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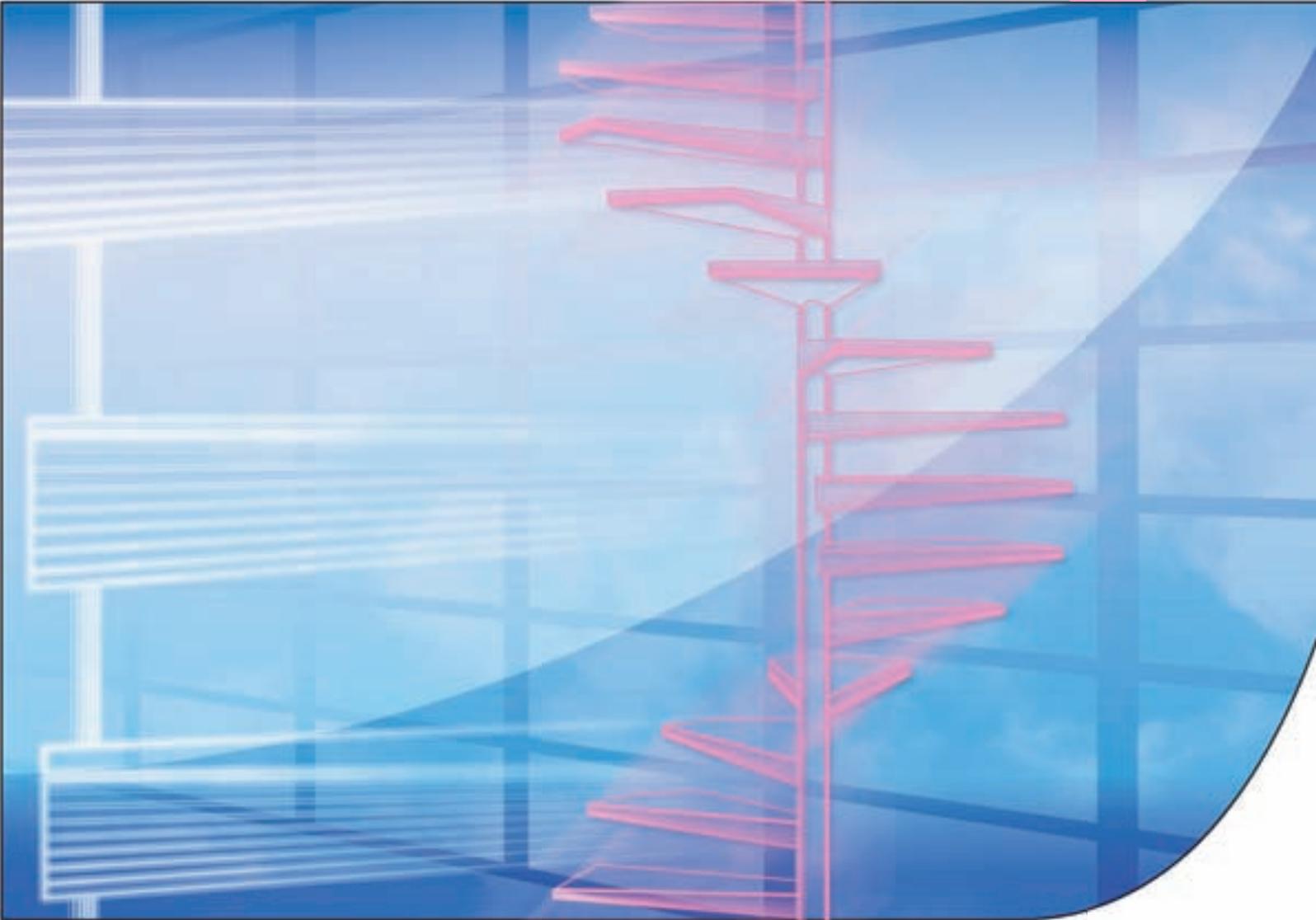


International Institute
for Educational Planning

Strategic Planning

Concept and rationale

Working
paper **1**



Strategic planning: Concept and rationale

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Education Sector Planning Working Papers

WORKING PAPER 1



United Nations
Educational, Scientific and
Cultural Organization



International Institute
for Educational Planning

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Foreword to the series

The priority mandate of the International Institute for Educational Planning (IIEP) is to strengthen the capacity of UNESCO Member States to plan and manage education effectively. IIEP aims at fulfilling this mandate through a range of interlinked programmes: short- and long-term training, in Paris, in Buenos Aires and in the field; research on challenges to effective educational planning and management and on successful strategies and practices; policy guidance and advocacy; and collaboration with countries on the actual preparation of plans, and on their implementation, monitoring and evaluation.

