

AIR Professional File

The Role of Program Review in Strategic Planning *

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This paper explores several key aspects of the complex interrelationship between program review and strategic planning in colleges and universities in the United States. It draws upon selected literature; the findings of an ongoing, extensive study of program review; and the author's broad experience as a consultant to over 100 colleges and universities in the area of program review and planning. It begins with a discussion of the interrelationship, followed by a summary of related portions of an ongoing study. It concludes with a discussion of the findings and their implications for colleges and universities.

The Nature of the Interrelationship

The literature on the role of program review in planning is limited to a few papers which describe its application at specific institutions (Arns and Poland, 1978, 1979, 1980; Lawless, Levi, and Wright, 1978; Capoor, 1984; DiBiasio, 1982; Shirley and Volkwein, 1978); the more general literature on the utilization of evaluation results (Braskamp and Brown, 1980; Braskamp, 1980; Havelock, 1969; House, 1982; Patton, 1978; and others); and the literature on budgeting in higher education (Caruthers and Orwig, 1979; Dougherty, 1981; Hackman, 1984; and others). No studies purporting to assess the relationship between program review and planning have been identified.

This study draws on a larger 1982 survey of all types of postsecondary institutions in which 1,082 useful responses were received. Of the 1,082 responses, 882 indicated that their institutions had some kind of formal program review process. An analysis of these responses showed that about half had what appeared to be com-

prehensive, systematic program review processes. Of these, 314 were sufficiently documented to permit a detailed analysis of the program review planning and budgeting relationship. A breakdown of the 314 institutions by type shows that 20% were public four-year colleges, 35% were public two-year colleges, 40% were four-year private colleges; and 5% were private two-year colleges.

The role of program review as a subprocess of strategic planning has been described by several authors as that aspect in which the internal strengths and weaknesses are assessed (Keller, 1983) and internal capabilities are determined (Caruthers and Lott, 1981) contributing to an overall internal and external assessment of an institution that leads to a strategic plan.

Program review, while useful in identifying academic strengths and weaknesses, also makes numerous other contributions to a strategic-planning process, as outlined in Figure 1, which is based on survey responses in this study. Program review helps to identify institutional priorities in budget allocation and reallocation; in defining institutional mission; in assessing an institution's competitive advantage; in giving faculty, administration, and the board of trustees a sense of good stewardship; in providing for institutional accountability; in contributing to overall institutional quality; in institutional accountability; and in the "formative" function (noted earlier) of providing guidance for program improvement. In all of these ways, the program review process can have a varied and complex relationship to a given institution's strategic-planning process. The specific relationship and its impact on any or all of these dimensions of the strategic planning of an institution may also be positive or negative, depending on a number of factors, some of which will be explored later.

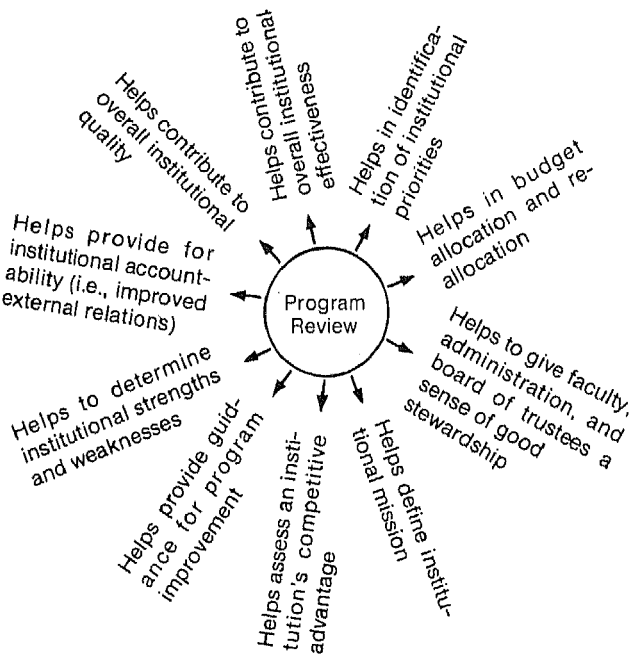


Figure 1. Contributions of program review to strategic-planning processes in colleges and universities.

