THE APPLICABILITY OF STRATEGIC PLANNING
IN THE BUSINESS STUDIES DIVISION
AT   B.U.C.

A Research Topic
Presented to the Business Studies Division
Beirut University College

In Partial Fulfillment
of the Requirements for the Degree
Master of Science in Business
Management

BY
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JUNE, 1991

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APPROVAL OF RESEARCH TOPIC

CANDIDATE   :   HAGOP VAHE PANOSSIAN   DATE : JUNE, 1991

DEGREE   :   MASTER OF SCIENCE IN BUSINESS MANAGEMENT

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TITLE OF RESEARCH TOPIC : THE APPLICABILITY OF STRATEGIC
                          PLANNING IN THE   BUSINESS
                          STUDIES DIVISION   AT B.U.C.

The following professors nominated to serve as the
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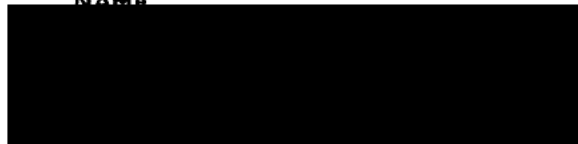research work.

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DEDICATION

TO MY DEAREST MOTHER,

FOR HER SUPPORT AND ENCOURAGEMENT

AKNOWLEDGEMENTS

I would like to express my sincere appreciations to professors **Yusuf Shibl** and **Nihad Pasha** for their encouragement, suggestions, advice and counselling. Without their guidance my task would have been much more difficult.

Moreover, i would like to express my gratitude to my friend **Vartkes Nicolian** for his extensive help in handling the intricate details related to the use of computer facilities and software packages.

Acknowledgements are also due to all who participated in the data collection phase of this study.

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CHAPTER I

INTRODUCTION

Strategic Planning is a formal planning process designed to achieve higher levels of organizational effectiveness and efficiency. It was primarily developed for business-oriented organizations, but the last decade, witnessed substantial efforts to enlarge the scope of its application to include not-for-profit, nonbusiness organizations. This study is an attempt to demonstrate the applicability and the worth of Strategic Planning in Beirut University College, a not-for-profit institution of higher education, through its application in the largest division at B.U.C., the Business Studies Division.

A. Need for Planning

Different types of organizations, all over the world, operate in dynamic and everchanging environments. Thus, the different economic, technological, competitive,political or social changes are the factors that determine or modify the spectrums in which these organizations operate. This has been the case in the past, and inevitably this will be the

case in the future, moreover, the years ahead will undoubtedly bring even greater and severer changes, demanding new approaches to the way organizations do business.

These environmental changes originate upon occurrence either threats, hurdles, obstacles or on the contrary, opportunities and new horizons to organizational operations.

Organizations should react to these changes, according to their classification of the nature of the occurring changes. Thus threats are to be avoided, or met properly, so that their negative consequences are avoided, but on the other side, opportunities are to be capitalized on, so that new horizons, new dimensions of successful operations are opened. In other words, organizations should be aware of the nature, the impact and the consequences of the occurring changes.

Moreover, the timing of revealing and identifying the future changes is extremely crucial in designing and planning the organizational reaction. The sooner the change is anticipated, the greater the chances are of adapting to it, and the greater is the probability of successful handling of its consequences. So, it is vital to anticipate changes in advance, so that organizational planners have enough time to study the nature of the change, to choose the best way of

handling it from a set of alternative action possibilities, and to pick up the adjustment, adaptment process that will secure the continuity and the prosperity of the organizational operations, through the achievement of organizational goals and objectives. All these in compliance with the internal organizational resources, given their inherent strengths and weaknesses.

In other words, organizations of all types, of various nature must plan their future, and work out procedures, programs of actions to implement the plans. This formal process of planning is known as Strategic Planning.

B. <u>Statement Of The Problem</u>

Beirut University College is a not-for-profit academic institution operating in an extremely turbulent environment since 1975, the year marking the beginning of the Lebanese Civil War.

Thus, the different bloody phases of the War, the political instability prevailing in the country, the continuously deteriorating and varying economic, social and demographic conditions, the scarcity of human and financial resources left almost no room for environmental opportunities, but on the contrary, a plenty of threats to detect, face or avoid.

In addition to these unusual and severe environmental threats, we can add the inevitable difficulties originating from the very basic characteristics of the nonbusiness, not-for-profit organizations or institutions, like,the existence of conflicting interests between the multiple constituency groups, funding difficulties, service orientation ..etc.