Over the years, IIEP has supported a large number of countries in developing their capacity to formulate their national education sector plans. This Education Sector Planning Working Papers series draws from a vast accumulation of 'field-based' experience of IIEP staff members and consultants working with a diverse range of countries. The intention is to have a set of practical and easy-to-use guidelines on different aspects of the strategic planning of education that could be applicable in various contexts. These working papers have been prepared primarily for senior policy/decision-makers, for staff of Ministries of Education and national and regional institutions involved in technical aspects of planning and for international agency staff supporting national policy and planning. To facilitate their work in education sector planning, we have made them available on the IIEP website.

Through these Working Papers, IIEP hopes to contribute to the important work being done by the community of educational planners and managers in many countries, sometimes in very challenging conditions. Other self-learning materials on specific educational planning and management issues are also available on IIEP's website (www.iiep.unesco.org). The website contains, in addition, a portal of education plans and policies from UNESCO Member States, called Planipolis (http://planipolis.iiep.unesco.org/basic_search.php).

Finally, we intend the Education Sector Planning Working Papers to evolve over time as we learn from joint experiences. Thus, any feedback to the documents will be most appreciated. The team who prepared the documents would like to acknowledge the support of the Ministries of Education of various countries and the development partners, which has greatly contributed to this work.

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1. Origin and history

1.1 Military origin

Strategic planning has its origin in warfare. The word 'strategy' derives from the Greek word *strategos* (a combination of *stratos*, army, and *agein*, to conduct). The Greek term referred to the civil-military officials elected by the citizens of Athens to assume leadership during times of war. The *stratego*i were expected to prepare and implement overall, top-level plans in order to achieve the long-term goal of winning the war (through battles, negotiations, or any other means available, according to the changing situation). They were not directly in charge of daily short-term operations of managing troops to win specific battles, which was the responsibility of lower ranking officers. This was (and still is) referred to as 'tactics', another military term, derived from the Greek word *tactica*, which means the art of disposing and manoeuvring forces in combat (from the verb *tassein*, to arrange).

From its military roots, strategic planning has kept at least two essential characteristics:

- to think big, by taking into consideration all possible options and paying due attention to the changing environment; and
- to focus on a clear, final and firm long-term goal to be achieved.

1.2 Adoption in the business world

Although strategic planning in the business world can be traced back much earlier, its extended use started after the Second World War. During the 1960s, it became a standard management tool in all big and in many small companies and began to be included in the curricula of all respectable business schools. Since then, the strategic planning approach has been the subject of many theories and gone through different fashions.

At least two interrelated important evolutions, as compared to the original military-rooted concept, are worth mentioning here.

First, it was gradually realized that, at least in complex enterprises, strategic planning should not only take place at the executive level but that it should also be undertaken at the different levels and functions within the organization. Every manager is a strategy maker and strategy implementer for the area which he/she has authority over and supervises.

Second, it also became clear that in order to increase the chances of successful implementation, the preparation of a strategic plan could not be left to external consultants or even internal planning units alone. Unless those in charge of implementation identify with what is being proposed, plans tend to become paper exercises. A good plan will take into consideration the whole organization or management unit and, therefore, all staff should be involved in its preparation in one way or another.

1.3 Transfer to the public sector

It took some time for strategic management to move into domains other than the military and business worlds. Not surprisingly, strategic planning entered the public and semi-public sectors during the mid-1980s, at a moment when the liberal market philosophy began to dominate all management thinking. Public management reform was in the air. It was felt that government administration should become more cost-effective and that this implied becoming more result (service) oriented, which could best be obtained by applying strategic management principles.

Reformers, of course, did not ignore that there are important differences between a private company and a government agency. Government agencies generally do not face competition,

they are not expected to make a profit, and they have little autonomy in personnel management. Still, they have to deliver specific services and can, therefore, be requested to produce precise quantifiable results. They utilize important resources, and therefore costs have to be kept under control. They have their own working procedures, which are mostly the result of a long tradition and might therefore not be the most efficient.

The basic assumption behind the introduction of strategic management in the government sector is that, in spite of their differences, strategic planning is an approach which is relevant to all kinds of organizations simply because all organizations have specific long-term goals to reach and, since resources are always limited, they have to find the most efficient way to attain these. At the same time, different types of organizations have their own features, which means that strategic planning can never be applied in a blue-print manner but has to be adapted to the specificities of the type of organization under consideration.

1.4 Use in the education sector

Strategic planning in the education sector emerged in the US as early as the late 1970s but mainly at the institutional (university and college) level. In the mid-1980s, an estimated 500 districts were practising some form of strategic planning, and special handbooks were prepared and widely disseminated by professional organizations such as the American Association of School Administrators (AASA). Strategic planning at the school level was also introduced in many other countries as part of the broader decentralization and school-based management reforms of the late 1980s.

