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CASE STUDIES

APPLICABILITY OF HOSHIN PLANNING IN HIGHER EDUCATION INSTITUTIONS

Dr. HEMA BHALAKRISHNAN

Associate Professor, Vivekananda Institute Management Studies,
Coimbatore

ORIGIN AND BACKGROUND

The evolution of hoshin planning started in the phase of Post-World War II. Japan was faced with the herculean task of rebuilding just about everything. Juran, a management consultant, pointed out that it was the management's responsibility to lead quality improvement efforts. A key element of that responsibility was to define the quality policy and assure that everyone understood and supported it. At about the same time as Juran's visit, Peter Drucker's book, "The Practice of Management", which described the concepts of MBO, was published in Japanese language. The Japanese blended Deming's PDCA concept and Juran's teachings with the concepts of MBO and began their first attempt at strategic quality planning.

PERIOD OF HOSHIN MOMENTUM

In 1950's, the Japanese Union of scientists and Engineers (JUSE) initially introduced the quality management principles and practices within the Japanese industry. This has gained a huge momentum in the use of Plan-Do-Check-Act (PDCA) cycle. Along with the quality management concepts, the concept of MBO by the great Management Guru Peter Drucker was clubbed and a company –wide management system began to generate. By the late 1960's companies including Bridgestone, Toyota, Matsushita, Komatsu, and Juse began to develop their own innovative approaches and these efforts created the basis of Hoshin Planning.

By the late 1970's, the experience accumulated in industry had appeared as books on the subject. The first authoritative text of "Hoshin Kanri" widely called as "Hoshin Planning" was translated from Japanese and edited in English by "Yoji Akao". By 1975, Hoshin was widely accepted in Japan. The first symposium on Hoshin Kanri was held in Japan in 1981 and in 1988 the Japanese Association of Standards published a series of works dealing with Hoshin Kanri practices.

HOSHIN KANRI

"Hoshin Kanri" shortly called as Hoshin or Hoshin Planning was described as a planning, implementation and review system for managed change (Akao 1991). In Japanese, Hoshin means "Shiny metal" and Kanri means Compass which points direction. Hoshin Planning is more than a compass for steering the direction of your business processes. It is the strategic means of control that allows your organization to make quick turns, changes and adjustments before you get trapped in a crisis. The U.S literature depicts Hoshin planning as that of a ship's compass distributed among many ships, properly calibrated such that all ships through independent action arrive at the same destination.

HIGHER EDUCATION SECTOR

Background

The role of higher education in the growth and progress of a nation has been well recognized for centuries. Thankfully for India the input, in terms of the number of people entering the system has never been an issue. Instead, the urgent need has been to address the shortcomings of the entire process of converting youth into educated and well groomed citizens.

With about 50% of the Indian population below the age of 25 years, and an estimated 150 million people in the age group of 18-23 years, India is a "young nation with high aspirations". Having realized the importance of the education sector, the Government has increased its focus to introduce a number of reforms. There are currently around 20 separate education bills awaiting approval in the Indian Parliament, with the majority of them focused on higher education.

In the last six decades, the higher education sector in India has witnessed exponential growth, both in terms of the number of institutions and the rate of enrolment. From just 30 universities and 700 colleges in 1951, today there are over 600 universities and 33,000 colleges.

Similarly, with over 21.4 million enrolments in 2012, India has become the third largest education system in the world, after China and the U.S.

Market Size

Despite the recent growth, the Gross Enrolment Ratio (GER) in higher education in India is still about 18%, which is far lower than the global average of 26%. Therefore, the Government has set itself an aggressive target of achieving 30% GER by 2020. According to estimates, the target entails an additional investment of \$190 billion (including capital and operating expenditure) in the next seven years to enroll an additional 25 million students. The National Knowledge Commission, a high-level advisory body to the Prime Minister, has projected a requirement of 1500 universities to achieve this target.

