MANAGEMENT PROCESSES FOR THE REDESIGN OF STRATEGIC PLANNING

Liane Mahlmann Kipper¹, Elpídio Oscar Benitez Nara¹, João Carlos Furtado¹,
Julio Siluk², Magali Carolina Ellwanger¹, Bruna Bueno Mariani¹

¹Industrial Systems and Processes, University in Santa Cruz do Sul, Santa Cruz do Sul, Brazil.
²Production Engineering and Systems, University Federal of Santa Maria, Santa Maria, Brazil.

ABSTRACT

The central theme of this paper is to discuss the integration of strategic planning models and process management in the pursuit of organizational alignment to support the organization in the long time. With this assumption, it is important to understand the main findings of the theorists about these contents. Understanding the management of educational institutions is similar to the other organizations. It was developed a qualitative research with the methodology of case study. It was used multiple sources of evidence collected from interviews - UNISC managers; institutional documents - flowcharts of the steps of the planning process, the Institutional Political-Educational Project - IPE, the Institutional Development Plan - IDP, as well as the observations of the researcher. The interviews were worked out by analyzing content and the documents were worked from the steps of the planning process. The purpose of this paper is to present the results of the study that suggests the redesign of the strategic planning of an institution of higher learning through process management. The main results with the conclusions point a number of suggestions for improving to the planning process, indicating that the redesign of strategic planning through process management contributes to the positioning that the institution should adopt the challenges presented in current scenario, allowing the evolution of fragmented vision of the organization to a systemic view.

Keywords: Strategy, Strategic Planning, Management of Process.

1. CONTEXT AND OBJECTIVES

In 21st century, the management of organizations may not be understood as a closed system, but rather understood and operated as an open system, where planning, strategies and organizational processes articulated contribute to the delivery of products and services to the needs of the market.
On the other hand, the velocity of changes that the world has faced over the recent times, both the economy and politics, presents great challenges to organizations, from the ability to quickly adapt to new scenarios as effective responses to these new challenges (YOUSSEF, 2008). The need for innovation, increased competition between organizations and the search of competitively for the sustaining and survival in a long-term are some of the changes in the current business scenario. The word change comes from the French language changer and it means to squirm or deflect as a tree that has been growing looking for the sun. Senge, in his article "The dance of changes" (2003), proposes that it is necessary to be made a deep change in organizations, which combine internal changes in the values, aspirations and behaviors of people with external changes in processes, strategies, practices and systems. The same author, when he proposes the deep change, he refers to the change that precedes learning, one that changes the thinking of those who produced it.

Senge (2003) says that it is not possible to treat organizations as machines anymore. Organizations are alive organisms, all its members must learn to organize their time, taking space for reflection and creative and innovative activities, where the learning remains the most important challenge. Thus, it is understood that change in organizations is driven by the need of the destabilization of the existing state, whether internal or external to the company. Relating to the external scenario, Muller (2003) says that before the evolution of business competition is necessary to take into consideration some aspects, which are: the quality is not a goal anymore, it is the premise driven by the increase in the level of consumer demand, the trend of margin squeeze is already a reality the need to reduce costs and prices; marked reduction in life cycle of products; governments increasingly smaller, out of the economy, reducing subsidies, technological explosion with knowledge multiplying; power relations becoming the enforcement for negotiation and the individualism for partnership; replacing the concept of companies by production chains and consequent increased demands for quality in customer - supplier relationship - a company may not be competitive in isolation; globalization of markets and formation of economic blocks; expansion of environmental management, and questioning the social role of organizations (Muller, 2003).

To Bell and Omachonu (2011) advances in information technology continue to change the way quality objectives, work instructions, and policies are deployed and updated throughout the work environment.

More recently, the competition between organizations is also seen in the educational institutions, which are forced to take entrepreneurial behavior to ensure their survival in a competitive environment with scarce resources and expanding the boundaries of institutions, especially with the advent of distance learning courses. While the company's main concern is the management of human and material resources in a wise way, the university is linked with all models of knowledge, from the curriculum to the profile of the teacher, from the management system to the way it relates to society (LINDO, 2005).