Strategic planning at the central education system level did not take off before the 1990s. At the international workshop on Prospects for Educational Planning organized by UNESCO's International Institute for Educational Planning (IIEP) on the occasion of its 25th anniversary in 1988, the disappointment with traditional planning methods was much discussed (Caillods, 1989). But the need to adopt a more strategic planning approach was only marginally touched upon. The practice of preparing strategic education sector plans was adopted several years later and was, at least in developing countries, intimately linked to the gradual introduction of Sector Wide Approaches (SWAp) in development cooperation from the mid-1990s onward.

SWAp is a recent cooperation paradigm aiming at a more equal partnership between donors and recipient countries. It is based on the awareness that donor assistance can only be effective if it directly supports the implementation of a clear national sector policy and strategy which are formulated and owned by the recipient country. Hence the interest of Ministries of Education in recipient countries to prepare national strategic sector plans as a privileged device to arrive at a better harmonized and more effective educational development in cooperation with the various development partners. By endorsing the Paris Declaration on Aid Effectiveness¹ in 2005, aid recipient countries committed themselves to exercise leadership in preparing and implementing national development strategies and to translate these national development strategies into results-oriented plans and programmes. The fact that the existence of an education sector plan has been made a main eligibility criterion for benefiting from the Education for All (EFA) Fast Track Initiative (FTI)² Catalytic Funds has given a further impetus to the strategic planning interest in developing countries.

1. For more details on the Paris Declaration, see: www.oecd.org/dataoecd/11/41/34428351.pdf

2. For more information on Fast Track Initiative, see: <http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTEDUCATION/0,,contentMDK:20278663~menuPK:617564~pagePK:148956~piPK:216618~theSitePK:282386,00.html>

2. Concept and characteristics

2.1 A look at traditional planning

In its broadest sense planning can be defined as follows:

The anticipation of possible future situations, the selection of desirable situations to be achieved (objectives) and the determination of relevant actions that need to be taken in order to reach those objectives at a reasonable cost.

In other words, planning implies thinking about the future and trying to assume control over future events by organizing and managing resources in such a way that they will bring about the successful completion of the objectives set forth.

I. Traditional development planning

According to this definition, planning is nothing exceptional. Human beings have been planning in one way or another since rational thinking emerged. However, as a formalized way of organizing development in complex societies, planning is an invention of the twentieth century. The preparation of directive development plans has been the backbone of socialist states since the Communist Revolution of 1917.

But, soon after the Second World War, several non-socialist countries in Western Europe (e.g. France and the Netherlands) and elsewhere (Japan) adopted the idea of indicative planning as an instrument for post-war recovery and the development which followed it.³ Contrary to the socialist directive planning, indicative planning accepts the primacy of the private market economy. But it tries to guide investments towards national priority objectives, avoid duplication of efforts and, to the extent possible, reduce cyclical instability.

II. Traditional education planning

The same two types of planning (indicative or directive) were also applied in the education sector. Over time, various forecasting techniques and simulation models were developed which aimed at orienting the educational investments either according to the needs of the labour market (manpower approach), or to the social demand for education (social demand approach), or to the needs of education sub-sectors with the best rate of return (cost-benefit approach), or to a more or less harmonious combination of these three approaches.

At the beginning of the 1960s, educational planning was seen as a must for the newly independent countries in order to allow them to move ahead quickly and systematically with their human resource development. Planning Units were set up in Ministries of Education but were highly dependent on external expertise. The IIEP was created to train national planning experts at UNESCO Headquarters in Paris and in the field. A number of more or less sophisticated educational plans were prepared. However, in many instances the results did not correspond to the expectations, and disenchantment with the classical planning approach, which had started already in the 1970s, became more vigorous in the 1980s.

3. Notable were the Central Planning Bureau in the Netherlands, led by Jan Tinbergen, the French Commissariat Général du Plan, inspired by Jean Monnet, and the Japanese Economic Planning Agency.

III. Main criticisms

Among the main criticisms that arose were the following:

- *Too much focus was placed on plan preparation and not enough on implementation.* It had been too readily assumed that once a good plan had been prepared the implementation would follow more or less automatically. Hence very few proper mechanisms were set up for monitoring plan implementation in a systematic way. Furthermore, the fact that many plans were prepared by external technical assistants (TAs) did not facilitate national ownership, without which implementation is bound to fail in any case.
- *Plans were being prepared in a top-down, technocratic way.* Most plans were prepared by the Planning Units (and their TAs) with little or no involvement of the rest of the Ministry staff, let alone staff at decentralized levels of management and civil society partners. The consequence was again a severe lack of identification with (or even knowledge of) the objectives of the plan and priority actions by those responsible for implementing the plan (Williams and Cummings, 2005). Indeed, while a plan can easily be prepared by a handful of technical experts, its implementation is by definition the responsibility of the whole Ministry staff and requires the commitment of all.
- *Not enough consideration was given to the changing environment.* Plans were being prepared with the implicit assumption that the planners had all the information and techniques needed to develop a complete, correct plan which could be executed in its entirety from beginning to end. Consequently, whenever plans were carried out (and many plans simply ended up on the bookshelves of the Ministries), implementation was done in a rigid, mechanistic way. Not enough flexibility was built in to adapt the implementation to changing circumstances. This need for flexibility and continuous adaptation became increasingly more obvious during the second half of the 1970s (after the first oil crisis) and during the 1980s, when the overall economic environment became more unstable and unpredictable.