All the above specified difficulties behave as hurdles preventing smooth flow of operations, making the survival and the prosperity of the institution a difficult process, requiring planned, organized and intensified efforts, and greater striving power to maintain and improve its position as a prominent academic institution operating in Lebanon.

C. Need for The Study

Given the previously specified difficulties that Beirut University College in general,and its different divisions and schools in particular, are facing and are most likely to face in the years ahead, a strong need for long-term, formal and comprehensive planning effort is realized as an important and critical issue.

Strategic Planning is a relatively modern field of knowledge in the science of management. It has the following merits compared to other long-range planning methods:

a.   It relies more on   identifying and resolving issues   while, other long-range planning methods focus on specifying goals and objectives, and on translating them into current budgets and programs.[1]

b.   It is much more action oriented   compared   to most   long-range   planning   methods.   Thus,   strategic planners   work out a   variety of possible   streams   of plans   and actions to meet   effectively the unforeseen contingencies of the future.[2]

c.   It   emphasizes   the assessment   of   both   the external   and internal environments of   an institution far   more   than   other long-range   planning   methods. Unlike   most planning techniques which   tend to assume that   current   trends   will continue   into the future, strategic   planning   assumes,   expects   new   trends, discontinuities and surprises.[3]

d.   And   finally,   strategic   planning   is   more likely to set an ideal version of the   organization   a

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[1]   John M. Bryson, <u>Strategic Planning for Public and Nonprofit Organizations</u>, (New York: Jossey-Bass Inc., 1988), p.7.

[2]   Ibid, p.7.

[3]   I.   Ansof,   " Strategic   Issue   Management ", <u>Strategic Management Journal</u>, February 1980, p. 131.

"Vision of Success" and directs the planning endeavor to achieve this vision.[*]

In conclusion, strategic planning is not yet applied in B.U.C.. Its above listed merits and advantages compared to other long-range planning processes make its introduction and application a worthwile and self imposing issue.

D. Study Questions and Hypothesis.

The major questions to be answered by this survey are:

a. Being designed primarily for business oriented organizations, is Strategic Planning really applicable in an academic, nonbusiness institution like B.U.C.?

b. If applied in B.U.C., to what extent Strategic Planning process will prove to be a worthwile endeavor to undertake?

The basic hypothesis to be tested is:

Strategic planning in B.U.C., is a worthwile technique leading to higher performance levels, and to improved divisional effectiveness and efficiency.

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[*] B. Taylor, " Strategic Planning-Which Style Do You Need? ", Long Range Planning, Vol.17, p. 51.

E. <u>Purpose and Scope of the Study</u>

The main purpose of this study is to demonstrate the applicability and the worth of strategic planning in B.U.C., through its application in one of its largest schools, the Business Studies Division, where currently (Spring 1991) 41.99% of all B.U.C. students are enrolled (956 out of 2277).

Strategic Planning is a seven step formal process. Each of these seven steps plays a significant role in achieving the stated objectives of the integrated planning endeavour. Covering all the seven steps is beyond the scope of this study, because a comprehensive planning endeavour for the Business Studies Division is necessarily a team effort and responsibility, requiring primarily, the participation of key institutional decision makers, representatives of various interest or constituent groups, and consultants. Hence, the purpose of this study will be achieved by focussing:

primarily, on a **complete** implementation of a major step of the planning process: **The assessment of the internal environment of the Business Division.** (Evaluation of the various resources, and the current performance of this division)

and;

secondarily, on a **partial** implementation of the following two steps of the planning process:

a. **Identification of strategic issues.** (only those issues revealed by the internal environmental assessment step)

b. **Formulation of strategies to handle these issues.**

REVIEW OF LITERATURE

Application of Strategic Planning in
Not-for-profit Institutions

A. Introduction

The purpose of this chapter is to provide a review of literature with respect to the application of Strategic Planning in not-for-profit institutions, such as institutions of higher education, medical health care centers, government agencies ....etc.

So far, no previous survey has been conducted in Lebanon to demonstrate the applicability of Strategic Planning in not-for-profit institutions in general, and in academic institutions, in particular. As for studies outside Lebanon, a thorough search was carried on in specialized Business journals and magazines, available in the A.U.B. and B.U.C. libraries, but no research,or survey on the subject under study was detected, except for few case studies emphasizing the needs for introducing strategic planning in not-for-profit institutions, and sketching a mechanism for its application. Hence, this chapter is to shed a panoramic view on strategic planning as

a concept, technique and process in not-for-profit institutions.

