

A Research Based Planning Approach to Aid the Survival of Small Educational Providers

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Wairarapa Community Polytechnic is a new provider of vocational and community post-school education in the south-eastern corner of New Zealand's North Island. Born in 1989, it is still very small with just 404 full-time equivalent student enrolments at the end of its first year.

It is new and small just when New Zealand is adopting a funding system which favours large and well established institutions. Nevertheless, it plans to prosper. Research based planning is expected to be one of the means to success.

Over the last 18 months we have tried a number of research based planning techniques. Together they form a coherent approach to planning which may be of use to other providers facing similar challenges.

The paper divides into five discrete parts. The first addresses those questions from which our particular approach to research based planning emerged. Parts two, three and four examine in greater detail key features of this approach. Part five pulls together the threads by proposing a planning model which could be of some use to other institutions.

Coming to Grips with Research Based Planning

Planning is a legal requirement under the recent reforms to educational administration in

New Zealand. The Education Amendment Act (1990) (p59) requires each provider of post-school education to prepare statements of objectives for three consecutive academic years. Such objectives are seen as a necessary condition for accountability to allow much greater freedom for providers to manage their own destinies. For this, as a Task Force on Performance Indicators (1989) stated:

institutions will have to develop a degree of planning sophistication which has not been required hitherto (p.5).

Nothing new here. New Zealand education merely mimics international trends. Davies and Morgan (1982), McNamara and Booth (1984) and Apps (1988), for example, all highlight as reasons for the greater demands for planning in the United Kingdom, Australia and the United States, the downturn in student numbers, fewer funds for ever increasing costs and accountability drives. New Zealand just tags along.

But What Kind of Planning?

Apps (1988, p 48) identified two basic planning approaches. One sees the institution as a largely self-contained spaceship. It assumes each institution exists in a rational world in which planning can be based on logic alone. Plans are usually projections from the present. External variables play only a supporting role. This kind of planning is often carried out by experts or specialists who have minimal contact with the people who will implement the plans. Apps goes out of his way to discredit this approach to planning persuasively.

And it is his other approach which has been adopted by Wairarapa Community Polytechnic. It goes by the rather military label of "strategic" planning. Pont and Burke (1989, p 126) define strategic planning as a

management process involving all levels of an institution in answering three key questions. Where are we? Where do we want to go? How do we get there?

Johnson and Scholes (1984, p 12) turn these rather simple questions into more pretentious concepts - strategic analysis, strategic choice and strategic implementation. Strategic analysis lists values and seeks facts about available resources in the contexts within which the institution operates. Strategic choice involves generating, evaluating and selecting options based on the strategic analysis. Strategic implementation energises management and staff to put chosen options into action.

All three strategic planning stages demand systematic inquiry. At each stage issues have to be clarified; data has to be collected, analysed and interpreted. According to Dixon, Bourma and Atkinson (1987) this is exactly what happens during the normal research process. In short, normal research is part and parcel of the strategic planning process.

What Kind of Research?

But there are many different ways of doing research. Elsewhere I have suggested most, if not all, methodologies fit somewhere along a continuum between highly quantitative, empirical type research on one end and largely qualitative, action research on the other (Zepke, 1988). The former describes, analyses and explains observable and testable phenomena using statistical data wherever possible. The role of the researcher is a detached one so there are no or few disturbances of the phenomena under investigation.

In the latter, the researcher is an active participant in the research. Such involvement cannot lead to detached explanations. Rather, it results in planning for action, in systematically observing what happens to the plan and in reflecting critically on both the planning process and action. Because new planning follows the critical reflection stage, the process is often pictured as an endless spiral.

Which research methods are adopted depends both on the task and the nature of the institution. Much of the institutional planning literature seems to assume that under most circumstances the quantitative, empirical approach is best. The work of Sizer (1982), for example, states his preference for using financial data in educational planning. A quick content analysis of the Association for Institutional Research's Primer on Institutional Research (Muffo and McLaughlin, 1987) also gives the impression quantitative research is superior in most situations.

Eight out of 10 articles seem directly linked to the collection of statistics. This is surprising. The nature of the strategic planning process seems more closely attuned to the action research end of the continuum. Certainly that is the end from which most of Wairarapa Community Polytechnic's research methods have sprung.

