Mechanism and Existing Strategic Framework Adopted by the Senior Management at the Jordanian Higher Institutions for Responding to the Competitive Actions

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Abstract
The domain of competitive strategy research had predominantly been occupied by studies focusing on the different sectors of the corporate world. However, the education sector has only recently begun to attract some degree of attention by researchers in this research domain. Despite the increasing realization of the need for more studies on the competitive strategy of private higher education institutions, there currently exists very few or negligible body of studies focusing in this area. Where they exist, these studies were carried out solely in the developed nations of the world .the findings from this study showed that the universities did not engage in environmental scanning activities and competitor analysis and as such are not aware of competitor actions which may affect their market position. They also were not aware of any suitable strategy formulation and implementation framework which was suitable for their peculiar environment. This general low level of competitive awareness and thus competitiveness has reflected on the overall performance of Jordan's private universities within the Arab region and the world in general.
Keywords: strategic framework, competitive strategies, competitive actions

1. Introduction

The world is a competitive environment, where performance indicators most especially for higher educational institutions are determined by the rankings and positions on league tables of existing universities. Higher Education Institutions are under increasing pressure to assume and execute more and more roles in an effort to fight for a place in the global higher education market (Altbach 2008). In trying to compete, they are faced with several critical issues as follows.

Higher Education Institutions are increasingly being asked to contribute a significant portion of their operating costs. For instance, the UK government's involvement in the funding of UK higher education is gradually being lowered (Hasan 2004). This has resulted in a more business-like approach being adopted by universities, as they seek out innovative ways to diversify income. One outcome has been the marketization of higher education, as institutions focus on how they can produce income and de-emphasis areas not contributing to revenue. Examples of this include the increasing numbers of HEI's charging tuition fees for courses, increasing levels of fee-paying international students, focusing on continuous professional development and executive education, attempting to leverage fundraising from alumni, the commercial exploitation of intellectual property rights (IPR) through licensing and spin outs, and the hire/rental of university facilities to organizations.

The reputation of Higher Education Institutions is derived a great deal from their involvement in academic research which is viewed as one of the most trusted way in which institutions and individuals contribute to the generation of new scientific knowledge irrespective of the field. Many Higher Education Institutions which had a strong teaching focus in the past are now searching for ways in which they can shift their focus to increase research activity. This is often considered to be a key performance indicator and an institution's income, national prominence and influence is often dependent on research output (Ordorika 2008). In keeping with the perceived role of HEI's in supporting the economy, a greater focus is being given to research in science and technology (van Ginkel 1995).

Due to the fact that universities have traditionally tried to distinguish themselves one from the other in every aspect of their existence and operation; internal and external stakeholders of universities (students, staff, facility users, and investors) have thus been provided with a wide variety of options to choose. In fact, a complete independent industry has emerged solely to cater to the dissemination of university offerings to its potential clientele; disseminating such information as the standard of the research, the student staff ratios on programs, expenditure on student and/or staff facilities etc. Much of this information is available through the

internet but increasingly coalesces in the myriad league tables, both domestic and international now being published. The internet with its easy access to information has shifted power in the supply chain from the provider to the consumer as with other industries.

1.1 Problem statement

As prior research has only focused on studying the competitive actions in the higher education sectors of developed and mostly western countries. This study thus aims to fill this gap in literature by providing a Middle Eastern perspective taking evidence from Jordan.

1.2 Research Question

What strategy formulation framework is suitable for the formulation and implementation of competitive strategies by Jordanian private universities?

1.3 limitations

- Limitations based on sample size: only 5 private universities were included in this study (**Irbid University, Jadara University, Jerash University, Philadelphia University, Zarqa University**).and the reliability of small sample sizes may limit the potential for generalizing the findings.

- Sample population limitations: only top level managers were included in the in the survey and results could be limited due to the vested interests of these individuals in protecting the image of their institutions (larger mixed sample population could be used for a more rounded finding.

