strategy" is used in different contexts, but generally, it refers to a process that includes goal-setting, action-planning, and resource mobilization (Turban et al., 2016) [3].

The strategy has generally been the purview of the highest-ranking members of the company, whether it is the CEO, a select committee, or someone else (Oliveira, 2012) [4]. However, there are nuances, such as strategic management, where tactical and operational-level managers must work together (Oliveira, 2012). A strategy explains how the means (resources) will be used to accomplish the ends (goals). The term "autonomous strategic processes" describes the ad hoc emergence of entrepreneurial activity inside a company (Vanhaverbeke et al., 2017) [5]. Adopting induced and autonomous strategic behaviors is crucial, whether a company's goal is to launch brand-new ventures or reorganize current ones (Vanhaverbeke et al., 2017).

Fig. 1: Types of strategies (source: Mintzberg, 1978)
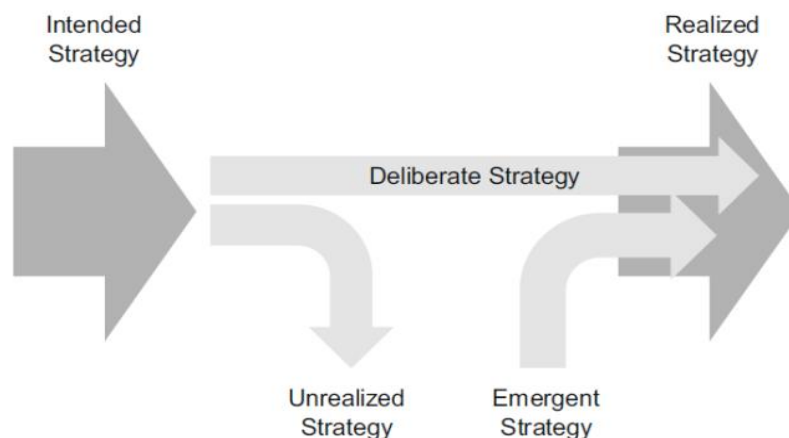
It is possible to propose multiple comparable ideas for organizational strategy, as with many other organizationally-related topics. However, most of them show signs of being influenced by the prevailing rationalism of classical management theory (Oliveira, 2012) [6].

1.2 Innovation strategy

Innovation is seen as a critical aspect in service providers' survival and effectiveness (Agarwal et al., 2003). Firms may develop goods and/or services that are distinct from rivals in order to create value for consumers via innovation (Clarke et al., 2016) [7]. When trying to quantify innovations, it is important first to define terms so that researchers may gather consistent data on the phenomena of interest (Arundel et al., 6 2019). According to Roberts (2007), innovation is defined as "invention plus exploitation," which was subsequently utilized by (Dewangan & Godse, 2014), among others. This term involves developing and marketing a new or considerably enhanced product, method, or service (Dewangan & Godse, 2014). As a result, "innovation" refers to a successfully marketed fresh concept (Dziallas & Blind, 2019). For the sake of simplicity, this research defines innovation as both new ideas intended to be marketed in the marketplace and concepts that have already been commercialized commercially (Dziallas & Blind, 2019) [8]. An indicator is a measurable value that offers information about a certain phenomenon or state of affairs. Information may be aggregated, allowing for a more focused review (Born, 1997). Borrás & Edquist (2013) defined innovation indicators as a source of information that may be used to identify flaws in the innovation system.

1.3 Developing competitive advantage strategies

According to Porter, a company has a competitive advantage if it generates more profits than its rivals in a similar market (Porter, 1992). 41 The capacity to provide a product or service offering more highly appreciated by clients than those produced by rival institutions is another source of competitive advantage (Hifza et al., 2020) [9]. Institutions gain a competitive edge via their actions when they can provide their customers with a higher value than they had to invest in getting it (Hifza et al., 2020). One way to provide better value is by charging less than competitors for comparable goods and services, while another is by providing goods and services that no one else does (Hifza et al., 2020). New entrants to the market, the possibility of cheaper alternatives appearing on the market, the purchasing power of consumers, the manufacturing capacity of suppliers, and intra-industry rivalry all contribute to the laws of competition in any given industry (Porter, 1992).