This choice is reinforced by the nature of our polytechnic. It is new and has little historical data to call on. Poor, it has little money to set up sophisticated management information systems. It is also undergoing constant change; a condition which militates against the extensive use of quantitative data.

Moreover, a poor, new, changing polytechnic is not a totally rational place. Davies and Morgan (1982) identify four different views of how institutions work. Rule and convention abound, their bureaucratic and collegial models foster rational planning within stable parameters. Their political and organised-anarchy models do not. Wairarapa Community Polytechnic displays enough political and anarchic tendencies to hamper severely purely rational planning.

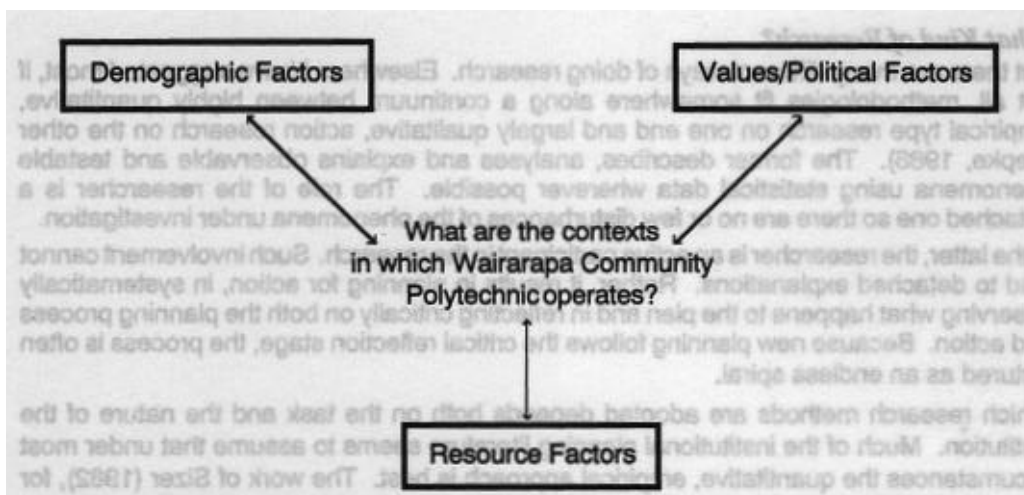
So far this paper has described research based strategic planning at Wairarapa Community Polytechnic as a process which uses mainly action research methods to analyse contexts, identify strategic choices and select strategic options.

The paper now turns to examine each of these tasks.

Analysing Contexts

Our approach to context analysis is based on three main variables. Writing for the New Zealand Commission for the Future, Zepke *et al* (1981) argued the major context variable to be analysed describes values and political assumptions. The New Zealand Planning Council, on the other hand, have always featured demographic trends in their work. Johnson and Scholes (1984) added analysis of resources to the list of contextual variables. Figure 1 gives a picture of the variables.

Figure 1: Variables Used In Wairarapa Community Polytechnic Context Analysis



Demographic Factors

Three were looked at. The first was the general population projections for the Wairarapa to 2010. The NZ Planning Council (1989) showed clearly an unpromising demographic base for the Wairarapa. The European population is aging, with growth in the student aged cohorts slower than in most other regions of the North Island. Out migration is likely to increase the dearth of young people in the Wairarapa. Only the young Maori population is growing and likely to gain in importance.

Occupational change was the second demographic factor analysed. The Planning Council through Haines (1988) shows clearly most future growth in jobs is likely to be in service industries:

...the service sector is expected to provide 66 per cent of the net new jobs up till 1990 and an astonishing 81 per cent of the net new jobs in the 1990-95 period (Haines p 25).

Job skills needed by service workers are likely to be of a higher level than those needed in other sectors. So, a major structural shift is in the wind. This is a very hopeful indicator for post-school providers.

The third factor examined pertained to post-school education participation rates. The figures for 17-19 year olds are low in New Zealand. Participation rates for 17 year olds is around 47 per cent, drops to around 34 per cent for 18 and 19 year olds before recovering to 20 per cent for 20 year olds (Haines 1988, p 17). Even with slow overall population growth there is much scope for a polytechnic such as ours in improving participation rates.

Political Values

Robinson (1990) and Jesson, Ryan and Spoonley (1988) have described New Zealand in the late 1980s as a bastion of the New Right. Certainly the spirit of individual freedom and enterprise seems dominant in government and business circles. The education reforms of 1988-90 create free enterprise post-school education. Institutions are free to work out their own destinies. They earn their resources in competition with others by enrolling equivalent full-time students.

