Annex 6

A Strategic Planning Primer for Prison Systems

The following is from material prepared by the California State University Dynamic Environmental Scan (DES) which provides information resources for solid and innovative strategic planning on each of the university’s 23 campuses. The material was originally developed to help university faculty understand the strategic planning process. It has been slightly modified, changing university references to prison system references. For additional information on prison planning, the “Correctional Facilities Needs Assessment and Master Planning Manual” is recommended. It can be found online at: http://ispac-italy.org/pubs/PlanningManual-Final.pdf.

Steps in a Strategic Planning Process

Although every strategic planning process is uniquely designed to fit the specific needs of a particular prison system, every successful "model" includes most of these steps.

The prison system begins by identifying its vision and mission. Once these are clearly defined, it moves on to a series of analyses, including external, internal, gap, and benchmarking, which provide a context for developing organization's strategic issues. Strategic programming follows and the organization develops specific strategies including strategic goals, action plans, and tactics. Emergent strategies evolve, challenging the intended tactics, and altering the realized strategy. Periodically, the organization evaluates its strategies and reviews its strategic plan, considering emergent strategies and evolving changes. It usually takes several years before strategic planning becomes institutionalized and organizations learn to think strategically.

VISION AND MISSION

Identification of the organization's vision and mission is the first step of any strategic planning process. The prison system's vision sets out the reasons for organization's existence and the "ideal" state that the organization aims to achieve; the mission identifies major goals and performance objectives. Both are defined within the framework of the prison system’s philosophy, and are used as a context for development and evaluation of intended and emergent strategies. One can not overemphasize the importance of a clear vision and mission; none of the subsequent steps will matter if the organization is not certain where it is headed.

ENVIRONMENTAL SCAN

Once the vision and mission are clearly identified, the prison system must analyze its external and internal environment. The environmental scan, performed within the frameworks of SWOT, analyzes information about organization's external environment (economic, social, demographic, political, legal, technological, and international factors), and internal organizational factors. Labor market projections are also most valuable for the environmental scan.

SWOT analysis is usually presented in the following form:
GAP ANALYSIS

Organizations evaluate the difference between their current position and desired future through gap analysis. As a result, a prison system can develop specific strategies and allocate resources to close the gap, and achieve its desired state.

BENCHMARKING

Measuring and comparing the prison system’s operations, practices, and performance against others is useful for identifying “best” practices. Through an ongoing systematic benchmarking process prison systems or individual prisons find a reference point for setting their own goals and targets.

STRATEGIC ISSUES

Prison systems determines its strategic issues based on (and consistent with) its vision and mission, within the framework of environmental and other analyses. Strategic issues are the fundamental issues the organization has to address to achieve its mission and move towards its desired future.

STRATEGIC PROGRAMMING

To address strategic issues and develop deliberate strategies for achieving their mission, prison systems set strategic goals, action plans, and tactics during the strategic programming stage.

Strategic goals are the milestones the prison system aims to achieve that evolve from the strategic issues. The SMART goals model is essential to setting meaningful goals. Smart goals are specific, measurable, agreed upon, realistic, and time/cost bound.

"Action plans ... define how we get to where we want to go," the steps required to reach our strategic goals.

Tactics are specific actions used to achieve the strategic goals and implement the strategic plans.

EMERGENT STRATEGIES

Unpredicted and unintended events frequently occur that differ from the prison system's intended strategies, and the prison system must respond. Emergent strategy is "a pattern, a consistency of behavior over time," "a realized pattern [that] was not expressly intended" in the original planning of strategy. It results from a series of actions converging into a consistent pattern (Mintzberg, 1994, p. 23-25). Please refer to the Glossary of Terms for a more complete definition of emergent strategies.
EVALUATION OF STRATEGY

Periodic evaluations of strategies, tactics, and action programs are essential to assessing success of the strategic planning process. It is important to measure performance at least annually (but preferably more often), to evaluate the effect of specific actions on long-term results and on the organization's vision and mission (Rowley, Lujan, & Dolence, 1997). The organization should measure current performance against previously set expectations, and consider any changes or events that may have impacted the desired course of actions.

