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The Susceptibility of the Implementation of Strategic planning in Private Institutions of Higher Education in Brazil: a Case Study

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Abstract

A big debate arises in the professional and academic areas when it comes to the discussions about the effectiveness of strategic planning in some specific industries. In particular, private Institutions of Higher Education (IHEs) in Brazil are concerned with being regarded as treating education as “merchandise.” This way, they tend to think of strategic planning as a potentially harmful tool that must not overcome the pedagogical plan. In this context, this paper aims to show the strategic possibilities to be developed by organizations in achieving the implementation of the actions contained in strategic planning, including the need to measure the potential outcomes. This paper describes some of the key literature on strategy implementation. It then presents the difficulties for the implementation of strategic planning in an IHE, in order to indicate possible alternatives to guiding such organizations’ private equity through achieving effectiveness in their planning. The research method includes qualitative research and content analysis to unveil a case study. This research contributes to the discussion of the managerial factors in IHEs and the benefits of the use of management technologies in their daily lives.

Key-words: Strategic planning, educational enterprise, institution of higher education.

Introduction

The terminology of strategic planning is the target of criticism by various professional and academic circles. In particular, there is a sense of skepticism with respect to how measurable and workable the actions proposed by strategic planning are.

Schools of planning have varied perspectives on the various ways by which strategy is perceived in organizations [1]. First, miscellaneous notes on the effectiveness of strategic planning in organizations have enriched the debates over the past century and beginning of this. The main

focus is on the measurability of the results derived from decision-making processes resulting from strategic planning. In especial, long term testability is, at the same time, one objective of the proponents of this line of management, and a big target of critics. Second, the ever-changing environment is regarded as an insurmountable barrier for the effectiveness of strategic planning, given the gap between planning and acting.

On the other hand, reality goes against criticism, as a remarkable amount of organizations, both in absolute and relative numbers, accepts strategic planning as a premise. In such context, the objective of this paper is to establish venues to be developed by organizations to achieve implementation of the actions contained in the strategic planning. Moreover, the feasibility of performance measurement of potential outcomes is demonstrated here. In order to do so, the specific objectives are: a) to describe some of the key literature on strategy implementation approaches; b) to present the difficulties of underlying strategic goals in organizational structures, using the case of a private university; and c) to introduce alternatives to guide organizations into achieving effectiveness in their strategic planning.

The topics covered here emphasize the strategic terminologies that are most common in usual organizational routine. The main obstacles to achieving synergy between the strategic layer and the tactical and operational layers are also covered. Next, we raise the greatest difficulties—and ways to overcome them—when strategic planning is in order. The specific research problem we tackle is the absence of a directive way to propose alternative implementation of strategic planning particularly in private higher education organizations, even though the considerations drawn here can be extended to other kinds of organizations. Our research object is a new institution of higher education (IHE) of Southern Goiás State, Brazil. The discussions attain mainly to the possibilities of increasing the prospects of implementing planning and attitudes.

The paper is structured beginning with the theoretical framework of strategic planning and its implementation, followed by the introduction of the strategic reality in a private institution of higher education. Then, we present the method used for data collection, with a subsequent analysis and discussion of the field study. A proposal for the implementation of a strategic plan linked to the competitive expectations of the plan comes next. At the end, possible guiding paths for the development of a strategic plan customized to the reality of an educational institution are discussed.

The Paradox between Planning and Implementation in Strategic Planning

The criticism on the effectiveness of strategic planning dates back from 1980. In that year, a major reformulation of the planning area of General Electric Company became a remarkable event in the business management world. General Electric Co. was the birthplace of several concepts and terminologies pervasive in academic and business environments, and the change sounded as a warning about the future of the concept [2]. On the other hand, the term —strategic planning, in its traditional sense, is quite prevalent in academic research and in the practical

world of the organizations. A pertinent discussion of this issue is proposed by Whittington [3]. According to him, as of 1960 two opposing streams of strategy research emerged. One team, led by Igor Ansoff, focused on techniques and was interested in planning strategy as a practical tool. Another group, led by Alfred Chandler, concentrated on research on the development of diversified and multidivisional companies. This latter group, in conjunction with Harvard students, was responsible for the establishment of a structure for strategy as a —positive science [4]. Still according to Whittington [3], the ideal of structure and strategy set a research constraint to the paradigm of strategic planning, leading to qualitative research to be marginalized for some time in major scientific journals reporting on the theme.