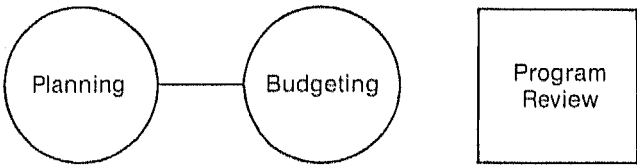


Figure 2. Pattern with no relationship (NR) between program review and planning and budgeting.

Since program review is a subprocess of planning, it is not surprising that the relationship of the two, according to the survey responses, is primarily a one-way relationship, with program review potentially making ten or more contributions to the planning effort, while planning contributions to program review include supportive and overall

Table 1
Selected Characteristics of Three Typical Program Review Patterns

Evaluators and Evaluation Technique	Primary Purpose Matrix		
	Self-Improvement	Institutional Review	Strategic Planning
1. Primary Evaluation Technique	Self-study	Peer reviews (faculty from other parts of the institution)	External peer reviews
2. Secondary Evaluation Technique	Surveys to faculty, students, and alumni and use of peer consultants	Self-study, surveys	Surveys, self-study, peer reviews by faculty within the university
3. Primary Persons Involved	Faculty	Institutional-level committee or administrator	Institutional-level committee or administrator
4. Secondary Persons Involved	Students, alumni, external peer consultants	Faculty, students, alumni	Faculty, students, alumni, advisory groups

Table 3
Number of Program Review Planning Relationships
by Kind of Institution

	No Relationship (NR)	Linkage (L)	Integrated (I)	Driving Force (DF)	Total
Public 4-Year	15	23	20	5	63
Public 2-Year	37	24	45	4	110
Private 4-Year	26	49	48	3	126
Private 2-Year	8	2	5	0	15
Total	86	98	118	12	314

Table 4
Percent of Program Review Planning Relationships
by Kind of Institution

	No Relationship (NR)	Linkage (L)	Integrated (I)	Driving Force (DF)	Total
Public 4-Year	23.8%	36.5%	31.7%	7.9%	100%
Public 2-Year	33.6%	21.8%	40.9%	3.6%	100%
Private 4-Year	20.6%	38.9%	38.1%	2.4%	100%
Private 2-Year	53.3%	13.3%	33.3%	0.0%	100%
Total	27.4%	31.2%	37.6%	3.8%	100%

cision into which category a particular institution fits because an institution's processes are subject to various interpretations, even by various persons within it, and frequently, the details of a given process are so complex that an arbitrary judgment must be called.

In an attempt to ascertain the impact of these varying relationships on administrative practices, an interesting relationship was identified between the pattern or type of review and selected characteristics of the program review itself. Table 5 shows that program reviews which evidenced more "formative" evaluation characteristics were viewed as more successful at institutions with a *no-relationship* pattern, while those with more "summative" characteristics were viewed as more successful at institutions where program reviews were either *integrated* or were a *driving force*.

The converse also appears to be true, at least partially. Institutions with "formative" evaluation review characteristics tended to view the process more negatively if their institution had either an *integrated* or *driving-force* relationship pattern. So few institutions with no-relationship patterns had "summative" characteristics that it was not possible to judge this relationship.

The relationship between the selected characteristics

and the type of pattern ought not to be a big surprise since evaluators from "day one" have been urging that the process ought to fit the purposes of the review. Apparently, some practitioners have not yet recognized the wisdom of this advice.

Implications of Findings

This study explored the linkages between program review and planning and budgeting in postsecondary institutions. It identified four general patterns of relationships between program review and planning and budgeting and noted the relative advantages and disadvantages, as reported by survey respondents. No single approach emerged clearly as better than the others, although the *integrated* approach had the most proponents and the institutions with a *linked* relationship had the most opponents. The former seem to feel more comfortable with a process of planning and resource allocation where the goals and objectives are clear and the units are evaluated consistently. The latter are negative because the process seems too ambiguous, the goals and objectives of the reviews are vague, and the use of the reviews are subject to administrative whim. One obvious implication is that people want to know how the processes impact them and to be assured that the over-

Table 5

Ideal Relationship between Selected Characteristics of the Review and the Type of Review Planning Relationship

Type	(Continuum)		
	Procedures and criteria optional; program reviewers are members of unit; self-study is focus; formatively oriented; purpose is improvement	Reviewers outside of department but within institution; usually flexible procedures and criteria	Orientation is external to unit; summatively oriented; primary reviewers are external; standard procedures and criteria
1. No Relationship (NR)	X		
2. Linked (L)		X	
3. Integrated (I)			X
4. Driving Force (DF)			X

all process is fair. Which process works best is a matter to be decided at a given institution, based on its history, traditions, type of organizational structure, morale, etc.