REVIEW OF THE STRATEGIC PLAN

After assessing the progress of the strategic planning process, the prison system needs to review the strategic plan, make necessary changes, and adjust its course based on these evaluations. The revised plan must take into consideration emergent strategies, and changes affecting the organization's intended course.

STRATEGIC THINKING

With time, people in the prison system routinely make their decisions within the framework of the organization's strategic vision and mission. Strategic planning becomes an organizational norm, deeply embedded within the organization's decision-making process, and participants learn to think strategically as part of their regular daily activities (Lerner, 1999). Strategic thinking involves "arraying options through a process of opening up institutional thinking to a range of alternatives and decisions that identify the best fit between the institution, its resources, and the environment" (Rowley, Lujan, & Dolence, 1997, p. 15).
Glossary of Terms

Here are some important terms for understanding the strategic planning process, its purpose, functions, and practices. This list begins by defining strategic planning as it applies to any organization (business or educational), moves on to define strategic planning as applied specifically to prison systems, and concludes with an overview of building blocks common to any successful strategic planning effort.

PLANNING, STRATEGY, AND STRATEGIC PLANNING

Definitions of planning

"Planning is a formalized procedure to produce an articulated result, in the form of an integrated system of decisions." Thinking about and attempting to control the future are important components of planning (Mintzberg, 1994 p.12). "Planning is required when the future state we desire involves a set of interdependent decisions; that is a system of decisions" (Ackoff, 1970 in Mintzberg, 1994, p. 11).

Definitions of strategy

Arnoldo C. Hax and Nicolas S. Majluf (1996, p. 14) provide one of the most comprehensive definitions of strategy available:

"Strategy

1. determines and reveals the organizational purpose in terms of long-term objectives, action programs, and resource allocation priorities;
2. selects the businesses the organization is in, or is to be in;
3. attempts to achieve a long-term sustainable advantage in each of its businesses by responding appropriately to the opportunities and threats in the firm's environment, and the strengths and weaknesses of the organization;
4. identifies the distinct managerial tasks at the corporate, business, and functional levels;
5. is a coherent, unifying, and integrative pattern of decisions;
6. defines the nature of the economic and non-economic contributions it intends to make to its stakeholders;
7. is an expression of the strategic intent of the organization;
8. is aimed at developing and nurturing the core competencies of the firm;
9. is a means for investing selectively in tangible and intangible resources to develop the capabilities that assure a sustainable competitive advantage."

Definition of strategic planning

Strategic planning is a complex and ongoing process of organizational change. The following attributes, when combined, effectively define a successful and comprehensive strategic planning process.

Strategic planning:

- Is oriented towards the future, and focuses on the anticipated future. It looks at how the world could be different 5-10 years from now. It is aimed at creating the organization's future based on what this future is likely to look like.
• Is based on thorough analysis of foreseen or predicted trends and scenarios of the possible alternative futures, as well as the analysis of internal and external data.

• Is flexible and oriented towards the big picture. It aligns an organization with its environment, establishing a **context** for accomplishing goals, and providing a **framework** and **direction** to achieve organization's desired future.

• Creates a framework for achieving competitive advantage by thoroughly analyzing the organization, its internal and external environment, and its potential. This enables organizations to respond to the emerging trends, events, challenges, and opportunities within the framework of its vision and mission, developed through the strategic planning process.

• Is a qualitative, idea driven process. It integrates "soft" data, not always supported quantitatively, such as experiences, intuition, and ideas, involves the organization in the ongoing dialogue, and aims to provide a clear organizational vision and focus.

• "Allows organizations to focus, because it is a process of dynamic, continuous activities of self-analysis" (Doerle, 1991, in Rowley, 1997, p.37).