2. Previous research:

The strategic process means the manner and style in which teaching, management and support processes are planned for a better future. Many heads of department are usually involved in helping to shape the strategic plans of educational institutions, primarily by commenting on drafts of the whole institutional plan. Their role can, however, be much larger, because they are responsible for developing their own departmental plans with their staff.

According to Moore (2001), strategic management is the determination of how an organization, in its entirety, can best be directed in a changing world. It emerged in the boom decades which followed the second world war in response to problems associated with managing complex, decentralized, and diversified conglomerates that were then being created, strategic management has developed as a progressive synthesis of practice and ideas (Forster & Browne,1996 .although important precursors to their work are to be found in Drucker (1946) (customer focus), Levitt (1960) (organisational mission), and Porter (1979, 1980, 1985), among others, promulgated the practice of strategic management.

Highlighting the importance of setting long-term goals, of determining courses of action, and of allocating resources necessary to get things done to the success of businesses, At the top are strategic decisions, those concerned with having the mix of businesses and products that will optimize the firm's potential to maximize return on investment (ROI). At the level below are administrative decisions, those involving ways in which the firm can best be structured to achieve its strategic objectives. At the bottom are operating decisions, those concerned with the efficient running of the day-to-day activities that affect a firm's ability to realize its goals. Mintzberg (1994b, p.3). This model suggests that, in order to improve its competitive position, a firm should analyze and evaluate all aspects of its operating environment, matching capabilities of the organization to environmental opportunities and selecting strategies that allow it to make best use of strengths while covering weaknesses, and avoiding threats. This matching process, enhanced in following decades by strategy selection techniques such as portfolio models (e.g., BCG market growth-market share model; GE industry growth-market attractiveness model), shared experience models (e.g., PIMS), and notions of sustainability of competitive advantage, remains the standard approach to strategic management and planning today (Kotler et al., 2007).

In the strategy process all the members of the organization should envision its future and develop the necessary procedures to achieve that future. It can be emphasized that heads of departments have an important role in the formulating the strategy of a subunit with all its members in order to reach the educational objectives, increase its competitive advantage and also the well-being of the whole organization.

3. Hypothesis

H1: *The most suitable strategy formulation framework for private universities will be one which meets Shirley's (1983) six variables listed above.: (a) a clearly defined mission statement, (b) clearly defined target groups of clientele (c) clearly defined institutional goals and objectives (d) clearly defined programs and services offering, (e) clearly defined geographic scope of operations (f) a clear definition of the comparative advantage it seeks to have over other universities and most importantly should involve all relevant personnel e.g.: head of departments in the strategy formulation process.*

With regard to research question, Petrides (2003) noted that the most appropriate strategy implementation framework for universities is one which allows for easy communication and collaboration among units, allowing the streamlining of wok processes, self-management and accountability. In line with this, I propose the second

hypothesis thus:

H2: *The most suitable strategy implementation framework for private universities in Jordan will be ones which allows for easy communications and collaborations on one hand and allows for the streamlining of work processes, self-management and accountability on the other.*

4. Methodology

Explication and justification of the conceptual framework – constructivism – that underpins the qualitative methodology of this investigation are provided. Procedures undertaken in interviewing senior academic and administrative personnel in a sample of five universities, and in preparing an interview-based multiple-case study, are described. Case studies are presented and interpreted, and findings outlined and assessed.

5. Result &Findings

In the following section, I present details of the descriptive analysis carried out on the data retrieved from email interviews completed by top level managers at the universities which make up our sample.

Content 1: *making good use of technology*

Only one (20%) university considered the use of technology as a mechanism for responding to the competitive actions of local and international rivals.

Table 1 -Content1		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Absent	4	80.0	80.0	80.0
	Present	1	20.0	20.0	100.0
	Total	5	100.0	100.0	

Content 2: *improving facilities*

The improvement of facilities was also seen as an effective mechanism for responding to competitive actions by only 20% of the total universities studied. The rest however, did not share that view.