According to Muller (2003), the strategic deployment (actions) occurs at the level of organizational processes, where actions are accomplished effectively and in an attempt to ensure the operationalization of strategic planning, the indicators system takes the role to deploy targets to processes and return the performance.

However, the strategic definitions and performance indicators are established in the business processes of organizations. These organizations are traditionally organized functionally, by sectors or departments. And the processes, most of them, are arranged horizontally, in an inter-functional way. In this sense, the excellent performance of a sector is not very important, if the client, who is serviced by the processes, feels bad effect on its performance.

According to Bhusry and Ranjan (2012) to build and develop a management environment healthy and flourishing in teaching-learning process, the institutions need to promote general culture sharing and knowledge management.
View of this context, it is clear that the management processes, as well as strategic planning, are vital elements for achieving the goals of any institution of higher education, whether public, private or community, or organizations in the industrial or services. Thus, the purpose of this paper is to present the results of the study that suggests the redesign of the strategic planning of an institution of higher learning through process management.

2. THEORETICAL AND METHODOLOGICAL ASPECTS

The research topic was to discuss the integration of strategic planning models and process management in the pursuit of organizational alignment to support the organization in the long term. With this premise, it becomes important to understand the theoretical findings about such content.

The planning has always been an important tool for humans, in all sectors of society, beginning with the family organization to the public and private organizations. Oliveira (2004) relates the planning is regarded as the development of techniques and processes that provide the ability to visualize the future by actions taken at the time according to business objectives, assisting in decision making, reducing uncertainty and becoming the planning faster, consistent, effective and efficient.

According to Mintzberg (2004), planning is "the use of formal procedure and the existence of articulated result, especially with regard to an integrated system of decisions", it should be seen as a way of formalizing parts of decision making, the strategy formulation and administration through decomposition, coordination and rationalization. To Hassan, Ramachandran and Kamaluddin (2013), all organizations considered current trends and management practices explored acquire benefits from creating differentiation strategies.

Taylor, considered the father of the administration, who devoted himself to the study of organizational productivity, distinguishing the steering functions of executive, who was, according to Perfeito (2007), replaced by empirical planning to planning to intervene as a function of direction and as an instrument of organization and standardization work. Taylor was the precursor of the internal review as part of strategic planning. According to Arguin (1989), the planning function was called by Fayol the forecasting, appearing in the foreground of the administrative process: predict, organize, command and control.

The Theory of Strategic Management takes the consideration that to define the organization's mission and strategy may facilitate achievement of the goals. To Ansoff (1981), the strategy encompasses the rules and guidelines for the decision, which guide the development of an organization, and strategic decisions are those that allow the company to develop and seek to achieve their goals in the best way. In the mid-1970s, the academic community and practitioners of various organizations have begun to turn their attention to the strategic role of operations and its connection with the corporate strategies and competitive organization (SANTOS, VARVAKIS and GOHR, 2004). To Silva, Damian and Pádua (2012) the companies are committed to promoting a management focused on understanding the processes by importance of this management model to improve the quality of its services.

Ansoff (1981) defines strategic planning as a systematic approach to an important responsibility and increasingly essential as it positions the company and relates to its environment in a way that succeeds and save surprises. To Fumió (2008), the strategic planning of an organization is the organizational development of a set of coordinated activities, sequential and timed, with views to the analysis of current conditions and a forecast of future conditions. Thus, according to this author, strategic planning is part of the management process, which will establish mechanisms to build the desired future based on objectives that are feasible and appropriate to the reality.

The management is focused on the purposes and therefore the overall mission of any organization is "satisfying needs of human beings" (FALCONI, 2009). This author also states that "the satisfaction of these needs is the goal of any organization, private or public."
Process management (BPM) promotes the study of how to systematically make use of knowledge that lies outside of an organization’s boundaries for process-innovation initiatives. Open innovation has been heavily studied for product innovation; however, process innovation has not yet been researched from such perspective (Niehaves, 2010). According to Brocke and Sinnl (2011) there is a growing awareness that BPM requires a holistic organizational perspective especially since culture is often considered a key element in BPM practice. To Doebeli et al (2011) Business process management (BPM) as an organizational management philosophy receive significant attention as a practice, providing organizations with a means of increasing competitiveness and sustainability in times of market uncertainty, increasing globalization and constantly changing business conditions.