From a sociologic perspective, strategy is related to the research and guidance of powerful institutions. Moreover, effects of innovations and strategic discourse are widely and deeply embedded in contemporary society [5]. Given this, two aspects from the sociologic point of view deserve consideration. The first is the need of a better understanding of how new strategic concepts and tools are developed, tested and marketed. Second, there is a need to considerate how these tools are used in practice [6]. In the managerial perspective, there is a need for a more practical guidance both in the conceptual abstraction and in the formation of strategists able to develop strategic contexts. Therefore, "a part of the managerial research agenda, therefore, is to develop a structure that can support managers in terms of their personal development as strategists" [3]. In this context, Whittington [3] says that understanding and shaping the practice of the strategy will require deeper involvement, where methods such as ethnography, action research and self- research practitioners will be important for the nature of the practice and its potential for improvement.

Whittington [3] shows that the engagement of managerial research toward practice is an international movement, but is particularly characteristic of the European side of the Atlantic. Among the reasons for this, one of the most relevant may be the intellectual maturity of the European continent in promoting paradigmatic changes, as well as ideological and behavioral modifications of thought. Moreover, the peculiarity of reduced geographic coverage allows for a better approximation between academia and business ([7] and [8]). The idea of organizations directing strategizing into the vision of switching to a practical point of view to evaluate the strategy has gained rapid support in the strategic environment on a global scale, given the need for reporting and responding to competitive dynamics.

The issues of practical implementation of the strategy in organizations and the feasibility of its measurability guide the academy and organizational managers questioning. In this context, Whittington [3] presents a discussion of the increased attention of the management disciplines on practice. This happens in a context of negation of modernist social sciences constraints as a whole: Strategy tries to get rid of a modernist trajectory as it emphasizes a better understanding of the important practices in society and their managerial use. In addition, Whittington [3] presents two crucial changes in the evolution of Western thought in the period of one century related to concerns about the relative status of theoretical rationality and practical reason. The

first refers to the modernist social sciences view, with strong influence on the traditional research on strategy. In the second, strategy is the repudiation of modernism and recovery of the practical reason.

The focus is the ability to extend theoretical rationale to practical reason, so that scientists and practitioners can become partners in putting "a reason to work towards practice" [9]. This initiative requires a deepening of the descriptive attitudes in organizations to achieve practical designs, demystifying the functionality based only on an intuitive perspective. Is it possible that the absence of descriptive processes, which provide all relevant variables to organizational strategy, hinders prescriptive actions with prospects of implementation?

A description of the strategy requires a conceptual and holistic understanding of the external and internal environments of the organization. In search of a definition of what strategy is, Jarzabkowski, Balogun and Seidl [10] presented a major difficulty residing in this process. It is the context of social activity: without it, it is difficult to determine which activity is not strategic. Whittington's [3] proposition to deal with such difficulties comes to the isolation of three elements of theory and practice: praxis, practices and practitioners. The first element describes all human action, and the actors are professionals—individuals that use of existing practices to act in interrelation with the practices and praxis—Practices can be defined as types of routine behaviors which consist of several elements, interconnected to each other: forms of bodily activities, forms of mental activities, things and their use, a solid knowledge base in the form of understanding, know-how, states of emotion and motivational knowledge [10].

New perspectives have currently identified a new paradigm of the concept of strategy in organizations. Having an emphasis on applicability, it emerges as key factor and latent form in recent discussions. It includes the potentiality to result in actions that are concrete and, subsequently, evaluative, be it for the accessibility of tools that cross some obstacles or the interactive level of the people and the transience of corporate actors that allow for the creation of a reciprocal bridge between planners and executors [11].

In the context of strategy as practice and strategic dynamics, Regner [11] reports on formulation versus training, the settings of the activity, and the ability to elevate learning and evolution in formulating strategy. The author makes an interesting commentary on the expansion of strategic discussion, and senior management versus other publics in discussing multiple strategies. He also tackles the delimitations of the processes or areas that are considered strategic, in order to emphasize the peculiar complexity of each structure under analysis. Some of the assumptions are not so valid, such as: there is only one person responsible for strategic planning; the focus is not on the deployment side; and profile must be customized for performance. The emphasis on the environment and hierarchical selection and the importance of an increasingly intense interaction contribute to the development and deepening of the importance of the strategic assumptions. These work through transactional and relational processes with actors of the involved environment and a strong foundational confirmation of some strategic setting [11]. What should

be noted are the specificities of each strategic configuration involved in organizational peculiarities. A variety of cognitive, cultural, linguistic, historical, situational, contextual aspects of a given business environment are involved and need to be taken into consideration [11].