But appearances are never what they seem. Cutting across the dominant New Right world view are seemingly opposing values. This contrary strand, currently championed by both major political parties, holds that if economic growth is ever to be sustained, training participation rates must be raised. Only a highly trained labour force is capable of achieving economic growth. This view wants money to be poured into post-school education and training. As a result, there is no great shortage of funds for post-school education and polytechnics can expect modest growth.

How such funds are used will be determined in part by the base values of the institution. Wairarapa Community Polytechnic is the offspring of a union between a Community Development Program and a Youth Learning Centre. Through its parents it inherited strong commitments to community development and training for disadvantaged social groups. The polytechnic's base values are described as follows in its first Charter (1989):

- Equity of Access
- Providing significant learning power-sharing and success for all; but particularly for those who have lacked these in the past
- Quality of lifelong Learning
- Providing excellent learning leading to formal vocational qualifications at a variety of levels and non-formal opportunities for self-development in a variety of fields
- Caring Responsive Environment
- Creating and maintaining an organisation where people feel they belong because their uniqueness is valued and promoted (p 4).

Resources

Port and Burke (1989) suggest management, staff and money are the resources needed to turn plans into reality. Institutions either have them or have to acquire them from outside. The importance of the people resource is particularly emphasised by the "excellence" movement. Peters (1987) and Hickman and Silva (1985), for example, have written on how to create successful organisational structures and cultures in a "world turned upside down". While their specific nostrums differ in emphasis, a number of key words summarise the qualities they require from the people resource: responsiveness, flexibility, vision, innovation, and responsibility. Wairarapa Community Polytechnic inherited many management and teaching staff with these qualities from its parent bodies. Where gaps existed, it was lucky enough to attract such staff.

If our people resource is rich, our polytechnic is cash poor. Its very recent birth means there are no financial reserves. Neither does it own any buildings. The Wairarapa Community Polytechnic is not well endowed financially. There are no large firms to gift specialist equipment. With one of the largest unemployment rates in the North Island, its region cannot afford to pay very much for educational services. The polytechnic will continue to rely heavily, therefore, on bulk funding from the Ministry.

To summarise, this context analysis has revealed a number of key ideas. Some examples are:

- While local demographics are bad, a national goal for achieving a well trained work force gives the polytechnic the opportunity to move into national niche courses in the service industries.
- There is no "free lunch." The polytechnic must be entrepreneurial, by attracting overseas students for example.
- National niche courses and overseas students are viable options only if the polytechnic uses its one major strength - its people.

- The polytechnic's structure and culture must be responsive, flexible, visionary, innovative and efficient.

Identifying Strategic Choices

By highlighting key facts, a context analysis becomes the basis for identifying strategic choices. In Wairarapa Community Polytechnic's case, the context analysis alerted us to the dangers of completely relying for survival on people living in the region while at the same time showing up possibilities for national niche courses in the service industries. It also reaffirmed our social equity values. The next planning step was to identify viable national niche service industry courses.

To do this, we adopted Port and Burke's (1988, p126) advice to form a steering group soon called the "core group". This was composed of senior management, teaching staff and Council members. Its task was to steer the inquiry for course choices by identifying suitable subject clusters and then, jury like, listen to evidence about each. In all, 10 subject clusters were identified - tourism industry, caring professions, art, craft and design, communication and media, business, commerce and computing, teacher education, recreation, performing arts, resource management and land-based industries.

The core group adopted a variation of the Delphi forecasting process to gather its information about course clusters. The Delphi process attempts to make use of experts' knowledge without exposing them to the social pressures found in committees. A questionnaire listing, say, a number of course ideas is posted to each expert. She or he has to say which of these ideas are positives or negatives for the polytechnic. Each expert's forecast is returned to a coordinator who works out the average and range of the responses. The respondents are informed of these. Each expert can now revise her or his forecast. After perhaps another round, a consensus forecast emerges (Zepke, 1981).

The Wairarapa process deviated from this by inviting the experts to attend in person. It invited between four and eight subject experts to attend two hour meetings on each of the subject clusters. Experts were asked to identify positives and negatives about our Polytechnic, offering courses in the subject cluster. Every meeting took the same form. Experts in turn first ventured their positives and negatives. After listening to others in the first unbroken round, experts were given the opportunity to change their minds. Discussion was chaired in such a way that consensus positives and negatives could emerge.