This chapter is comprised of the following:

1. Strategic Planning: Definition, historical background and development.

3. Strategic Planning: Application in not-for-profit institutions, and the characteristics of these institutions.

4. Strategic Planning: The formal planning process

5. A brief review of two case studies:

    a. Application of strategic planning in the University of Michigan

    b. Application of strategic planning in the Maria Hansen Health Care institution.

B. Definition

Strategic planning, according to Olsen and Eadie, is defined as a "disciplined effort to produce fundamental decisions and actions that shape and guide what an organization (or any other entity) is, what it does, and why it does it."[5] It is a process that requires broad-scale information gathering, an exploration of alternatives, and an emphasis on the future implications of present decisions.

In simpler terms, strategic planning is the process of selecting the method of competition with the greatest probability of success in achieving the various organizational goals and objectives, given the organizational mission, the specific strengths and weaknesses within its resources, and the specific opportunities and threats of the environment in which it operates.[6]

In other words, "Strategic planning is concerned with finding the best or most advantageous fit between an organization and its environment based on an intimate Knowledge of both." [7]

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[5] Bryson, p. 5.
[6] Rue T. Hosmer, <u>Strategic Management</u>, (New Jersey: Prentice-Hall Inc., 1982), p. 171.
[7] Bryson, p. 118.

C. Historical Background and Development.

The word strategy is Greek in origin. It comes from the word **stratego** a combination of **stratos**, or army, and **ego**, or leader. Thus, strategic planning originated and developed in the military world, as the "art" of army generals, and in time, specifically in the late 1950s it was introduced in the business world as an "art" of corporate management.[8] In the 1960s and 70s strategic planning prospered in the business world. General Electric was a pioneer in its introduction, and the classic model of strategically managed company of the 1970s.

In the 1980s, the highly centralized "ivory tower" approach to corporate strategic management of the 1960s and 70s gave its place to a more decentralized approach. Thus, it became a joint responsibility of both top and line management , with the top management setting the overall direction, formulating the vision and communicating it downward to the line management, so that, these in turn, complete the operational details of the plan. In other words, in the early 90s strategic planning is viewed as an iterative process, a continuous dialogue with participation from all levels of management.[9]

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[8] Bryson, p. 22.
[9] James R. Gardner, Robert Rachlin, H. W. Allen Sweeny, <u>Handbook Of Strategic Planning</u>, (New York: John Wiley & Sons Inc., 1986), p.1.

Moreover, being a relatively modern and developing field of knowledge, strategic planning witnessed a substantial effort to enlarge the scope of its application to include a wide variety of organizations of different nature, type and size.

In other words, nowadays, in addition to its application in the business-oriented organizations of different sizes, strategic planning is applied in the non business, not-for-profit organizations and institutions too, provided that it is carried out in harmony with the different characteristics of these organizations.

The next section will discuss briefly the characteristics of these not-for-profit organizations.

D. Characteristics Of Not-for-Profit Organizations

The development of a strategic planning process in any type of organizations should be carried out in harmony with the basic and outstanding characteristics of that organization. This section, will cover briefly some of the most important characteristics of nonbusiness, or not-for-profit organizations and institutions, that affect the different managerial practices in these organizations.

Nonbusiness, not-for-profit organizations may differ in type, overall size, internal tasks, funding

flexibility, external constraints ...etc. Despite these differences they have the following common characteristics:

a. Service Orientation

Most nonbusiness organizations produce services rather than products. Academic institutions render educational services to their "clients", enrolled students. Health care institutions render a variety of medical services to their patients ...etc. These services are intangible in nature and variable in design. While the word intangible is self explanatory, the term "variable design" refers to the changing specifications of a service to meet the requirements of different clients, or recipient groups.

These intangible and variable characteristics make these services difficult to produce and the production process awkward to control.[10]

The production problems originate from the difficulties in scheduling operations to meet a varying level of demand. On the other side, control problems originate from the lack of clearly set standards for the evaluation of either the quality of rendered services, or the performance of employees offering these services.

[10.] Hosmer, p. 416.