Table 2: -Content2		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Absent	4	80.0	80.0	80.0
	Present	1	20.0	20.0	100.0
	Total	5	100.0	100.0	

Content 3: *introducing quality development centers*

Again only one university of the five viewed the introduction of quality development centres as an effective mechanism for responding to competitive actions, while the remaining five did not use it.

Table 3 -Content3		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Absent	4	80.0	80.0	80.0
	Present	1	20.0	20.0	100.0
	Total	5	100.0	100.0	

Content 4: *improving students' services*

Almost all (80%) universities observed noted that the improvement of services provided to students is part of their existing framework for responding to and meeting the competitive actions of rivals.

Table 4- Content4		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Absent	1	20.0	20.0	20.0
	Present	4	80.0	80.0	100.0
	Total	5	100.0	100.0	

Content 5: *adopting quality as basis for work*

Two out of the five (40%) universities surveyed viewed the adoption of quality as the sole basis for work or operation as their most effective framework for succeeding in the competitive interaction processes Jordanian private universities face in and out of Jordan.

Table 5-Content5

Valid		Frequency	Percent	Valid Percent	Cumulative Percent
	Absent	3	60.0	60.0	60.0
	Present	2	40.0	40.0	100.0
	Total	5	100.0	100.0	

Content 6: *development of academic programs*

Yet again 40% stated that the development of academic programs was one of their mechanisms for responding to the competitive actions of rivals.

Table 6- Content6

Valid		Frequency	Percent	Valid Percent	Cumulative Percent
	Absent	3	60.0	60.0	60.0
	Present	2	40.0	40.0	100.0
	Total	5	100.0	100.0	

Content 7: *adopting strategic planning based on administrative analysis*

60% of the universities noted that the adoption of strategic planning based on administrative analysis was an important mechanism they used in countering the competitive actions of rival institutions.

Table 7-Content7

Valid		Frequency	Percent	Valid Percent	Cumulative Percent
	Absent	2	40.0	40.0	40.0
	Present	3	60.0	60.0	100.0
	Total	5	100.0	100.0	

Content 8: *the use of reference point strategies*

Of all five universities, only one university saw the use of reference point strategies as an important tool in its competitive defense arsenal. The rest did not share this view.

Table 8-Content8

Valid		Frequency	Percent	Valid Percent	Cumulative Percent
	Absent	4	80.0	80.0	80.0
	Present	1	20.0	20.0	100.0
	Total	5	100.0	100.0	

Content 9: *the use of balanced performance cards*

Again only 20% of all universities observed included the use of balanced performance cards as a means of countering the competitive actions of rival institutions. His content was however absent in the list of mechanisms and frameworks used by the majority of universities in countering competitive actions from rivals.

Table 9-Content9

Valid		Frequency	Percent	Valid Percent	Cumulative Percent
	Absent	4	80.0	80.0	80.0
	Present	1	20.0	20.0	100.0
	Total	5	100.0	100.0	

Content 10: *founding a school which adopts the American curricula.*

The use of American-styled curricula was viewed by one of the universities studied as its most important tool for countering local competitors and standing up to international ones. However the majority did not view this as a framework for countering local and international competitive threats.

Table 10-Content10

Valid		Frequency	Percent	Valid Percent	Cumulative Percent
	Absent	4	80.0	80.0	80.0
	Present	1	20.0	20.0	100.0
	Total	5	100.0	100.0	

Content 11: *observing competitor actions and keeping updates*

Majority of the universities studied did not view this as a major action needed to keep domestic and international competitors in check. However one university noted that this content was vital to their awareness of trends in the higher education sector locally and internationally and thus was a source and motivation for the development of effective counteractive strategies.

Table 11-Content11

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Absent	4	80.0	80.0	80.0
	Present	1	20.0	20.0	100.0
	Total	5	100.0	100.0	

Content 12: *adopting quality as basis for work.*

Only 20% of all universities studied viewed the adoption of quality as basis for work, as their most effective operational framework, which in the long run is capable of fending off the competitive moves of rivals both national and international. The majority of universities however, did not consider this to be an important counteractive measure.