A customized description of the organizational reality enables greater effectiveness of implementation and monitoring of the strategic plan. Given this context, we present next the strategic reality and the main obstacles that a for-profit educational organization faces to implement its goals.

The Strategic Reality in a Private Higher Learning Institution

The institution of higher education object of this research is located in Southern Goiás State, inland Brazil. It offers undergraduate programs in Business Management, Education, and Technology Application, plus Technical Vocational two-year programs. For the sake of confidentiality, the institution is codenamed here as College Beta. The was founded by a group of partners with extensive experience in professional technical programs, with the goal of becoming a more convenient and cheaper alternative to prospects of higher education: the then only existing institution in the region was a larger and more expensive institution. College Beta obtained the Ministry of Education's authorizations for the programs and rented space in a central area of the city, with the objective of settling first, to then engage in designing a new campus of its own.

As its strategic premise, the institution of higher education (IHE) elected to offer quality education and programs related regional needs. The College was well received in the community for its value proposal. The demand showed satisfactory, as a large number of freshmen were attracted. Moreover, enrolment rates in subsequent semesters kept high. As results showed up according to expectations, the next and bold step towards the construction of the new campus was initiated, with funds capitalized by a regional lender, with support of the federal government. With the project's approval by the authorities, construction took place without major impasses.

The new ample spaces opened room for the release of new programs. Furthermore, the new campus allowed transferring technical and vocational programs to the new facilities, thus generating savings in rent and other costs. Another strategic move was the formation of a partnership with an institution of national reputation in primary and secondary education for the establishment of a high school in the premises of the institution.

A look in the plans for the future of the IHE indicates that it has a long-term institutional educational plan. It includes the proposed addition of new programs to the institution's portfolio. In contrast, there is no explicit identification of an organization's strategic plan suitable for a private for-profit entity. The absence of a guideline on the perception of the IHE as a market venture is an obstacle that indicates ideological issues. In Brazil, many private IHE are afraid of being regarded as market ventures because they fear being marked as treating education as

"merchandise." However, they face the harsh reality of any capitalist business to ensure revenue sufficient to meet business obligations and dividends sought by the shareholders.

The debate about the formulation of a strategic plan is primarily linked with the relational instability with society faced by an IHE when it comes to attracting students to the offered programs. This generates concerns about the long-term perspective of possible outlined strategies. This may sound a paradox, particularly when we take into consideration the Brazilian reality in higher education: a negligible percentage of the population is granted access to higher education; high potential of social inclusion through higher education; and high rates of idle vacancies in higher education in private institutions.

In order to occupy this space and to deliver a better quality education, IHEs should provide access with the lowest possible financial burden to incoming students, in order to avoid the risk of high rates of drop-outs. Hamel and Prahalad [12] and [13] emphasize that an organization is not only regarded for its list of products and services, but also for its expertise. It is through its competencies that the organization will be seen as essential and, sometimes, inimitable. Society's perception of an IHE is strongly related to its capability to deliver quality programs. This has to be reflected by the structure of the institution, formation of the faculty, and research engagement—all with the least impact on the institution's finances.

Providing quality and price may prove an agonist in any industry, but is particularly relevant in Brazilian private education. In especial, Brazilian IHEs face an insurmountable reality, low productivity levels, and absence of good financial controls. The lack of long-term planning only contributes to worsen this situation. Therefore, following a formal strategic planning process may strongly impact the IHE's management, as well as significantly improve productivity gains.

Method

In the diversity of the markets and their interacting organizations, the search for a guiding instrument for strategic plans can be a big challenge, both for academics and professionals. This is particularly acute when we take into consideration the subtle peculiarities of doing business in some industries. Given the IHE's context presented above, this study aims to demonstrate the applicability of the strategic planning in this industry, hoping to demystify the dualism planning-execution. This research follows a qualitative approach. The research uses as its data sources a bibliographical research and a case's information. The data collection consists of a survey with interview. The collection instrument is composed of open and closed questions, where the respondent has the possibility to discuss the proposed topic and the interviewer must follow a previously developed structure to conduct the interview [14].