In conclusion, strategic planning has to consider the special problems imposed by the imprecise and the individualized nature of these services.

b. Non Market Pricing

Revenues in nonbusiness organizations are neither determined by market pricing nor full costing. It depends to a certain extent on the client's ability to pay. Tuition fees in an academic institution, as an example, are not determined by full costing. Moreover, services are provided because they are felt to be needed by clients, not because they are thought to be cost-effective or price elastic.

In other words, strategic planners have to be aware of the fact that revenues offer very limited assistance in ensuring quality or improving performance.[11]

c. External Funding

Non market pricing, in these institutions results in a reliance upon external sources of funding to meet the organizational need for operating income.

The external funding sources may be classified into:

-Private: Gifts, donations provided by foundations or individuals.

-Public : Governmental allocations.

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[11] Hosmer, p. 418.

This reliance on external funding sources is most likely to bring resource contributors to a dominant or highly influential position in the managerial process.

Hence, strategic design at a nonprofit institution has to take into consideration the direct and pervasive influence of resource contributors.[12]

d. Professional Personnel

The staff in most nonprofit organizations can be divided between professional and managerial or operational personnel.

The professionals in an academic institution, as an example, are the different faculty members who represent various academic disciplines.

A member of a profession has a divided allegiance partially to the profession, and partially to the organization.

In conclusion, the strategic planning effort has to recognize the differing norms and values of the professional personnel.[13]

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[12] Hosmer, p.416.
[13] Hosmer, p.419.

e. <u>Multiple Constituency</u>

Unlike profit-oriented business organizations nonbusiness organizations are characterized by the presence of various constituency groups. Service recipients, representatives from the funding agencies, members of professional associations, people from public interest groups, and managerial or operational personnel determine these groups. Although varying in the degree of influentiality, each of these groups has a separate concept of the proper mission or set of activities for the organization. Therefore strategic planners have to take into consideration, the degree of influentiality, the differing interests and objectives of this multiple constituency groups.[14]

As a result of the above discussed characteristics, the planning focus in these organizations shifts from the intangible and variable outputs to the inputs which can be measured in financial terms, but which can be influenced by the multiple constituency groups. This brings a political dimension to the managerial practices in these organizations, with the "political" referring to the method of achieving an acceptable compromise between the different conflicting groups.

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[14] Hosmer, p.419.

In conclusion, not-for-profit organizations exist as a part of a spectrum of similar organizations providing nearly equivalent services to approximately similar groups by closely parallel methods. They do not compete in economic terms for clients, but for public approval and financial support.[15]

Strategic planning in not-for-profit organizations is the formulation of a long-term concept of services to be offered by the organization. services that secure a comparative position or posture relative to other organizations in its spectrum. This will result in a wider understanding and a fuller support for organizational operations, a rationale for its survival, continuity and future prosperity.

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[15]. Hosmer, p. 423.

E. Strategic Planning: The process

Strategic Planning in not-for-profit organizations may be viewed as a seven step process; the steps are the following:

1. Initiating and agreeing on a strategic planning process.

2. Identifying organizational mandates.

3. Clarifying organizational mission and values.

4. Assessing the external environment: opportunities and threats.

5. Assessing the internal environment.

6. Identifying the strategic issues facing an organization.

7. Formulating strategies to manage these issues.

In the following few pages the above listed steps are to be elaborated briefly.

Step 1: <u>Initiating and Agreeing on a Strategic</u>

<u>Planning process</u>

The purpose of this step is to develop an initial agreement about the overall strategic planning effort, among the key organizational decision makers in an organization. Moreover, it aims at securing their commitment to the success of the effort.

Ideally, this step will produce agreement on the following issues:

    a. The worth of the strategic planning effort.

    b. The scope of the effort.

    c. The commitment of the necessary resources:

        a. Human resources: people from the different level of the organization & consultants.

        b. Physical and financial resources.

    d. The mechanism of the effort.

In conclusion this step sketches out the setting, themes, plots, subplots, and actors of the strategic planning process.[16]

Step 2: <u>Identifying organizational mandates.</u>

The identification of mandates, and the clarification of the mission (step 3) together provide the social justification for an organization's existence.

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    [16]. Bryson, p. 92.

The purpose of this step is to clarify the nature , and the implications of the externally imposed mandates affecting the organization.

These external mandates can be classified into:

a. Formal: codified by laws, charters, articles of incorporation ...etc. These formal mandates set the boundaries of organizational operations.

b. Informal: embodied in norms, but are no less binding to organizational operations.