2.2 Key characteristics of strategic planning

The strategic planning approach, which is supposed to remedy the above-mentioned shortcomings, can be defined as follows:

A management tool to help an organization to improve its performance by ensuring that its members are working to the same goals and by continuously adjusting the direction of the organization to the changing environment on the basis of results obtained.

In line with this definition, some key characteristics of a strategic planning approach are worth highlighting.

I. Strategic planning is guided by an overall sense of direction

Strategic planning is not just a cold technical undertaking that spells out future objectives to be reached and actions to be taken. It needs a global sense of purpose and direction capable of guiding implementers in making everyday choices about what actions should be taken in order to produce the expected results.

Handbooks on strategic planning usually recommend starting with the formulation of a mission and a vision statement (Kaufman and Herman, 1991). A *mission statement* is a short paragraph summarizing:

- the overall goal which the organization is trying to accomplish;
- the main method it is going to follow to reach its goal; and
- the basic principles and values that will guide the fulfilment of the mission.

A *vision* statement is somewhat broader since it sets out the ideal state of affairs which the organization would like eventually to achieve. However, in practice, the distinction is not always that clear (Box 1).

Box 1. Basic questions to be addressed

VISION

A quality education for all and a human resource development base to transform Mauritius into an intelligent nation-state in the vanguard of global progress and innovation.

MISSION

To develop a culture of achievement and excellence by promoting an efficient and effective world-class education and training system that is inclusive and integrated, comprehensive and holistic.

To foster innovation and to generate new knowledge for the socio-economic and sustainable development of the nation.

To ensure learning opportunities accessible to all, provide learners with values and skills to further their personal growth, enhance their critical and exploratory thinking, encourage them to innovate, and to adapt to changes in an increasingly globalised environment.

While the formulation of brief mission and vision statements is common practice when preparing school development plans, it is less common when preparing overall education sector plans. Though in some cases it is being done, it is generally found that preparing such statements is not so easy in the case of a big, complex organization such as the education system. Indeed, statements might become so general and vague as to be no longer very meaningful. However, this is not a real issue, since in any case a strategic plan should contain a much more explicit policy presentation (either as part of the introduction or as a special section) which clearly spells out the overall long-term goals and the broad strategies proposed for reaching these goals.

II. Strategic planning is sensitive to the environment

Strategic planning is based on the belief that the successful development of an organization is the result of finding the right fit between its internal strengths and weaknesses and the external opportunities and threats stemming from the environment. The main assumption is that, in order to be effective, organizations must be responsive to their environment, which is continuously changing. They must place the emphasis on understanding the changes and adapting their decisions accordingly. Consequently, a careful scanning of the environment is important not only at the stage of making the initial diagnosis for preparing a plan, but also, and even more so, at the stage of monitoring the plan implementation.

III. Strategic planning is result-oriented

Monitoring traditional plan implementation has been mainly concerned with making sure that the necessary inputs are being provided as foreseen and that the different activities are being carried out as scheduled. This is often referred to as compliance monitoring, that is checking whether the inputs and activities are in compliance with original plans and budgets. Strategic planning is different, since it considers compliance monitoring as not good enough and prefers to concentrate on whether the expected results have been obtained. In other words, the main emphasis is shifted away from compliance monitoring to performance (or results) monitoring.

Results of a specific activity are then usually measured at three successive levels: immediate outputs (e.g. the number of schools built), intermediate outcomes (e.g. the increased enrolment rates) and long-term impacts (e.g. the increased average number of years of schooling of the population).

The focus on results has important technical implications at the stage of the plan formulation. Indeed, in order to be able to measure properly the different types of results obtained, the overall broad policy goals will have to be translated into more precise objectives (expected results) that must be reached during the medium-term plan. Then those objectives will have to be made measurable – or SMART,⁴ according to the jargon commonly used. In order to make objectives SMART, a specific indicator⁵ (or several indicators) will have to be identified for each objective, specifying exactly what is to be measured. And for each indicator, precise targets must be fixed, namely the expected level of result (or indicator value) to be achieved by a specific date. This in turn implies the identification of baseline values against which progress can be assessed later on.

Here is a simple example of moving from goal to target:

- *Policy goal*: to increase the internal efficiency of the school system.
- *Objective*: to reduce repetition of learners in primary school.
- *Indicator*: the average repetition rate in primary school.
- *Target*: to reduce the average repetition rate in primary school from 15% in 2008 (baseline value) to 7% by 2013.