The adoption of the practice of process management as been seen by some authors as a way of support to managerial progress in the search for better results (ASSUNÇÃO and MENDES, 2000), which has justified the inclusion of the theme in organizations. As quoted by Lopes, Mota, Cruz (2007), it may not generalize the perception to management process as one of management fads related to administrative modernization, since several cases have demonstrated the contribution of the subject for organizations. To Kersten and Koch (2010) the process quality is strongly affected by quality management and itself exhibits a strong influence on success, the association of potential quality to these constructs is weaker, and outcome quality turns out to have a negligible success impact.

One of the concepts associated with process management is the Value Chain (supplier-process-client), which is connected to the set of activities that generate value throughout the production line, from raw materials suppliers, products to customers. So it allows seeing the organization as an integrated system, where the work is performed through processes, modifying the traditional view of organizations known as a vertical view, for a systemic view. Thus, process management allows us to glimpse the operation of enterprises focusing on the sequence of activities that make the products or services reach the customers, leaving the focus on the division of departments. With this, the internal processes are redesigned enabling efficiency gains and competitiveness (LAURINDO and ROTONDARO, 2006). These authors also state that the focus of organizational development, management by processes presents an objective and systematic activities, structures and necessary resources to meet critical business objectives. According to the Guide BPM CBOK®, 2009, a business process:

"[...] is a defined list of activities or behaviors performed by people or machines and has one or more results that can end in the termination of proceedings or deliver to another process. Processes are decomposed into a collection of interrelated tasks or activities that will solve a particular issue. In the context of the management of business processes a "business process" is defined as a working end-to-end that delivers some value to customers. Then the notion of work end-to-end is critical and involves all work across any border, if necessary, to deliver value to the customer" (BPM CBOK®, 2009).

According to Caulliraux and Cameira (2000), a process view is presented as a methodological / conceptual guideline prioritizes the analysis of the functions of an organization from a perspective of sequenced and logical / temporal activities, which should save, among others, some features: First and last customers, preferably external to the organization. The use of the logic internal customers only may lead to a description of subprocess in intra-functional form; Articulation of various objects (organizational units, data, etc.) from the various last and / or support processes; Rating methodologically consistent objects and a hierarchy of models (because of the complexity of organizations), and Possibility to navigate consistently the process is so bottom-up (from activity to macro-processes) or a top-down (from macro-processes to the activities).

The research problem was configured as follows: How can the use of process management as a systematic approach help in redefining the organization's strategic planning searched?
Understanding the management of educational institutions is similar to the other organizations, the general objective of the research was: To propose the redesign of the strategic planning process based on process management in a higher education institution, specifically Santa Cruz do Sul University - UNISC. It was developed a qualitative research, the methodology of case study. It was used multiple sources of evidence collected from interviews with managers at the strategic, tactical and operational levels from UNISC; institutional documents - flowcharts of the steps of the planning process, the Institutional Political-Educational Project - IPE, the Institutional Development Plan - IDP. In Appendix A is the script used in the interviews with the managers. The interviews were worked out by analyzing content and documents were worked from the steps of the planning process.

3. MAIN RESULTS

The mapping of the current process of strategic planning was fundamental because the improvements may be suggested only if there is a deep understanding of the current reality. The planning process UNISC consists of nine steps, resulting in six separate documents, which comprise the formal documentation of the planning of the University, namely: IPE- Institutional Political-Educational Project, IDP-Institutional Development Plan, Budget Guidelines, General Plan Annual- GP, Monitoring GP and Annual Report. Table 1 shows the steps of the planning process UNISC.