Between 2010 and 2015, the market size of the higher education sector is expected to register a compounded annual growth of 25%, thus making it worth \$57 billion by 2015. Indian students have been one of the top spending groups when it comes to pursuing higher education overseas, with a collective spend of over \$14 billion, as recorded in the year 2010.

Higher Education Market

Although the sector has been largely dominated by government institutions, the role of the private sector has witnessed a substantial increase in the last decade. The private sector's share of student enrolment has grown from 33% in 2001 to 59% in 2012. This growth can be attributed mainly to the inability of the government to meet the large demand-supply gaps, poor quality infrastructure in existing institutions, demand for quality world-class education and rising disposable income of the Indian middle class.

Opportunities for Foreign Investment

The total allocation of funds for the education sector, under the 12th Five Year Plan (2012-17) is about \$82 billion; out of which the share of higher education is only 24%. The remaining share is spread across the primary and secondary education segments. Given the government's limited resources, the higher education sector holds an immense opportunity for private and foreign investors. Further, in its approach paper to the 12th Five Year Plan, the Planning Commission has advocated the need to re-examine the current 'not-for-profit' approach in higher education and consider a more pragmatic manner to attract investment. All these steps are indicative of the sector's future growth prospects.

The opportunities for foreign investment include:

- Establishing formal educational institutes in collaboration with the Indian private sector.
- Twinning arrangements/academic and financial collaborations with Indian institutions.
- Providing infrastructure services including construction development.
- Setting up an Indian subsidiary for course content development, training and other unregulated offerings.
- Establishing foreign universities/technical institutions campuses in India.

Recent Developments and the Way Forward

In order to address concerns around the quality of education, the University Grants Commission (UGC), the apex body that regulates the universities and colleges in India, has introduced regulations that make accreditation mandatory for all non-technical institutions. This is a positive step to increase transparency and improve the quality of higher education in India. Deloitte India's discussions with the government indicate that the technical institutes (engineering, business schools, etc) that are not currently covered by these regulations, will also be brought within the ambit of mandatory accreditation in the near future.

In addition, the long-awaited Foreign Education Providers Bill is expected to be approved in the near future. This will permit foreign educational institutions to set up campuses in India and award degrees. The bill is expected to transform Indian higher education by bringing global best practices to the country. It has recently been approved by a Parliamentary Standing Committee, consisting of members from key political parties, and now awaits approval from the Lower and Upper house.

There is no doubt that the sector offers unparalleled opportunity for growth to foreign investors. Recent reforms indicate the government's intention to radically transform the sector by introducing global best practices. In view of the regulatory complexity involved, it would be advisable to enter the market with a well thought-out strategy and a long-term approach. Deloitte has been working with a number of organizations to explore such approaches and associated implications.

APPLICABILITY OF HOSHIN PLANNING IN EDUCATION SYSTEM

Quality of education system can be broken into 5 different but related dimensions.

They are:

- Quality as exceptional (High standards)
- Quality as consistency (Zero defects)
- Quality as fitness for purpose (Fitting customer satisfactions)
- Quality as value for money (Efficiency and effectiveness)
- Quality as transformative (Ongoing process)

OBJECTIVE

- Maximization of quality in education.
- Close monitoring of assessment system existing in the institution.
- Assess the results and revise the system until quality is improved.