IV. Strategic planning is a mobilization instrument

Strategic planning cannot succeed without the commitment of the plan implementers and the different stakeholders. Commitment can only be obtained if people identify with the plan, so that they are motivated to produce the expected results. Strategic planning should therefore not be carried out in isolation by experts alone, but rather as an inclusive process in which the implementers and stakeholders are actively involved in one way or another. If organized in a participatory way, the preparation of a strategic plan in itself becomes a learning experience. It creates a privileged moment for opening new lines of communication and dialogue, for promoting understanding and ownership of what is being planned for and disseminating a spirit of strategic thinking throughout the whole organization.

It should be realized at the same time that it is much more complex and time consuming to prepare an education sector plan in a participatory way than to do it in the traditional technocratic way, which explains why certain countries still prefer to do it the technocratic way.

V. Strategic planning is flexible in its implementation

Strategic planning is based on the belief that no neat, final plan can be prepared, simply because situations have become too complex and environments too unpredictable, and because it is impossible to foresee every possible consequence of future decisions that will be made. An essential characteristic of strategic planning is, therefore, to proceed by 'intelligent trial and error' rather than by linear adherence to a detailed, polished plan document. A strategic medium-term plan should lay out the final goal and the general path to be followed, rather than the precise steps to be taken to reach that goal. The ultimate test of a strategic plan is in the implementation, that is in the capacity to continuously reinterpret and adapt the original activities proposed in the light of shifting constraints and possibilities, and without deviating from the final goal. The best metaphor is that of a sailor, who needs to be clear about the

4. SMART stands for: Specific, Measurable, Agreed upon, Realistic, and Timely.

5. An 'indicator' is a statistical variable that reveals something about the results produced by a given system and which is useful for decision-making purposes.

harbour he wants to reach, but who must adapt his way according to the winds, currents and other obstacles he will encounter during his voyage.

The importance of flexible implementation for successful strategic planning cannot be overestimated. But ‘flexible’ does not mean ‘unsystematic’. Indeed, the only solid basis for a flexible plan implementation process is a rigorous monitoring system, which provides the necessary information for analysing where the constraints and possibilities are and for adapting the original proposals. This adaptation is normally done through the preparation of yearly operational plans, which are an essential part of the strategic planning process.

In the education sector, at least, the systematic translation of the medium-term sector plan into proper yearly operational plans does not often receive the attention it deserves, which to a large extent cripples the potential benefits of the strategic planning approach.

2.3 A summary of differences between traditional and strategic planning

Table 1 summarizes some of the major differences between the traditional planning approach, which was commonly practised in the education sector until the late 1990s, and the more recent strategic planning approach adopted in an increasing number of countries. In reality, the differences are often less clear-cut, and many plans that claim to be strategic have kept several characteristics of the traditional planning approach which has prevailed for so long. Indeed, adopting a strategic planning approach is not just a technical move. It implies a more fundamental challenge of building up a new management culture based on the values of participatory decision-making, accountability and openness for change. This is a process which needs time to produce results, particularly in countries in which some of the most basic conditions for an efficient public service system are simply not fulfilled.

Table 1. Blueprint contrasts between traditional and strategic planning

TRADITIONAL PLANNING	STRATEGIC PLANNING
Input-oriented	Result-oriented
Technocratic	Participatory
Neutral	Mobilization instrument
Linear planning	Iterative planning
Rigid implementation	Flexible implementation
Routine-based	Change-oriented
Compliance monitoring	Performance monitoring
Emphasis on the plan document	Emphasis on plan implementation

3. The strategic planning process

3.1 Questions and activities

Strategic planning is basically about systematically answering four key questions. And each question corresponds to a set of specific planning activities as illustrated in *Table 2*.

Table 2. Basic strategic questions and corresponding planning activities

QUESTIONS	PLANNING ACTIVITIES
Where do we stand today?	Diagnosis: analysing the current situation in the sector and its environment
Where would we like to be in the future?	Policy formulation: selecting overall goals and strategies
How shall we get there?	Plan preparation: defining precise objectives and balancing objectives and means
How shall we know we are moving in the right direction?	Monitoring: measuring progress and taking corrective action

Although there is a logical, sequential order in raising the questions, there is no clear-cut order in answering them. In reality the answers to the different questions are interdependent and influence each other. While we are trying to decide about where we would like to be in the future, we might have to go back to find out more about where we stand today, and in the same way, the decision about where we would like to be in future might have to be re-examined once we begin discussing how we can get there. In other words, strategic planning has to be looked at as an iterative process that involves going back and forth between the different questions and the corresponding planning activities.