<table>
<thead>
<tr>
<th>Stages of Planning UNISC</th>
<th>Product of the planning steps</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Philosophy, policies and guidance of the Institution</td>
<td>IPE - Institutional Political-Educational Project</td>
</tr>
<tr>
<td>2. Mission, Vision, Goals and Institutional Values</td>
<td>IDP - Institutional Development Plan (five years)</td>
</tr>
<tr>
<td>3. Future Challenges</td>
<td></td>
</tr>
<tr>
<td>4. Analysis of the external environment</td>
<td></td>
</tr>
<tr>
<td>5. Analysis of the internal environment</td>
<td></td>
</tr>
<tr>
<td>6. Macro actions for 5 years</td>
<td></td>
</tr>
<tr>
<td>7. Projected Annual Budget</td>
<td>Budget Guidelines</td>
</tr>
<tr>
<td>8. Actions proposed annual</td>
<td>GP Annual</td>
</tr>
</tbody>
</table>

Table 1. Stages of the planning process UNISC

From the application of the proposed methodology in steps of the planning process were observed various effects with the organization. Figure 1 presents a new proposal for carrying out the steps of the planning process of the university.
In relation to the proposals for improvements to the planning process studied it is highlighted the main suggestions based on management processes, namely: Discussion annual planning and not only in each five years; Alignment of policies contained in IPE with the actions of the IDP; Definition of strategic indicators to monitor the planning; Control / measurement of results of planned actions; Unification of processes Budget Guidelines to the General Plan Annual, to eliminate rework; Establishing the deadline for completion of the actions of IDP over the five years, transforming them in the annual actions; reviewing the actions of the IDP annually; Aligning the indicators with institutional processes; Unifying the Budget Guidelines Processes to the General Plan Annual; Monitoring the actions of IDP quarterly, to propose corrective actions as necessary; Using the result of monitoring actions for the review / setting of strategic actions for the next year; Eliminating Annual Report.

4. FINAL THOUGHTS

Collecting the views of managers of different levels on the current process of planning, from guiding questions, it is possible to be considered that, according to the reports of managers of different levels of management, it was found that the IPE was developed in a participatory way, although, as it was the first, it was not consolidated as a reference document for the management yet, being appointed the IDP as such. It was also perceived difficulty understanding the strategy of the institution, through the decoupling of IPE policies with the actions of IDP.
By the report of the managers, it was realized the need to dispense more time to think about scenarios and prepare the institutional diagnosis, where strategic actions should be planned annually and not just over five years, according to requirements of MEC. It was also notable the need for a better systematization of actions contained in the IDP, where the institution should be seen in a horizontally (through its processes) and not vertically (organization chart), as well as the need to measure what was planned.

When the managers were asked what are the advantages and difficulties encountered with the current process of planning and executing the strategic planning of short-term (1 year), it was realized the difficulty of inserting new actions in GP Annual because of immobilization of the actions of IDP to five years. It was also highlighted the need for unification of the General Plan process with the Budget and Budgetary Guidelines as well as the lack of integration of administrative units before the proposition proposed in GP, resulting mainly suggestions for similar actions.

For current process of monitoring strategic planning in a short-term, the managers showed that progress was made in the constitution of the monitoring process, and that is improving the integration of monitoring with the institutional evaluation process, although, this monitoring is of the GP, which has no link with the Monitoring / Budget Monitoring, causing duplication of controls. It is also evident that monitoring should happen temporality smaller and not only annual, to be able to establish measures contour and overcoming. It was presented the need to create a moment, if it is not possible in a hole group, that it will be in an affinity or a large area, such as graduation, research and post graduation, the half sectors and the productive sectors that could share what was planned and carried out, discussing the advantages and difficulties in implementing the plan.

The main results with the conclusions point a number of suggestions for improving to the planning process UNISC, indicating that the redesign of strategic planning through process management contributes to the positioning that the institution should adopt the challenges presented in current scenario, allowing the evolution of fragmented vision of the organization to a systemic view.

5. REFERENCES


APPENDIX A

Interview script to the Managers at Santa Cruz doSul University

1. The Planning Process UNISC consists of a set of steps that are triggered from the construction / revision, in a participatory way, the IPE - Institutional Political-Educational Project. The IPE is a document that expresses the mission, vision, goals, commitments, values and policies (undergraduate, research, extension, management), the last revision took place in 2008. This project is appreciated by CONGRAD, CONPPEX and Planning and Management Forum, where the final version is sent for approval CONSUN, showing the participatory nature of the decisions taken. In this context:

i. What is your opinion about the construction / review process of IPE?

ii. DO you have criticisms to the current process? If yes, what are the criticisms?

iii. Do you have suggestions for improvement to the current model? If so, what?