2. Materials and methods

2.1 Developing the Basic Strategic Plan

In developing the strategic plan based on the capability and position dimension outlined above, the HEI or school needs to analyze of external industries and competitive conditions, as well as an internal examination of the HEIís or school's situation, as shown in Fig. 2. In addition, the HEI or school should also define its vision and, mission statement [10]; this will also include the value system enshrined in the beliefs of the institution 's or school as an entity

Fig. 2: Internal and External Situation Analyses[1]
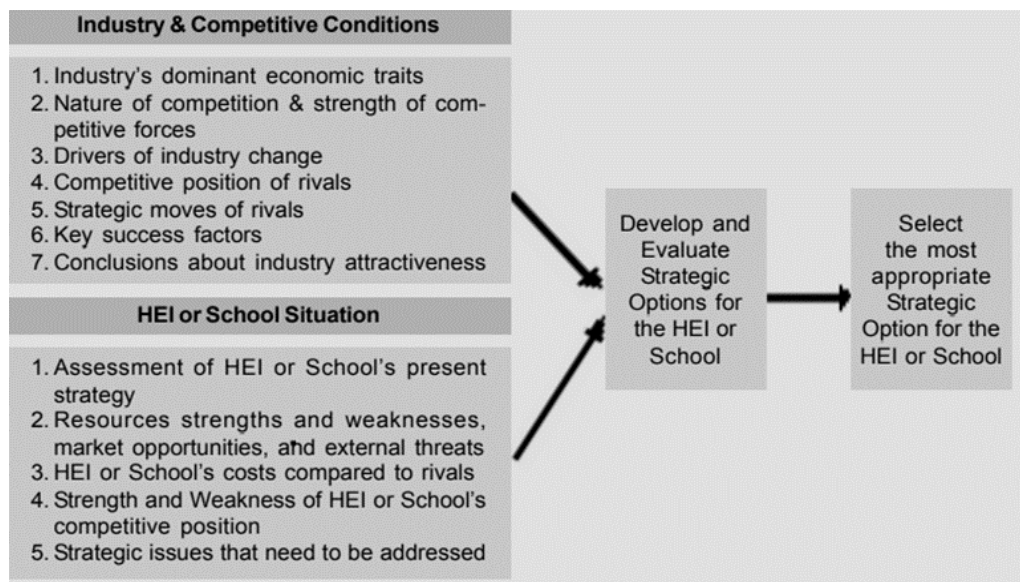
Writing the Vision Statement: Write the vision statement by answering the question. What do you hope for your university, program, school and students and stakeholders? I Ideally, this should be written in a compelling, inspirational fashion.

Writing the Mission Statement: Write a concise description of the purpose of your university, program or school. Answer the question: Why does our university, program or school exist? I When answering this question, include the nature of your educational products and the groups of students and stakeholders who buy or, are affected by your educational products and services. The mission statement

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[1] Adapted from Thompson, Strickland and Gamble/ (2007). Crafting and Executing Strategies __ The Quest for Competitive Advantage: Concepts and Cases, 15th Edition. 2007. McGraw-Hill Irwin. P.: 20 - 30 and 11.

should provide continued direction and focus to your plans and operations in your university, school or program [11].

Writing the Value Statement: Write down the most critical values you want your university, school or program to operate. The value statement depicts priorities in how the university, school or program carries out its activities with stakeholders.

Conduct an External Environment Analysis (OT): Write down your thoughts from an external analysis. An external analysis looks at the social, technological, political and economic trends affecting the institution, school or program: e.g., trends the economy, recent or pending legislation, demographic trends, rate of access to trained labor, and competition. In your external analysis, do not forget to look at stakeholders' impressions of the HEI, school or program, including bankers, students, community leaders, the employment market, parents, etc.

Conduct an Internal Environment Analysis (SW): Write down your thoughts from your internal analysis, including the significant strengths and weaknesses of your institution, school or program. Write down the significant threats and opportunities, and consider trends affecting your institution, such as the strength of programs, your reputation, the expertise of faculty staff, facilities, strength of finances, the strength of administrative offices and operations, etc.

As shown in Fig. 3, an analysis of the internal and external environmental factors will result in the traditional SWOT matrix where, in reality, **SW** represents the capabilities dimension of the institution, and not represents its position Dimension.

Fig. 3: SWOT matrix[2]

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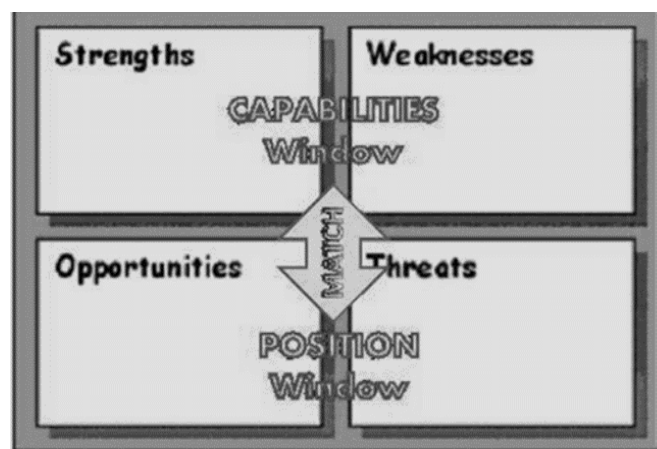
[2] Adapted from Barth, A. L.; & de Beer, W., 2018

In formulating strategy, and as noted above, the performance and achievement regarding the envisioned, future position are based on a set of capabilities that are needed to achieve that position. This inevitably means that the envisioned, position must be matched to the capabilities, as shown in Fig. 2, and, in implementing the strategies; the capabilities dimension must also be built or created to achieve the position dimension.