In the broad sense of the term, planning covers the four different activities from diagnosis to monitoring. In the narrow sense, it is often equated only with plan preparation. However, within a strategic planning approach, plan preparation should not be opposed to plan implementation as is often the case. As mentioned earlier, planning does not stop when plan implementation starts. The original medium- (or long-) term plan is not prepared once and for all but has to be translated annually into an operational plan and regularly updated.

Plans can be long-term, medium-term or short-term. There is no standard length for each of these categories. In the education sector, medium-term plans generally cover a period of three to six years (most often five years). Short-term plans are aligned with the budget cycle and can cover one or two years (most often one year). They are also called operational plans. Long-term plans can cover a time period of 10 years and more, as, for example, with Education for All (EFA) plans. Most education sector plans are medium-term but with a long-term policy framework behind.

In the following paragraphs, the different planning activities that must be carried out to answer the four questions above are briefly commented on.

3.2 Diagnosis

Any effort to plan has to start with a situation analysis in order to identify problems and successes and to determine the critical challenges to be faced. Several terms are used to designate this activity (analysis, diagnosis, assessment, scanning etc.), the most common being education sector analysis.

It is important to bear in mind that from a strategic planning point of view, the sector analysis should not be limited in scope to the education system as such, but should also cover the environment in which the system is operating. Of particular importance in this respect are the analysis of demographic trends, the economic system and in particular the labour market, the financial situation and also the socio-cultural context (language diversity, minority issues etc.).

3.3 Policy formulation

Policy formulation has to do with defining long-term goals, which might well extend beyond the medium-term plan, and with selecting major strategies to reach these goals. It is partly founded on the results of the sector analysis, but it also depends on already existing education policies and is further influenced by the overall development policies of the country (as embedded in national development plans and/or poverty reduction strategy papers, etc.), by the international commitments made (e.g. the Development Millennium Goals, the EFA Goals, the Salamanca Declaration, etc.) and by the programme(s) of the political party or parties in power.

Policy formulation is therefore not a straightforward technical exercise but rather a complex process, which should start with a review of existing policies and which further implies intensive interaction between the planning experts and the political decision-makers for designing the new policy.

The policy review can take place at the same time as the sector analysis or can even be integrated in it.

3.4 Plan preparation (medium-term strategic plan)

The first planning task is to prepare a medium-term strategic sector plan. This basically consists of carrying out the following activities:

- translating long-term policy goals into specific measurable objectives and targets to be achieved within a given time period;
- designing systematic priority action programmes for reaching the objectives, with indication of the key activities to be completed, the corresponding time lines and the units responsible for each activity;
- estimating the resources (human, physical and financial) needed to carry out the plan, calculating the corresponding costs and balancing these with the available resources.

A Logical Framework Approach (LFA) is generally adopted for carrying out the priority programme design. The LFA was developed as a method for designing (and monitoring) projects in a rigorous way. It implies a highly structured process of analysing problems, defining objectives and then selecting and organizing the relevant activities for reaching the objectives, following a strict logical order. The approach was worked out at the end of the 1960s for USAID. It became common practice in most aid agencies in the 1990s and then started also to be used for designing broader programmes and plans in recipient countries. (For more details on LFA, see Education Sector Planning Working Papers 2 and 3, *Strategic Planning: Organizational arrangements* and *Strategic Planning: Techniques and methods*.)

Setting realistic, coherent targets and defining the most effective way of reaching them is an iterative process that implies weighing different options. This is best done by using a computerized simulation model. A simulation model is a mathematical representation of the essential characteristics of a real system, which allows predicting future behaviour of the system under a variety of different assumptions. Such models are being used for ensuring proper coherence between different objectives and components of the plan (e.g. between the objective of rapidly increasing upper secondary education and the capacity of teacher training colleges to produce the necessary staff) and of course for estimating the cost of what is being proposed and for matching the cost with the estimated funds that will be available (financial feasibility testing).

A recent development is to link sector development plans to a medium-term expenditure framework (MTEF),⁶ which is a device that should facilitate the alignment of the budget with sector plans and objectives. In very basic terms this means that, by using an appropriate macroeconomic model, the Ministry of Finance forecasts future government revenues and then proceeds with setting sector budget ceilings for a given number of years on the basis of government priorities and of the sectoral objectives and plans presented by the different ministries. In this way, and provided the MTEF is politically endorsed, this gives the ministries a better idea of the yearly budgets they can expect and thereby allows them to plan in a more realistic way.

Despite this, a common temptation when preparing a sector plan is to try to do too many things within the same medium-term period. This inevitably leads to spreading the resources too thin, which in turn leads to poor implementation. But all challenges do not have the same urgency, and, since resources are limited, priorities have always to be set and choices to be made in order to arrive at a limited number of programmes that are manageable. There is no mathematical model for making such choices; it can only be based on human judgement. Programme priority setting is closely linked to policy formulation. It is therefore again a task that cannot be left to the planning experts but which implies close interaction between planners, policy-makers and stakeholders.