The process worked very well. In all, 67 invited guests participated in 10 subject cluster sessions. Some of these hailed from as far afield as Auckland, although financial constraints meant most experts came from Wellington. For most subject clusters a clear consensus emerged. We were given the green light for selected subjects in communication and media industries, teacher education, caring professions, business-computing, recreation and the visual arts. We were warned off land-based industries and anything to do with manufacturing, the performing arts and resource management. The verdict on tourism was ambiguous. If anything, we were left with too many strategic options to ponder. Hidden in nearly every subject cluster were the seeds of opportunity. In no way did the process remove from the polytechnic the responsibility for making hard choices.

On reflection, the process involved a tot of work. Over 20 hours of hearings with as many hours involved in reading meant a heavy time commitment for busy staff in a foundation year. In future, the unchanged Delphi process may provide similar results at a better time cost.

Selecting Strategic Options

The context analysis and choice identification processes were free of major difficulties. The third stage, option selection, was not. The paper now describes what was supposed to happen during this vital stage and then reflect on why it did not.

The strategic planning process described in this paper had to be completed by July 1989. Funding to action the plan, however, was not expected to be known until November. Option selection could not be final. All that could be done by July was to arrange the positive options in priority order according to stated criteria.

A process which would rank positive subject areas according to their strategic importance was needed. Come November the amount of funding would determine from how far down the priority list the polytechnic would be able to offer courses.

Priorities were to be established by a ranking procedure involving the whole staff, called the Nominal Group Process (Delbeca, Van de Ven, and Gustafson, 1975). This brings people together but does not allow them to talk to each other directly. It minimises conflict and is supposed to eliminate the unfairly high influence of the most confident and assertive people. Criteria, largely thrown up by the context analysis and agreed to by the Polytechnic Council, were to guide people in their ranking. The criteria were:

- a minimum of 12 students to be available in 1990 (and every year thereafter),
- suitable (excellent) staff to be available to plan and teach the course,
- setting-up-costs to be realistic, given likely resources,
- equity criteria to be met,
- accommodation and infrastructure to be arranged for 1990,
- ongoing employment and/or training opportunities are available, some in the Wairarapa,
- be financially self-supporting, either via government funding or user-pays,
- intuitive preferences.

A booklet summarising the key findings from the previous choice identification stage was also prepared and distributed.

While at the end of a long and convoluted meeting, a priority list was agreed to, but it failed the test of all planning - full commitment by participants. The list was only partially kept to. In fact in selected areas, the advice offered by our experts was ignored. They had on the whole counselled against enlarging our offering in land-based courses, for example. Yet for 1991 the Polytechnic plans to begin three new agricultural courses.

The reasons for this are not too hard to find. Davies and Morgan's four models of educational institutions have already been mentioned. Two models, bureaucratic and collegial, assume that decision making is a rational process occurring within well drawn boundaries. Two others, political and organised anarchy, on the other hand assume decisions are negotiated by fluid political coalitions after conflict. The procedure for selecting options was based on the assumption Wairarapa Community Polytechnic in its first year of operating in a complex and dynamic environment is a rational place.

It is not. Coalitions form and break up in the fight for scarce resources. Davies and Morgan (1982) conclude that:

the balance between 'political' and 'rational' ... decision criteria does ... shift toward the political under resource scarcity (p165).

The existence of politically driven decision making is well illustrated by the debate over land-based courses. The context analysis and expert evidence suggested, as non-service sector industries, land-based courses should not be primary candidates for expansion. But when it was established, Wairarapa Community Polytechnic was given the opportunity to help fund courses run by a local training farm. The farm had run practical courses successfully for many years. But changes in funding regimes meant only through an operational partnership with the new polytechnic could it survive. Having won the reprieve, the training farm people were not about to be inked out by a rational planning process. They mounted a skillful and successful campaign to convince the polytechnic its extensive resource base was not only worth retaining but merited expanding.

Another example of how political processes undermined rational decision making was over the future of existing courses. Peters and Waterman (1982) introduced the concept of the "product champion" as a person who single-mindedly persuades her/his peers to accept new ideas. Already employed specialist staff became very effective champions for their courses. Together they forced the decision that existing courses would be retained unless there was strong evidence against them. Moreover, at least one subject

area, tourism, which had received very mixed ratings from the experts, attracted a very high ranking by staff because of the enthusiastic advocacy of high status staff members.