A correlation was also found between (1) the patterns of relationships between the reviews and planning and budgeting and (2) selected characteristics of the review process. The reviews that utilized "formative" or self-improvement characteristics were found positively linked with situations where there was little or no relationship between program review and budgeting and planning, and vice versa. (Table 5).

The implications of these findings for college and university faculty and administrators point to the importance of incorporating various principles of good practice into the design and implementation of planning and program review processes. These principles may be summarized as follows:

1. **Clarity of Purpose.** It is important at the onset of program review and planning activities to clarify the purpose of the review so that the review characteristics relate positively to their purpose and to planning. If, for example, the purpose is that the review should be a major factor in resource allocation, the review should incorporate "summative" characteristics. The purposes should also be made known to those affected, to preclude misunderstanding and other differences of opinion later on.
2. **Fairness.** Consistent with making clear the purposes of the review and planning relationship, attention needs to be given to making the entire processes of review and planning fair (both actually and perceived). For example, in situations where the reviews are used only selectively, such as in those with the "linked" relationship pattern, there appears to be a tendency for much distrust, even where it isn't warranted, because of the selective nature of the process and distrust of administrators. Considerable effort is needed to overcome these negative feelings. Generally speaking, all programs/units should be treated equally. This frequently means being firm but fair.

3. **Comprehensiveness.** This applies to several aspects of the review-planning process. The process should encompass all programs and all aspects of programs. Both undergraduate and graduate programs should be reviewed, for example.

4. **Use of Multi-Criteria.** All programs should be reviewed on the basis of multi-criteria (i.e., cost, need/demand, quality, productivity, etc.), not just one criterion which might distort an evaluation of a given program. There should also be multi-indicators of each criterion for this same reason. While this can be overdone (i.e., data overload), it is important to assess programs on the basis of a reasonable number of reliable factors.

5. **Cyclical and Timely Reviews.** The program reviews need to be updated regularly, whether they are used for planning and budgeting purposes or not. The review cycles need to be frequent enough to insure program viability, yet not so frequent as to be overdone, which results in poor attitudes and efforts for the reviews. In those institutions where the reviews are used for planning and budgeting, it may even be desirable to develop and maintain a program review monitoring system to identify problems between review cycles. This helps prevent the use of outdated and unreliable review information in planning and budgeting. For example, the average review cycle is five to six years; and a lot can happen to a program in the interim that ought not to be ignored in the planning and budgeting efforts.

6. **Good Communications.** It is not only important to have good communications at the onset, such as clarifying the purposes of the planning and review efforts, but good communication needs to be a continuous effort on the part of those responsible for the planning and review efforts. For example, the lack of good communication often results in the proliferation of counterproductive rumors. Keep those who are affected informed of what is happening.

planning and budgeting purposes. While this relationship (or non-relationship) apparently exists in a few institutions, it is hard to believe that there isn't some kind of interaction between program review and the other management processes, since even self-improvement reviews are bound to generate requests for additional resources, which by their very nature would seem to establish some relationship with planning and budgeting. None-the-less, in a few institutions, the relationship is so remote that the respondents claim it doesn't exist as a matter of institutional policy, management process, or tradition.

The second pattern of relationships is one in which there appears to be *linkage* (L) between program review and planning. Planning, program review, and budgeting appear to be linked in institutions evidencing this approach, usually in informal ways. As one respondent explained it, "... The provost, who is responsible for the [program] reviews also participates in the planning and budgeting process and will, on occasion, draw upon the reviews in making planning and budgeting decisions ... usually with respect to those programs which stand out in the reviews as being exceptionally poor or exceptionally in need of additional resources." The linkage type of review is illustrated in Figure 3.