2. IDP - Institutional Development Plan is the instrument of internal planning medium-term (five years) and at the same time, the formal instrument to be presented to the MEC, which uses it as a benchmark for the evaluation of the University. This plan expresses, among other topics, the objectives for the Period and Plan of Action Script drafting the IDP starts with the analysis of the external and internal environments and then with the preparation of proposals for actions for the next five years. These steps start with discussions on the Planning and Management Forum and are then considered by CONGRAD, CONPPEX and ultimately by CONSUN.

i. What is your opinion about the construction process of the IDP?

ii. Do you have criticisms of the current process? If yes, what are the criticisms?

iii. Do you have suggestions for improvement to the current model? If so, what?
3. The annual planning starts with the preparation of Budget Guidelines and after the General Plans. To set the Budget Guidelines is first necessary to design all expenses and investments for next year, including staff costs, electricity, water, telephone, finally, all the expenses for the maintenance of the existing structure and those already committed to projects approved in previous years. In this process, expenses from future projects already known are also included. The Budget Guidelines are prepared by the Dean of Directors and discussed at the Planning and Management Forum and, ultimately, are forwarded for approval CONSUN. In this sense:

i. What is your opinion about the process of preparation of Budget Guidelines?

ii. Do you have criticisms of the current process? If yes, what are the criticisms?

iii. Do you have suggestions for improvement to the current model? If so, what?

4. In September starts the process of GP- General Plan Annual. In the Planning and Management Forum are presented the rules for inclusion of proposed projects for the next year. Generally the proposals are ruled according to the budget forecast for the period. Projects are entered by the responsible of Managing Unit and, among other fields, which must inform the action of IDP the proposed project binds, name, objectives and goals of the project, the sectors that will interface to the project, the steps for implementing and scheduling, acquisitions / physical space needed, staffing and funding source. After the closure of funding proposals, they are reviewed by specific committees / coordinators. These committees may request changes or cancellation of tenders as the rules stipulated for the specific year. Closed this analysis is drawn from the book GP and published on the intranet.

i. What is your opinion about the process of GP?

ii. Do you have criticisms of the current process? If yes, what are the criticisms?

iii. Do you have suggestions for improvement to the current model? If so, what?

5. The monitoring of projects GP takes place in January of the next year after the inclusion of proposals, for example: GP 2009 (proposed for 2010) the monitoring will occur in January 2011, using a tool available on the intranet. For the monitoring is requested the state of itself by the responsible of the project: "Ongoing Project", report the percentage corresponding to the same conclusion; "Project Completed", inform in a field free typing, the contribution of this project to Action of IPE: when there is an "Uninitiated Project" and "Project Cancelled", a justification should be informed. With this context:
i. What is your opinion about the process of monitoring the GP?

ii. Do you have criticisms of the current process? If yes, what are the criticisms?

iii. Do you have suggestions for improvement to the current model? If so, what?

6. Parallel to the monitoring of the GP starts the preparing of the Annual Report, where the responsible of the sectors take the activities realized during the year according to the script set by the Pro-Reitor of Planning. The reports are published on the intranet. Thus:

i. What is your opinion about the process of Preparation of the Annual Report?

ii. Do you have criticisms of the current process? If yes, what are the criticisms?

iii. Do you have suggestions for improvement to the current model? If so, what?

7. Do you understand that the institution has a planning model that seeks to achieve better its strategic objectives, with the essence of the definition, alignment and integration between its formal structure, its processes, systems, resources and skills?
   a. No.
   b. In rare aspects.
   c. In some situations / areas.
   d. Yes, I believe that is strongly aligned in the pursuit of strategic objectives.

8. Do you understand that this model favors a broad dissemination and understanding of strategy, the coordination of intra / inter organized actions and control / measurement of results?
   a. No, there are large ‘gaps’ in all aspects mentioned.
   b. In some situations it favors only one of the three aspects mentioned.
   c. I understand that this model favors enough two or three aspects mentioned.
   d. I understand that widely favors all three aspects, and it also provides high levels of alignment between financial results, satisfaction / acquisition of customers, capacity for learning and growth and management of essential processes.