Political side effects are either accepted or rejected by those organising the planning process. If they are rejected, the institution must avoid having interested staff involved in the planning process. A strong top down managerial culture ensures strategic planning is done by a self-contained planning group made up, say, of senior management.

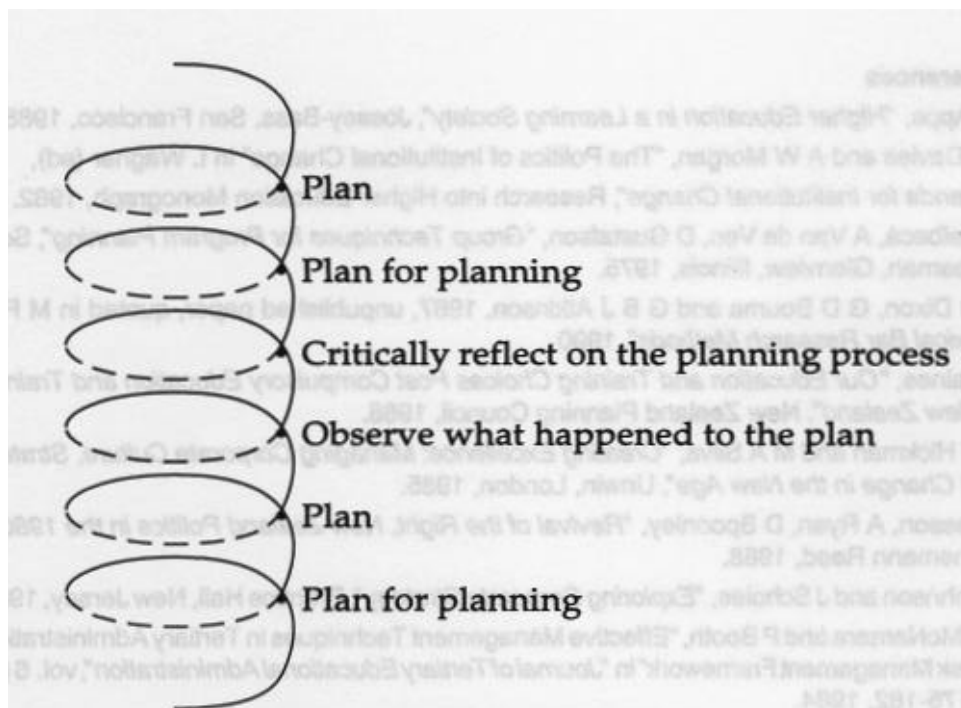
Wairarapa Community Polytechnic, however, is trying to develop a participative culture. It accepts the existence of political influence in planning. However, it must ensure there are proper channels for the expression of political interests. For example, political interests should be articulated and debated before final decisions are made. If they continue to mine for influence after rational decision making occurs, the planning process will lose credibility.

Towards a Strategic Planning Model

On one level, Johnson and Scholes (1984) and Pont and Burke (1988) outline clearly the main stages of strategic planning. Wairarapa Community Polytechnic in its three step approach merely adapted their model.

However, our experience of the process identified two other factors which complicate this simple model. The first factor is the nature of the research which underpins the process. Except for parts of the context analysis, the methodology is action research carried out by the participants. Indeed, the whole strategic planning process can be pictured as an action research spiral. Figure 2 illustrates this.

Figure 2: Action Research Spiral



The second factor is the interchange between rational and political processes. At times the planning process was entirely rational, at other times it was very political. Rather than seeing the political aspect of planning as an unwelcome pollutant, Wairarapa Community Polytechnic will try to build politics into its normal planning framework. Figure 3 pictures the possible model.

Figure 3: A Strategic Planning Model

Stages	Rational Processes	Political Processes
Planning to plan		Step 1. Define the planning group Step 2. Define the planning model
Planning	Step 3. Communicating the planning process Step 4. Demographic research	
Context analysis	Step 5. Resource research	Step 6. Values research/identification Step 7. Selecting experts
Identifying choices	Step 8. Listing positives/negatives	
Selecting options		Step 9. Establishing forums for the political processes Step 10. Developing selection criteria Step 11. Applying criteria
Implementation		Step 12. Implementing the plan
Reflecting on process		Step 13. Evaluating

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