2.2 Identifying the Strategic Issues'

In essence, key strategic issues are [12]:

Future events or trends that may have a significant impact on the university, school or program; these should be closely monitored.

Decisions you the HEI or school is considering making will have a strategic and dramatic impact on the institution.

In identifying strategic issues, write down the significant immediate and near-term issues that your institution, or program must address, as shown in Fig. 2. New HEIs, schools or programs, in particular, are often better by first looking at the major issues that they face.

Following, they should identify the more forward-looking, developmental goals that can be accomplished over the following few years. For example, current issues might be that the rate of student admissions is dropping, no research and development are taking place to generate new educational products, the faculty turnover rate is too high, etc. Developmental goals for new HEIs, schools or programs might including, for example, creating an academic board, producing a strategic plan, carrying out a market analysis in order to design a new educational product, hiring new employees, etc.

In order to identify the key issues (Fig. 2) from the strategic analyses, consider the following guidelines [13]:

a) From considering the effects of the weaknesses and threats that you identified, what major issues do you see? List as many as you can. Consider issues over the term of your strategic plan but look very closely at the next year in particular. Many institutions or programs have stumbled badly because they ended up ìfalling over their feet î while being focused too far down the road.

b) Consider each issue. Ask whether the issue is essential, does it have an IMPACT on and how does it affect the institution or program? Consider its occurrence (i.e., the probability of it happening) because if it does not happen, there will be no impact. Consider also its urgency as this typically defines whether the issue needs to be dealt with in the short-, medium- or long-term.

✓ Issues can seem very essential but often their occurrence as urgent is negligible:

For example, changing a flat tire is an urgent issue but you would never put changing a tire into your strategic plan. Attend only to the essential issues, not the urgent ones.

✓ Deal with issues that you can do something about. Issues that are too narrow do not warrant planning, and issues that are too broad will bog you down.

✓ Issues should be clearly articulated so that someone from outside of the institution or program can read the description and understand the nature of the issue.

2.3 Guidelines in developing an HEI is or School's Strategic Plan [14]

The development of the Strategic Plan through the Strategic Management Process, as show Fig. 4, should be conducted methodologically and systematically, as discussed below. Typically, the Strategic Management Process has three main phases of Strategic Analysis, Strategic. Formulation and Strategic Implementation. These main processes cover the development of the Strategic Plan through internal and external environmental analyses. Based on these two fundamental analyses, the primary outcome is a set of strategic SWOT outlines and the identification of the Strategic Issues. Based on this analysis, strategies can be developed, evaluated and selected to finally lead to the strategies being implemented.

Fig. 4: Strategic Management Process in an HEI or School[3]

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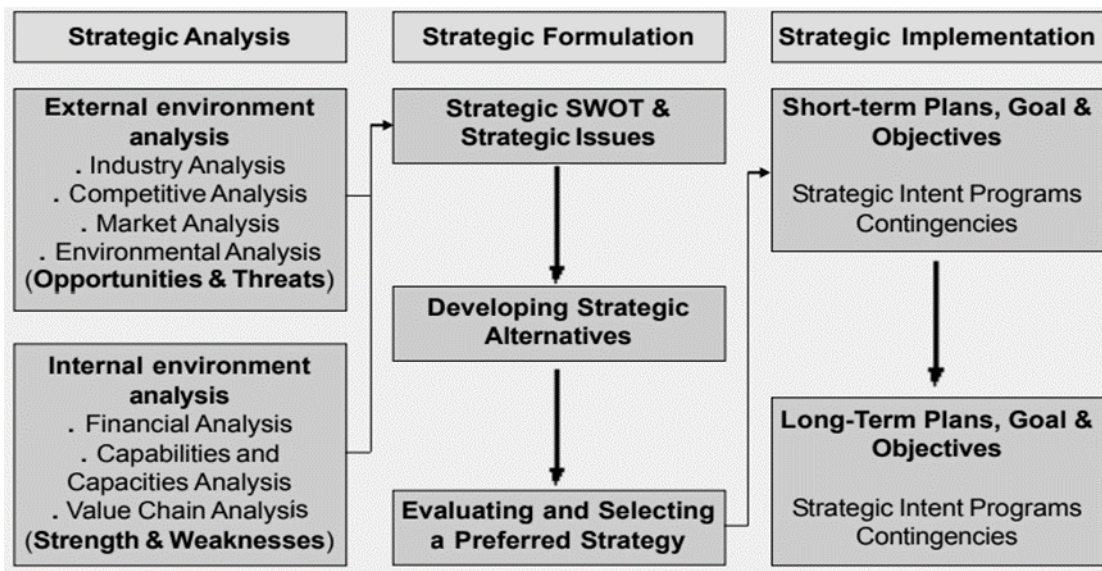
[3] Bharadwaj, S. G.; Varadarajan, P. R.; & Fahy, J. (1993). Sustainable Competitive Advantage in Service Industries: A Conceptual Model and Research Propositions. Journal of Marketing. 57 (4). P.: 83-99.