Figure 3. Pattern with apparent linkage (L) between program review and planning and budgeting.

The linkage pattern of relationship between program review and planning and budgeting is generally characterized as less positive than other patterns, primarily because of its inconsistent application, which is often viewed in such negative terms as "political," "showing favoritism," "subjective," and "punitive." The fact that it is applied only selectively (as the previous quote suggests) is perhaps the biggest liability of this pattern. The linkage pattern also appears to foster a blurring of the purposes of the reviews, which institutions demonstrating this pattern frequently espouse to be program improvement. Concerns about a "hidden agenda" for the reviews are frequently raised in many institutions having this pattern of relationship. Those who obtain additional resources are, of course, not as likely to raise concerns as those who do not or those whose programs have a diminished status in the resulting planning and budgeting processes.

On the positive side, persons at institutions using the linkage approach frequently note the optional nature of the use of program review results as an asset because, as one respondent, an administrator, noted, "... the key administrators can use their own judgment and expertise in its use." This approach allows a greater degree of flexibility for the administrators.

A third pattern is evidenced at those institutions where program review is *integrated* (I) with the planning and budgeting processes. This pattern, which is illustrated in

Figure 4, has the advantage of a high degree of consistency between the review efforts for each program, and the purposes of the review are usually clearly known within the institution (or at least they ought to be).

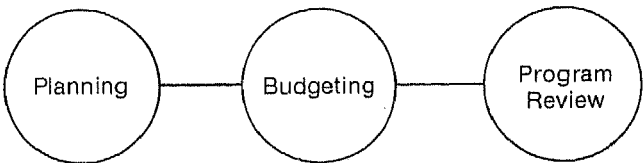


Figure 4. Pattern where program review and planning and budgeting are integrated (I).

For whatever reasons, faculty appear to be more knowledgeable about the entire planning, budgeting, and review in institutions exhibiting this approach. Because of the clear relationship to budgeting and planning, program financial aspects appear to have a greater degree of focus in the reviews. In institutions using this approach, the reviews are but one input into the planning and budgeting processes, along with other factors such as accreditation reports.

The disadvantages of this approach include a tendency for the program faculty and proponents to be less candid in their perspectives on their program because of the possibility that candid comments with negative connotations might be used to cut back or even eliminate it. This appears to be especially true where the program faculty are the individuals with primary responsibility for conducting the review, although the tendency to be less candid is even reported with respect to reviews where outside consultants have the primary recommending role. There is also a slight corresponding tendency, in institutions using this approach, for the reviews to be overly positive (especially in the self-study materials prepared by the program faculty).

The fourth pattern develops when the program review process drives or is a major *driving force* (DF) for the planning and budgeting process. This pattern is shown in Figure 5.

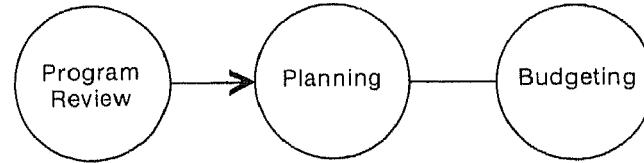


Figure 5. Pattern where program review is a driving force (DF) behind planning and budgeting.

Because of the pivotal role it plays in institutions having this pattern of relationship, program review takes on much greater importance within the institution. This greater force results in considerable stress being asso-

ciated with the reviews. Some feel this is beneficial because "... it forces attention on qualitative improvement," while others feel it distorts attention from "true program quality" to "program review quality;" or as one respondent noted, "Quality reviews become synonymous with a quality program, and this can be pure foolishness."

Even in institutions with this type of pattern, the reviews are rarely the only piece of evidence considered in the planning and budgeting processes. However, the role of the review is clearly a major one that is rarely ignored.

Some of the primary advantages of this pattern include factors described as follows: "The basis of decision making is well known because the review reports are public information available for all to see . . ." and "It reduces the subjectivity of the planning and budgeting process."