• Is an ongoing, continuous learning process, an organizational dialogue, which extends beyond attaining a set of predetermined goals. It aims to change the way an organization thinks and operates, and create a learning organization.

• When successful, it influences all areas of operations, becoming a part of the organization's philosophy and culture.

**Differences between conventional planning and strategic planning**

One of the major differences between conventional planning and strategic planning is that "conventional planning tends to be oriented toward looking at problems based on current understanding, or an inside-out mind set. Strategic planning requires an understanding of the nature of the issue, and then finding of an appropriate response, or an outside-in mind set" (Rowley, 1997, p. 36).

"Long-range planning is a projection from the present or an extrapolation from the past. Strategic planning builds on anticipated future trends, data, and competitive assumptions. Long range planning tends to be numbers driven. Strategic planning tends to be idea driven, more qualitative; it seeks to provide a clear organizational vision/focus." (CSUN strategic planning retreat booklet, April 1997).

**STRATEGIC PLANNING BUILDING BLOCKS**

**Vision and mission**

Organization's vision sets out the reasons and purpose for organization's existence and the "ideal" state that the organization aims to achieve; the mission identifies major goals and performance objectives. Both the vision and mission are defined within the framework of organization's philosophy, and are used as a context for development of intended strategies and criteria for evaluating emergent strategies. The mission includes identification of (a) market (and other – social, political) needs the organization fulfills, (b) business scope (i.e. products and markets) required to fulfill organization's purpose and (c) unique competencies that distinguish the organization from competitors. The organization's philosophy consolidates its values, relationships with stakeholders, policies, culture, and management style (Hax & Majluf, 1996, p.27; Hax & Majluf, 1991; CSUN strategic planning leadership retreat, April 1997; Hill & Jones, 1992).

**Gap analysis**
Gap analysis evaluates the difference between the organization's current position, and its desired future. Gap analysis results in development of specific strategies and allocation of resources to close the gap.

As an example, consider a completion issue: how long does it take an adjudicated offender to be classified and placed in suitable housing, work and/or education programs. A prison system may aim to classify and appropriately place 80% of the inmates in 2 weeks. If the prison system is currently processing 60% in two weeks, it constitutes a 20% gap between the existing situation and desired one. Understanding the nature of this gap will allow the prison system to develop specific strategies to achieve the desired 80% completion rate.

Benchmarking

Benchmarking is an ongoing systematic process of measuring and comparing organization's operations, practices, and performance against the others within and outside of the industry, including evaluation of "the best" practices of other organizations. It is used within the strategic planning process to guide the management of organization's human, social, and technical resources (Lerner, Rolfes, Saad, & Soderlund, 1998; CSUN strategic planning leadership retreat).

Going back to the completion example. The prison system may research and learn what are the completion rates at other, similar prison systems. How do our rates compare to those of similar prison systems? What are the best completion rates in the prison systems we evaluated?

A specific prison may research completion rates at other prisons in the system, and benchmark (compare) against the best rate among them. Knowing the "best" rate will help the prison set its own completion goals.

Emergent strategies

Although organizations can, and should, evaluate their environment, no one can foresee the future. Events occur that challenge our assumptions and contradict our forecasts. Also, bright ideas often come spontaneously, outside of the formal strategic planning process's framework, and between planning events.

Emergent strategy is a set of actions, or behavior, consistent over time, "a realized pattern [that] was not expressly intended" in the original planning of strategy. When a deliberate strategy is realized, the result matches the intended course of action. An emergent strategy develops when an organization takes a series of actions that with time turn into a consistent pattern of behavior, regardless of specific intentions. "Deliberate strategies provide the organization with a sense of purposeful direction." Emergent strategy implies that an organization is learning what works in practice. Mixing the deliberate and the emergent strategies in some way will help the organization to control its course while encouraging the learning process. "Organizations ...[may] pursue ... umbrella strategies: the broad outlines are deliberate while the details are allowed to emerge within them" (Mintzberg, 1994, p. 23-25; Hax & Majluf, 1996, p. 17).