3.5 Preparation of annual operational plans

As mentioned above, planning is not a one-shot operation that stops with the preparation of the medium-term sector plan. It is a continuous process which has to go on during the whole implementation phase, with a view to regularly adapting original objectives and means in light of the changing circumstances, and of previous plan implementation results obtained and difficulties encountered. In practice, this adaptation is done through the preparation of annual operational plans, on the basis of the information provided by the monitoring system.

An annual operational plan is a practical work plan, which spells out in detail the activities to be undertaken during the year in order to progress as effectively as possible towards achieving the goals and objectives of the medium-term plan. It is a brief technical instrument (without much text) to be used for guiding the medium-term plan implementation on a yearly basis. It normally follows the same structure and the same logical framework format as the programme matrices of the medium-term plan, but it is more detailed and precise. Starting from the medium-term programme matrices, it clearly spells out for each programme:

- the specific targets (expected outputs) to be reached during the year;
- the precise activities that will be undertaken to reach the expected outputs;
- the specific departments and units responsible for carrying out the different activities;
- the timing of each activity.

In order to be fully useful, annual operational plans have to be closely linked to annual budgets, because any distortion between plan and budget is going to negatively affect plan implementation. This has several implications:

- First, whenever there is a difference between the fiscal year and the school year, it is advisable to take the fiscal year as the reference year for the operational plan.
- Second, there should be coherence and coordination between the plan and the budget preparation time schedules, in order to make sure that in the end there is no distortion between the cost of the activities foreseen in the plan and the allocations foreseen in the budget.

6. For more information on the MTEF, see:
<http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTPUBLICSECTORANDGOVERNANCE/EXTPUBLICFINANCE/0,,contentMDK:20235448~pagePK:148956~piPK:216618~theSitePK:1339564,00.html>

- Third, whenever a strategic planning approach is being introduced, the need is rapidly felt to also create coherence between the structure of the plan and the structure of the budget. This means moving away from a traditional line item budget, in which allocations are grouped by administrative entities and by objects such as salaries, small equipment, etc. (with generally little flexibility for shifting between budget lines), towards a programme-based budget in which allocations are primarily grouped by programmes and only secondarily by object (and with, in the best cases, more flexibility in the use of funds at least within the same programme).

3.6 Monitoring

Monitoring is the internal management process, by which systematic information about plan implementation is gathered and analysed, with a view to identifying strengths and weaknesses and formulating practical proposals for taking the necessary action (correction of problems or reinforcement of successes) in order to reach the planned results.

Monitoring is mainly done by using the different types of indicators chosen for measuring progress in reaching the objectives and targets as indicated in the medium-term and annual operational plans. The information thus collected is then analysed and the results presented in the form of progress reports (also called review or performance reports), which are produced at regular intervals to serve as a basis for collective reviewing, that is for collectively analysing and discussing a performance report and for making appropriate decisions about any follow-up action to be taken.

At certain moments (mainly at mid-term and/or at the end of the planning cycle) special evaluation reports can also be requested. Evaluation reports are different from regular review reports in the sense that they are generally dealing with a more in-depth analysis of more fundamental policy questions mainly relating to the overall goals and long-term impact of the plan (rather than with more direct management questions). Furthermore, they are generally produced by (or at least in association with) external experts in order to guarantee a higher level of objectivity.

Two complementary review processes can be distinguished:

1. The first is related to the regular monitoring carried out by the programme managers on the basis of simple progress reports produced by the implementers at regular intervals (often on a quarterly basis). These reports should then be used for organizing internal Ministry review meetings, which should enable decisions to be made about the immediate action to be taken to keep plan implementation on track. Unfortunately, lack of proper follow-up action is often one of the main weaknesses of the internal review system.
2. The second review process extends beyond the Ministry and involves the different stakeholders and development partners. This process takes the form of joint annual reviews, a mid-term review and sometimes a final review (or evaluations) based on more comprehensive performance reports prepared by the Ministry, which in certain countries are supplemented by donor performance reports. These joint review meetings are an opportunity to keep stakeholders and development partners informed and for collecting their comments and proposals about improvements to be made.

Each annual review meeting (and report) should be timed in such a way that it can serve as a basis for preparing the operational plan of the following year. The mid-term review is intended for examining more carefully results obtained and problems encountered and to decide whether there is need for revision of the targets and programmes foreseen for the second term of the plan. The final review (or evaluation) looks back at the plan as a whole. Its intent is not only to evaluate final results and outcomes, their relevance, cost-effectiveness and sustainability, but also to analyse why certain results have been achieved but not others and to derive lessons for possible policy revision and for preparing the next planning cycle.