Findings

The distribution of the sampled institutions into one of these four general patterns was determined on the basis of the survey respondents and their description of the actual uses of the program reviews in their planning and budgeting processes. Also used were Braskamp's

(1980) major uses of program evaluation (i.e., instrumental, enlightenmental, and ritualistic) to help determine the type of pattern. If the program review results were "instrumental," that is, if the "results lead to a decision about program allocations, expansion, and elimination," a given institution was a likely candidate for either the *driving force* or *integrated* type, depending on whether its role was primary or secondary. If the review results provided "enlightenment" and "the appropriate audiences had new insights, issues, and perspectives for use in their discussions and deliberations," the institution was likely to be placed in the *linkage* pattern. Finally, those reviews that were more "ritualistic" than utilitarian were placed in the *no-relationship* pattern. A summary of the program review and planning characteristics in each type is shown in Table 2.

The distribution into the four general patterns of the 314 responding institutions which were analyzed in detail is shown by number in Tables 3 and 4.

It is probably reasonable to project that nationally these same patterns would hold with respect to the distribution of all postsecondary institutions across the general patterns of relationships. Admittedly, it is not always possible to determine with a high degree of pre-

Table 2

Summary Characteristics of the Four General Patterns of Relationships between Program Review and Planning and Budgeting

	No-Relationship (NR)	Linkage (L)	Integration (I)	Driving-Force (DF)
Program Review	Tends to be "formative" and focused on self-improvement of the program under review. Criteria are almost exclusively quality oriented. Primary evaluators are the program faculty. Reviewers (especially self-study aspects) tend to be candid.	Tends to be less "formative" and, while focused on self-improvement, may display some evidence of accountability. Primary criteria tend to be quantitative measures. Program faculty still play a major role; outside peers may be used selectively.	Tends to be more "summative" and evidence more measures of accountability. Criteria are generally a mixture of qualitative and quantitative. The primary evaluators are almost always external to the unit under review, with some external of the institution. Usually needs a monitoring system for each program so that reviews can be kept current for planning and budgeting between review cycles.	Tends to be "summative," with high levels of accountability. Criteria are more quantitative, but they usually contain qualitative factors. The primary evaluators are external to the unit under review and tend to use reviewers external to the institution. Unit-prepared aspects of the review (e.g., self-study) tend to be guarded and less candid. Requires an ongoing monitoring system to keep reviews current between review cycles.
Planning and Budgeting	The reviews tend to be an entity in themselves, and are not directly linked with planning and budgeting decisions but may, over time and indirectly, have an impact on planning and budgeting for a given unit.	The review results provide decision makers with new insights, issues, and perspectives in planning and budgeting, but they are used selectively and inconsistently. The process is more "political" and less objective.	The reviews are a factor used to develop planning and budgeting priorities. The use of the reviews for this purpose is generally known and tends to have overly positive and less candid evaluations from unit faculty.	The reviews are the primary subprocess of the planning effort. Program review results are very likely finally to be a major factor in decision making about program priorities, budget allocations, expansion, and elimination.

7. *Positive Emphasis.* A part of good communications is to convey the positive factors of the planning and review process, while not ignoring the negative. For example, emphasis could be placed on the need for a rational and objective allocation process and the benefits of reviews beyond budget determination.
8. *Proper Implementation.* Many review and planning efforts get off to a negative start and never seem to recover. Primarily, the poor starts are due to a lack of proper attention to the human element in planning. The old saying that "people help to support things that they have helped to create" holds true in planning and review efforts. Involve those affected in meaningful ways in the development and implementation process. You might also consider phasing in the effort instead of starting off with a full-blown project.
9. *Objectivity.* This applies to both the conduct of the reviews and their use in planning and budgeting. It encompasses the process as well as the persons involved. Care needs to be taken to insure procedures that favor objectivity.
10. *Credibility.* This is related to the need for objectivity as well as to other factors, such as equal treatment and due process for those who seek it. The process needs to be viewed as creditable by those both inside and outside the institution. Few things can hurt a planning and review process more than the lack of credibility.
11. *Utility.* The results of the review and planning efforts need to be used for decision making, either at the program or unit level for those with more formative reviews or at the institution level for those with more "summative-type" reviews. The processes should not be a waste of time and effort.
12. *Commitment of Decision Makers.* Last but not least, and highly related to "utility," is the need for the key decision makers to be committed to and appropriately involved in the planning and review processes. This needs to be achieved early in the process-development phase and continued throughout the processes of review and planning.

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