For example, a prison system may decide to recruit new staff from high schools, which becomes an intended strategy, and develops certain tactics to achieve this goal. However, during the course of the recruitment process, it may realize that community colleges are responding better than high schools to its recruitment efforts. As a result, the prison system recruitment practices may change to emphasize attracting staff from community colleges. This becomes a prison system's emergent strategy, which may later get formalized within the strategic plan.
Organizations must be alert to recognize advantageous emergent strategies, and flexible to accept them. Otherwise, an ineffective intended strategy may not bring the desired results, and a beneficial emergent strategy will not be allowed to thrive.

**Strategic issues**

Strategic issues are the fundamental issues the organization has to address to achieve its mission and move towards its desired future. They contain "specific and meaningful planning challenges," and result from the previous analyses carried out by the organization (Hax & Majluf, 1991). Examples of strategic issues include "the ubiquitousness and acceleration of technological change" (Hax & Majluf, 1991), and "professional development of staff, and administrators".

**Strategic programming**

Deliberate strategies for achieving organization's mission and addressing strategic issues are developed through strategic programming, which involves developing strategic goals, action plans, and tactics.

*Strategic goals* are the milestones the organization aims to achieve that evolve from the strategic issues. They transform strategic issues into "specific performance targets that impact the entire" organization. "Goals are stated in terms of measurable and verifiable outcomes," and challenge the organization to be more responsive to the environment to achieve its desired future (CSUN retreat booklet; Rowley p. 106).

"*Action plans* ... define how we get to where we want to go," the steps required to reach our strategic goals. They identify "who will do what, when and how; how we address current issues and emerging trends as unforeseen contingencies arise" (CSUN retreat booklet).

*Tactics* are specific actions and deeds used to achieve the strategic goals and implement the strategic plans. They are specific and measurable activities that keep the organization moving toward fulfilling its strategic themes and achieving its desired future (Rowley, p.106).

**Strategic thinking**

Strategic thinking "is predicated on involvement" of key participants. "To think strategically, ... they must be active, involved, connected, committed, alert, stimulated. It is "the calculated chaos" of their work that drives their thinking, enabling them to build reflection on action as an interactive process." "Such thinking must not only be informed by the moving details of action, but be driven by the very presence of that action" (Mintzberg, 1994, p.291).

According to Liedtka (1998), following are the major attributes of strategic thinking.

- "A systems or holistic view. Strategic thinking is built on the foundation of a systems perspective." It includes "a mental model of the complete end-to-end system of value creation, … and an understanding of the interdependencies it contains." It involves looking at each part "not as a sum of its specific tasks, but as a contribution to a larger system that produces outcomes of value…"
- "A focus on intent. Strategic thinking is intent-driven. … Strategic intent provides the focus that allows individuals within an organization to … leverage their energy, to focus attention, to resist distraction, and to concentrate for as long as it takes to achieve a goal."
• "Thinking in time. Strategic thinkers link past, present, and future. … The gap between today's reality and intent for the future … is critical."
• "Hypothesis-driven. Strategic thinking … deals with hypothesis generating and testing as central activities… and avoids the analytic-intuitive dichotomy; … it is both creative and critical in nature." As such, strategic thinking allows to "pose ever-improving hypotheses without forfeiting the ability to explore new ideas."
• "Intelligently opportunistic. The dilemma involved in using a well-articulated strategy to channel organizational efforts effectively and efficiently must always be balanced against the risks of losing sight of alternative strategies better suited to a changing environment. … There must be room for intelligent opportunism that not only furthers intended strategy but that also leaves open the possibility of new strategies emerging."
Limitations

Prison systems may encounter a multitude of problems as they go forward with their strategic planning process. This section discusses several of these difficulties and offers ways to minimize or avoid them.