A semi-structured interview was conducted with the Pedagogy Director at College Beta. This person had joined the institution four years earlier and was able to follow up the most representative stages of its growth. He was knowledgeable about organizational needs in terms of

professional management, results follow-up, and the history of the institution's settlement in the region.

With the relevant data identified by primary information through the transcription of the interview, a content and discourse analysis was performed. Gill [15] points out that discourse analysis can be done through a variety of different approaches in the study of texts, depending on different theoretical traditions and various treatments common in different areas. Hence, it proves relevant to the practice of discourse analysis the use of different questions, faithful transcription, skeptical reading without mediator's bias, coding of the categories of interest, and discourse analysis in corroboration to the objectified subject [15].

The delimitation of the research was the context of an educational entity of a newly created private enterprise in Southern Goiás State, in Brazil. This choice made it possible to identify the challenges of sustainability and expansionary strategies. This allows for identification of evidence to support or refute the managers' recognition of the importance of management technologies needed for effective objective achievement, in particular, a strategic planning tool.

Analysis and Discussion of the Results

A semi-structured interview was conducted within the premises of the IHE with the Pedagogy Director. He temporarily accumulates some administrative duties in the organization. In the interview, we attempted to discuss the relevance of strategic planning in an IHE within the context of implementation, addressing three categories of analysis: a) the difficulty of undertaking the institutional strategic planning; b) fears of turning education into —merchandise; and c) the benefits of the strategic plan in organizational competitiveness. These questions of the matters contained in the structure of the interview was intended to guarantee a focus on the strategic planning of the organization, as a means to ensure its sustainability, given the position already obtained in the market. On the question of the need for engaging in strategic planning, The Director said that:

—The need for structuring a strategic planning for College Beta is recognized. However, given it is experiencing a high growth phase and capturing the maximum opportunities from the idea of diversification in educational options, there has not been a chance to consider a guideline for the long term. (Interview with the Director) This observation indicates that the operational involvement in settling the business and the perception that there is a single way to surf the market dynamics are the biggest obstacles to allowing for a discussion of a strategy and its formalization in the organization.

In addressing the relevance of planning in the institution, some points about the recognition of the importance of its production and dissemination in the organization were advanced:

—The internalization of planning is completely valid in order to provide a guide to the company's future and to anticipate and prepare for many possible set backs that may arise, such

as the failure to fill vacancies in certain programs in an semester. This is particularly true as you have high fixed costs to be honored. (Interview with the Director) This speech indicates the importance of having a strategic plan to provide direction in order to achieve some goals. Particularly, such goals may be lost if not formalized and disseminated in the organization, generating lower commitment by the organization's members. The awareness of senior management about the importance of systematizing strategic planning to clarify the intentions of the organization should be strengthened.

From the questioning about the absence of a strategic plan, we asked about the reasons for the lack of structured planning. The discussion involved observing the context of facing no intense dynamism of the business model, whereas the IHE focuses more on the strategic pedagogical perspective as a means to attract students to the offered programs:

—The reason for the absence of a larger application of strategic planning can be caused by a mistaken perception that we should concentrate our efforts in attracting students only at the application season for university or high school, creating a rush at the time of the selection process (Interview with the Director)

This shows the periodic or seasonal use of practical tactics in certain organizational contexts, especially in educational institutions. It reflects a lack of constancy of interaction with external actors to attract new students, showing no perceived relevance of actions structured in plans.

Relatively to the difficulties of promoting awareness of the need to develop a strategic plan for the IHE, we discussed with the respondent which aspects should be observed to initiate a mobilization with this intent:

—The importance of recognizing that it requires a better professional management can be a very positive point to College Beta, its vocational program and high school. The concern with teaching quality in the programs is a daily chore. However, winning the attention of a large audience interested in education through methodologies and tools that help accomplish our educational goals can be important. Using the right resources to approach an audience interested in education can contribute to the formation of a virtuous circle, generating additional inputs to programs in terms of financial structure. The awareness of some actors in the institution about the need to describe their wills in a more structured way is noticeable in the citation above. However, the absence of a person responsible explanation to respond to these claims is clear, even though there are traces of initiatives such as the existence of a mission definition and budget projection in the institution object of the study. The implementation of the strategic deployment should consider the content involved, the internal and external environment and the procedural dimension of strategic change [16].