4. Final remarks and reminders

I. There is no single way of preparing a strategic plan

There is no blueprint for preparing a strategic plan. But some lessons can be learned from different country experiences. One of the lessons is that, when a country has to prepare a strategic sector plan for the first time and because political decision-makers are generally in a hurry, the temptation is always strong to follow the old ways of doing things. This means calling in a team of national and/or international experts to actually write up the plan as quickly as possible (a few months), rather than to support a much longer (at least 8 to 12 months), participatory, national plan preparation process. This 'commando style' of proceeding has two significant drawbacks. First, very little national capacity is built, which undermines the sustainability of the strategic planning process in the long term. And second, there is little ownership of the plan by the Ministry staff, and therefore little commitment to get it implemented properly.

II. The first benefit of strategic planning is the process and not the plan document

As mentioned earlier, strategic planning is to be seen first of all as a collective learning experience. It is a process of acquiring new techniques and working methods, of learning how to do things differently and more efficiently and of developing new attitudes to work. Of course the process has to produce results. But the main result is not the plan document. What counts more is the plan implementation. A strategic planning process can be called successful, not when a nice plan document has been prepared, but when the daily actions taken by the different Ministry departments have been improved and are resulting in a better delivery of the education services.

III. There is no perfect plan

Within a strategic planning approach, plan documents are never to be carved in stone. They are always to be seen as provisional guidelines for action, which have to be continuously adapted and regularly updated. Continuous corrective action and regular refreshment of plans are two basic aspects of strategic management. This is why medium-term plans should not try to be perfect and refine things too much. They should spell out the directions to be taken by specifying clearly long-term goals and medium-term objectives and targets. But they should only give a rough idea of the key activities that will have to be undertaken to reach the objectives and targets put forward. They should trace the path to be followed but not the precise steps to be taken. The latter is the role of the yearly operational plans, which can be more precise and detailed because the timeline is shorter, the budget is known and the environment is more predictable. But even operational plans are amendable and should be used in a flexible way through the application of an appropriate internal monitoring system.

IV. The most difficult part of strategic planning is not technical but human

Strategic planning implies the application of a number of specific techniques such as the Logical Framework Approach, the use of simulation models, the application of programme budgeting techniques, and so on. Spreading those techniques throughout the Ministry administration is not always easy, but it can be handled through organizing systematic skill development programmes and facilitating 'learning by doing'. A much more difficult challenge is to change the mindset of the people and to introduce the strategic management culture that goes with

the techniques: a culture based on information sharing and focused on producing results. This is a major undertaking that has to be tenaciously pursued over a long period of time. Indeed the introduction of strategic planning never results in an immediate radical change but is rather the starting point of a series of incremental changes which year after year should result in making the education management system more efficient. Furthermore, a change of management culture in the Ministry of Education is highly dependent on a broader process of public service reform, which determines to a large extent the working conditions of its staff. Fortunately during recent years an increasing number of countries have launched such reform programmes with the same aim of making the overall management system more result-based and accountable for efficient service delivery.

V. Strategic planning should permeate all levels of the education system

This document is focused on strategic planning at sector level, which is the level at which strategic planning often starts, although this is not always the case. In a number of countries, strategic planning has been practised at school level (through the preparation of School Improvement Plans) well before strategic planning was introduced at the central level. In most countries, strategic planning began at the central level, and then gradually spread to the decentralized levels of management. There are of course good reasons for this way of proceeding, because introducing strategic planning at the central and decentralized levels at the same time involves a major effort of capacity development, which for too long has not received the attention and funding it deserves. But, whatever the starting point, it is always important that strategic planning permeates all levels of the education management system as quickly as possible, in order to create synergy and to ensure that efforts are directed towards achieving the same national goals. In many countries, the adoption of strategic planning goes together with the implementation of important decentralization reforms, which makes the spreading of strategic planning at decentralized levels (including the school level) all the more urgent.

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About the Working Paper



To make progress in education, countries must have a clear vision of their priorities and how to achieve them. Many ministries therefore prepare strategic plans, which reflect this vision and help mobilize people and resources. Planning in most countries is influenced by local history, organization of the state, and available resources, as well as specific challenges such as natural disasters or armed conflict. Regardless of the particular circumstances, educational authorities need to carry out essential tasks such as analysing the education system, formulating relevant policies, then implementing these and monitoring their implementation, often jointly with their national and international partners.

Since its inception in 1963, IIEP has been supporting countries in their sector planning efforts, whether through training, research programmes, or technical collaboration. The 'Education Sector Planning Working Papers' series is based on nearly five decades of experience, gathered from numerous country partnerships.

Working Paper 1, *Strategic Planning: Concept and rationale*, is an introductory text aiming to clarify the concept. It offers a succinct look at the key characteristics of strategic planning of education; reviews its various steps, and gives indications on how to prepare plans. These steps are further detailed in subsequent Working Papers.

Other Working Papers already available in this series include:

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Forthcoming papers will focus on other educational planning steps and tools, such as the policy formulation process, yearly operational planning processes, and the use of education simulation models.



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