All three phases revolve around two vital organizational issues :

✓ Position Perspective: The identification and achievement of the final position that the HEI or school aims to achieve in the industry (2020).

✓ Capability Perspective: The identification of the capacity and capability which are necessary to achieve the position that the HEI or school is aiming for (2020).

3. Results and discussion

3.1 Strategic Analysis

Conducting the Situation Analysis (SWOT) [15]: The HEI or school works within two environments:

External Environment: The aim here is to identify the opportunities and threats facing the HEI or school. The critical is to identify how these might IMPACT (that is, what sort of effect they might have or what they might mean to the HEI) on the future position, and how the HEI or school is and will be addressing the impacts identified in the Opportunities and Threats. Some of vital external areas that should be addressed are:

Macro Environment [15]: It is necessary to define the business, political, economic, socio-cultural and technological contexts affecting the future position of the HEI or school.

Industry Environment: It is also necessary to define competitiveness, the demand and supply power of buyers and suppliers, substitutes, and threats of entry into the industry.

In-depth Competitive Analysis: A Competitive Benchmark Matrix Analysis can be used to determine what and how well the HEI or school is performing in meeting the buying criteria of customers.

In-depth Customer Analysis: The value of the customer must be understood and then it is necessary to check whether the HEI or school is delivering this value in terms of: Product Quality (final academic and social outcomes); Service Quality (all support services other than the main teaching/learning/research and community services); Image (the brand name and perception of the HEI or school); and Relations (engagement with all stakeholders) [16]. All of these are offered at a Cost, which should include all direct costs, such as pricing and transportation, and the intangible costs, such as finding opportunities, and committing time and mental effort.

Internal Environment: The aim is identify the Strengths and Weaknesses of the HEI or school and the key is to identify the institutions real position, (i.e., relative to the HEIís or school's competitors).

This represents the institutions capacity and capability and refers to the utilization of resources, NOT just the fact of having them.

3.2 The Strengths and Weaknesses

This will affect both the present and future achievements and position of the HEI or school and will, in turn, result in recognizing the Strengths and Weaknesses.

✓ Value Chain Analysis: Using the Input/Process/Output/ Outcome, and based on identifying the gap in the differences between what is expected and what is done, it is then possible to recognize what and how all aspects of these internal processes create or add value to the customer value equation outlined earlier.

✓ Systems Analysis: This includes all the other supporting systems, shared values, skills, staff, structures, strategies and styles of management that create levels of value or performance of the HEI or school. above result in any differentiating selling points?

✓ Capabilities and Capacities Analysis: This is used in this book as the primary analytical framework; it is based on the capabilities and capacities of the HEI or school to create and deliver the proposed education value to society at large. As proposed, the success of the human, information and organizational capabilities and capacities forms the foundation of the overall success of the HEI or school. As such, it is more appropriate to determine the performance of the HEI or school based on both the existing and the required set of capabilities and capacities.

✓ Identify the Present Status of the Achievements of the Institution: As the HEI or school already has its vision, mission and goals, it must then be determined whether HEI or school has achieved these by identifying the KPIs (Key Performance Indicators) as these will be inputs into the SWOT.

Conclusion

Based on the strategic analysis, the formulation of strategy calls for matching the capabilities with the position, since the degree of achievement is based on formulating an appropriate set of capabilities and capacities needed in order to achieve a particular position. Once the strategies have been formulated, they have to be evaluated and selected to determine a feasible, acceptable and suitable set of strategies, appropriate to the HEI or school. With the strategies selected, the critical is successful implementation. This calls for creating of the necessary human, information and organizational capabilities and capacities. As all of should are based on human nature, the difficult part is to create the necessary human capabilities

and capacities to use the information within complex organizational systems, structures and cultures. A recommended approach is to use the Balanced Scorecard approach as the management system for the implementation of strategies to assure of the alignment and measurement of appropriate critical performance measures of the linked perspectives.

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