FORMAL AND INFORMAL ASSESSMENT

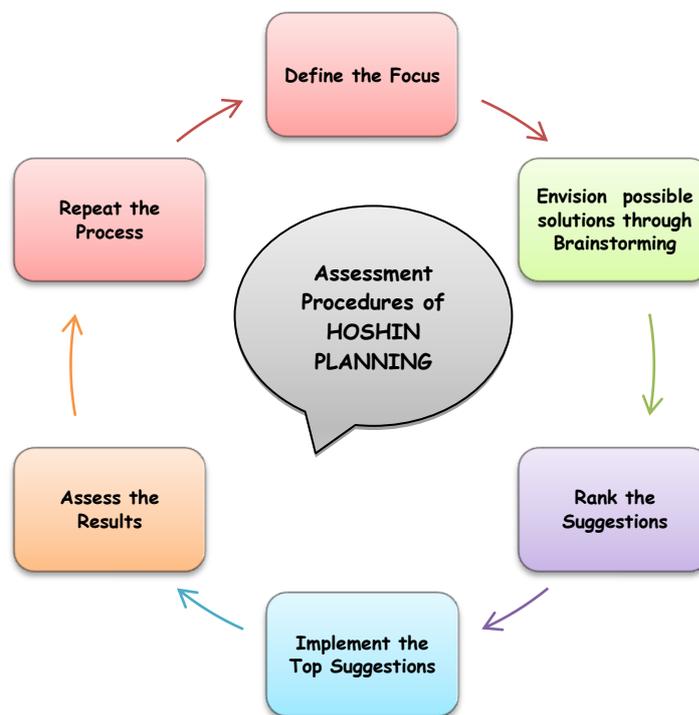
- Formal assessment is essential, but often some of the most significant assessment occurs as groups (trustees, administrators, faculty, staff, and students) work, socialize and play.

- Hoshin planning gives voice to both formal and informal assessment in the creation of a comprehensive instrument that defines and rank possible institutional and programmatic improvements

STEPS IN IMPLEMENTING HOSHIN PLANNING

- Define the focus- What has to be improved;
- Envision possible solutions through brainstorming;
- Rank the suggestions;
- Implement the top Suggestions;
 - 1-3
 - 1-5
 - 1-10
- Assess the results;
- Repeat the process until process is maximized.

STEPS INVOLVED IN ASSESSMENT PROCEDURES OF HOSHIN PLANNING



How Hoshin Planning Supports within the College Environment?

- Inform the strategic planning process.
- Inform planning within separate colleges, schools, divisions, and units of the institutions.
- Support programmatic improvements.
- Facilitate the winnowing of the institution's quality enhancement program.
- Significantly, one instrument can do all of these things simultaneously.
- Gives all or nearly all interested parties a voice in the planning process.
- Allow planners to identify and address political differences.
- Functions, de facto, as an assessment of existing plans.

- By-Product: generates a number of good ideas that can be implemented routinely though the separate offices and units of the institution.

A SWOT ANALYSIS OF HOSHIN PLANNING IN EDUCATIONAL INSTITUTIONS

<p style="text-align: center;">Strengths</p> <ul style="list-style-type: none"> • Redefines planning • Enhances Quality Assessment System • Complete scanning of existing quality improvement procedures • Participation of every single element of an institution • Proper training • Clear vision • Focuses aims • Scanned competitive environment • Strategies to overcome competition • Attain competitive advantage 	<p style="text-align: center;">Weaknesses</p> <ul style="list-style-type: none"> • Makes people difficult to understand all at a time • Resistance to change in faculties • Many institutions view it as a mere mechanism • Implementation problems exist • Lack of Clarity
<p style="text-align: center;">Opportunities</p> <ul style="list-style-type: none"> • Collective Thinking power recognized as contribution to success • Job knowledge • Gap identified and analyzed for improvement • Key Performance Indicators of education can be identified • Critical Success Factors are identified 	<p style="text-align: center;">Threats</p> <ul style="list-style-type: none"> • Policing style • Targeted benchmarking • Meticulous planning – tiresome • Lack of human aspect • Conflict & Rivalry within Departments

CONCLUSION

The Hoshin Planning will act as glue between the system and the kind of activities and various quality management technologies used in a company. Hoshin Planning cannot be simply installed in an organization but the potential benefits should be gained by understanding and applying the principles of specific organizational situations and by progressively learning from experience. Hoshin Kanri is the means for empowering everyone to stay invested in achieving great results. It is the means for strengthening the true purpose of every organization and sticking to the purpose for many years to come.

QUESTIONS

1. If you could do just one thing to improve the learning environment at college, what would you do?
2. What can be done to create brand recognition for your college?

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