An institution featuring educational purposes does not have the same ambitions of market dominance observed in organizations aimed at manufacturing and marketing products and

services. This can generate an interpretive distortion on the utility of adopting concepts applicable to other organizational contexts.

The need to chart a path prior to grope all possible variables dates back from old armies and epic battles recorded in human history. The possibility of prediction to reduce uncertainties and forecast setbacks can be considered a motivating factor for organizations to believe in strategic planning. Planners and managers need to have sensitivity about protocol events common to in the development and formalization of a strategic plan, in order to minimize organizational stiffening. "The generation of strategies, such as creativity, must function beyond the boxes, to create new perspectives and new combinations" [1].

Realizing the possibility of strategic development in areas inherent to business organizations may prove beneficial to the organization, leading to the clarification and dissemination of institutional interests and thus contributing to the odds of its objectives' achievement [17]. The IHE object of this research shows the absence of strategic planning among its managerial priorities. However, it does not preclude the recognition of its importance, even though limited by a distorted perspective. It perceives as strategic only matters such as attracting students and planning the budget, whereas no points were made with respect to maintaining high education quality to keep competitiveness with other institutions.

Of course, strategic planning in this IHE can lead to actions such as teaching skills training and student attraction. On the other hand, the strategy can do it within the scope of developing good community relationship with a high grade programs image being responsible for attracting students. The need for a roadmap that provides a holistic view of the situational reality of the organization resides in providing interesting action plans and ways of measuring managerial performance. In the explanation of the elements needed to produce strategic planning in College Beta, some lines of action were raised by the interviewee. They recognize the need for a structure to articulate a strategic culture within the institution. Table 1 below shows these lines of action.

Final Considerations and Conclusions

The motivating factors that guide research on strategy are related to the provision of its realization as practical, demystifying the axiom that what is planned hardly can be achieved. The fact that the description of the strategies is valued by most organizations ratifies its procedural importance in structural activities, be it in the explanation of the organizational objectives or in a ritualistic practice to garner commitment from organizational actors. The strategy of practice recovery, highlighted by Whittington [3], assumes that the —strategic inclusion requires organizational legitimacy and a discourse domain that is not easily acquired (p. 50). Given this context, the strategy should cover specific concrete elements to be developed, disseminated and implemented, subject to a relational operationalization of the institution with the social actors involved in specific elements [19].

When we recognize that the strategy is wrapped to a set of coordinated actions involving a context of space and time, it becomes evident that temporal synergy that must exist between the stages of strategy design and implementation [20].

This objective of this research is to bring up some of the major literature in strategy with the theme of strategic implementation in organizations reconciles the difficulties faced by College Beta. In our study object, the absence of explicit strategic planning and dissemination to institution members exposes some barriers to the visualization of future postures to achieving the IHE's goals. Some proposals identified to support the formulation of the strategic plan for the institution start with the ratification of the mission, vision and goals in order to explain the corporate will. In addition, the delimitation of the regional operation for the offered programs is important to identify the potential of attracting students. In presenting the need for diversification of teaching models and methods, such as distance learning, it becomes clear the intention of seeking other teaching tools capable of amplifying the IHE's portfolio, given the assumption that the structure already exists and that options to dissolve fixed costs is in the interest of the organization.

Another factor that can guide some actions of College Beta is the creation of indicators that measure and monitor the quality of education in the several offered programs. This allows for market comparability and anticipates the regulatory governmental agency's reviews. In addition, the financial plan makes it possible to evaluate several aspects, such as the solvency of the institution, investment reserves, evaluate economic and financial viability of new proposed programs, and permits funding research. The concern with social communication is focused on the portion of the community that is interested in educational progress. This leads this relevant consumer segment to regard College Beta as a relevant alternative to fulfill its learning needs.

On future research, this research represents only a debate opening on the discussion on the need of more professional management in Brazilian private IHEs. That includes strategic planning to guide the strategy practice in order to contribute to achievement of the organizational goals. The aspects worked here emphasize the difficulties encountered in the explanation of organizational intentions. Deepening the issue in future research may include finding better tools to model the researched organizational form and how to show significant gains with the strategic implementation in the institution.

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