Table 12-Content12

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Absent	4	80.0	80.0	80.0
	Present	1	20.0	20.0	100.0
	Total	5	100.0	100.0	

The results above can be further expatiated and discussed in two broad categories. First I will discuss it in light of the hypothesis posed earlier of this research work, next in a different segment, I will present other key findings obtained from the study which are unrelated to the hypothesis.

5.1 Testing hypothesis

H1: The most suitable strategy formulation framework for private universities will be one which meets Shirley's (1983) six variables: (a) a clearly defined mission statement, (b) clearly defined target groups of clientele (c) clearly defined institutional goals and objectives (d) clearly defined programs and services offering, (e) clearly defined geographic scope of operations (f) a clear definition of the comparative advantage it seeks to have over other universities and most importantly should involve all relevant personnel e.g.: head of departments in the strategy formulation process

Findings from this study reveal that with regard to the suggestions for a suitable strategy formulation framework, only one of the recommended items in hypothesis 1 was recorded after a structured content analysis of the questionnaires obtained from members of the top level management teams of the five universities which participated. Out of the six variables mentioned in this hypothesis. Only the variable which recommended the participation of all relevant staff in the strategy formulation process was supported. In particular, (participation of employees in formulating and executing strategies) and (selecting leaders able to prepare and execute strategy); were the only two response categories which supported hypothesis 1. Thus, the study finds no support for hypothesis 1.

To summarize, this study finds no support for hypothesis. Based on these findings, I reject hypothesis 1 and accept its null hypothesis.

H2: The most suitable strategy implementation framework for private universities in Jordan, will be ones which allows for easy communications and collaborations on one hand and allows for the streamlining of work processes, self-management and accountability on the other.

The study found mention of important strategy implementation variables mentioned in hypothesis 2. the managers mentioned that a suitable strategy implementation framework must enable the adoption of accountability, the empowerment of the academic leadership at the universities .providing continuous feedback on the execution of strategies .and the enhancement of creativity (Although it seems that these responses meet most of the criteria listed in the hypothesis. Thus I conclude that study finds a very weak support for hypothesis 2.

To summarize, the non-existence of any form of support for hypothesis 2 in this study coupled with a very weak support for the hypothesis in this study are the bases upon which I conclude that all in all, this study finds insignificant support for hypothesis 2, and I thus reject hypothesis 2 and accept its null hypothesis.

5.2 Discussions with regard to other important findings from the study

In this subsection, I present a very brief summary of other findings not directly related to the two hypothesis posed above, but of equal importance and worthy of highlighting. With regard to the preparedness and commitment of private universities in Jordan to meet the rising trend of competition in the higher education

sector. Study reveals other interesting trends On their response mechanism and framework for countering competition both locally and internationally, 80% of the respondents stated that they 'improve student services' and they 'adopted strategy planning based on the administration's analysis'. Both responses to the last questionnaire however very inappropriate as the managers either did not understand the question or responded to it in an evasive manner. This is evident in the findings of study where very little attention is given to issues of competition, and managers do not engage in any form of environmental scanning to understand how the activities of local and foreign competitors affect their market position and the general lack of awareness of a suitable strategy formulation and implementation framework.

6. CONCLUSION

This research set out to understand the the mechanism and existing framework adopted by the senior management at Jordanian Universities for responding to the competitive actions of competitors both domestically and internationally. In order to achieve this it reviewed literature and developed four hypotheses. Applying a quantitative approach, it carried out structured content analysis on the strategic of the five universities which participated in the study as well as the interview responses of members of top level management of these universities and documented its findings. It then discussed the findings from this study.

Important findings from study showed that the universities did not engage in environmental scanning activities and competitor analysis and as such are not aware of competitor actions which may affect their market position. They also were not aware of any suitable strategy formulation and implementation framework which was suitable for their peculiar environment. This general low level of competitive awareness and thus competitiveness has reflected on the overall performance of Jordan's private universities within the Arab region and the world in general.

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