POTENTIAL PROBLEMS

Strategic planning is an involved, intricate, and complex process that takes an organization into the uncharted territory. It does not provide a ready to use prescription for success; instead, it takes the organization through a journey and helps develop a framework and context within which the answers will emerge. Literature and research has documented extensively the possible problems that may arise during the process. Being aware of these issues and prepared to address them is essential to success: organization's strategic planning effort may fail if these potential pitfalls are ignored. To increase prison systems' awareness, this section reviews some of these limitations.

Commitment

One of the major challenges of strategic planning is ensuring commitment at the top, because in some ways, strategic planning reduces executive decision-making power. It encourages involvement throughout the organization, and "empowers" people to make decisions within the framework defined by the strategic planning process. As a result, this shifts some of the decision making from the executive office to the participants.

Commitment of the people throughout the prison system "grows out of a sense of ownership of the project" (Mintzberg, 1994, p. 172). Such commitment is essential to success. Strategic planning implies organization-wide participation, which can only be achieved if people believe that their involvement counts, and that they will benefit from the process.

Inflexibility of plans and planning

Strategic planning might inhibit changes, and discourage the organization from considering disruptive alternatives (Mintzberg, 1994, p. 178). Planning might inhibit creativity, and "does not easily handle truly creative ideas" (Mintzberg, 1994, p. 180). A conflict lies with a desire to "retain the stability that planning brings to an organization ... while enabling it to respond quickly to external changes in the environment" (Mintzberg, 1994, p. 184).

Control

Strategic planning, if misused, might become a tool for gaining control over decisions, strategies, present, future, actions, management, employees, markets, and customers (Mintzberg, 1994, pp. 201-202), rather than a comprehensive and integrated instrument for bringing the organization to its desired future.

Public relations

Strategic planning may be used as a tool to "impress" "influential outsiders" (Mintzberg, 1994, p. 214), or to comply with requirements for strategic planning imposed from the outside, such as accreditation requirements.
Objectivity

Strategic planning dismisses intuition and favors readily available, interpretable "hard" data (Mintzberg, 1994, p. 191), and assumes that all goals are "reconcilable in a single statement of objectives" (Mintzberg, 1994, p. 193).

Politics

Strategic planning might increase "political activity among participants" (i.e. staff and administration, or individual participants), by increasing conflict within the organization, reinforcing a notion of centralized hierarchy, and challenging formal channels of authority (Mintzberg, 1994, pp.197, 200).

AVOIDING LIMITATIONS

"Opportunistic planning"

Opportunistic planning allows organizations to be flexible and open to making changes to the strategic planning process, if it becomes necessary in the face of unexpected events and changes in the initial assumptions. "Organizations need a good combination of formal and opportunistic planning. "Organizations that rely exclusively on formal planning could trap themselves in unbearable rigidities." Those who's decision-making capability is entirely opportunistic will be constantly reacting to external forces, without a clear sense of direction" (Hax & Majluf, 1996, p. 35-36).

Planners as facilitators

"Planners should not plan, but serve as" facilitators, "catalysts, inquirers, educators, and synthesizers to guide the planning process effectively" (Hax & Majluf, 1996, p. 34).

Participation

Organizations should encourage active participation of as many people as possible, including the faculty, administration, students, and alumni), engaging them in the ongoing dialogue, and involving them in the strategic planning process, to generate a feeling of ownership of the process and the outcomes throughout the organization.

Creativity

Using "a series of incremental steps that build strategies" and integrating them into the entire organization will help to adjusting the course of action of strategic planning with overall organizational vision and strategic issues, while allowing for creativity and flexibility for change (Hax & Majluf, 1996, p. 35).

Flexibility

Strategic tasks should be interpreted "not as rigid hierarchical sequences of actions, but as a useful conceptual framework" for addressing issues essential to the successful operation of the organization (Hax & Majluf, 1996, p. 36).
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