Organizations must know exactly what are they required to do and not to do by external authorities. This step will lead to a better interpretation of the mandate requirements, and to a clarification of the boundaries of the unconstrained field of operations.[17]

Step 3: Clarifying organizational mission and values.

The purpose of this step is to clarify the mission of the organization, and the values that guide it. But prior to mission clarification it is in this step that a stakeholder analysis is performed. The stakeholder analysis will serve as a valuable prelude to mission clarification and the steps to follow (4,5,6,7).

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[17]- Bryson, p. 94.

Stakeholder Analysis

The stakeholders are the different interest groups that affect, or are affected by the organizational operations. The satisfaction of these various and often conflicting groups is the key to organizational success.

The stakeholder analysis has to compile answers to the following questions:[18]

    a. Who are the stakeholders?
    b. what criteria they use to assess organization's performance?
    c. How well the organization is performing against these criteria?
    d. How do they influence the organization?
    e. What the organization needs from each stakeholder?
    f. where does a stakeholder stand in importance compared to others?

The mission statement is the declaration of the organization's purpose of existence. In clarifying the mission of an organization the following questions are to be answered:[19]

    a. What are the basic social/political needs that the organization exists to fill?
    b. How those needs are to be met and filled?
    c. How should the organization respond to key stakeholders?
    d. What are the organizational core values and philosophy?
    e. what makes the organization distinctive and unique?

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18. Bryson, pp. 101-104.
19. Bryson, p. 105.

In conclusion, this step clarifies organization's arena of action, and many of the basic rules and players within that arena.

Step 4: Assessing the external environment

The purpose of this step is to insure a systematic scanning of the external environment in which an organization operates, to reveal, and identify the nature of changes or changing trends, prior to their occurrence. This forecasted or monitored changes, or changing trends, initiate upon occurrence either threats to the organization's long-term viability or on the contrary, new opportunities for prosperity. Revealing opportunities and threats well in advance is crucial in designing the proper strategies to handle them.

In this step the following three questions are to be answered :[20]

    a. What are the major trends in the environment?

        Three categories are to be assessed:[21]
        1. forces and trends :
           political, economic, social, technological
           and demographic.
        2. Clients / customers
        3. Competitors and collaborators

    b. What are the implications of these trends for
       the organization?
    c. What are the most significant opportunities
       and threats?

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[20]. Philip Kotler, Karen F.A. Fox, Strategic Marketing for Educational Institutions, (New Jersey: Prentice-Hall Inc., 1985), p.97.

[21]. Bryson, p. 122.

In conclusion, this step provides information vital to the organization's survival and prosperity and clarifies the nature of the tension fields in which it exists.

Step 5: <u>Assessing the Internal Environment</u>

The purpose of this step is to provide information on the internal strengths and weaknesses of the organization. This intimate internal assessment is crucial in designing the organizational response to the environmental threats and opportunities. In other words, an effective strategy should take advance of internal strengths and should try to minimize or overcome weaknesses.

The three categories to be assessed are the following:[22]

a. <u>Organizational resources</u>

The organizational resources are classified into:

<u>tangible</u> and <u>intangible</u>

The tangible resources are the following:

1. Financial resources

2. Human Resources

3. Facilities

4. Markets, and market share

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[22]. Bryson, p. 125.

The intangible resources are the following:

1. The institution's internal environment and character. Its history and reputation. Its image compared to competitors viewed by itself and the stakeholders. Its distinctive competencies, and areas in which it can outperform its competitors.[23]

2. The institution's stage in its life cycle.

b. Present strategy.

c. Current performance: How it is performing against stakeholder criteria.

Step 6: Identifying the strategic issues facing an organization.

The preceding five steps lay the foundation for identifying strategic issues (step 6) and developing effective strategies (step 7).

The purpose of this step is "to identify the fundamental policy choices facing the organization."[24] It is in this step that issues are identified, and framed. To be more specific this step has two outcomes:

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[23] Kotler & Fox, pp. 118-119.
[24] Bryson, p. 139.

a. A list of strategic issues faced by the organization. Each issue in the list has the following information available:

1. A description of the issue
2. A description of the items that make the issue strategic.
3. A brief discussion of the consequences of failure to address an issue.
b. An arrangement of the issues on the list according to their importance.

In conclusion, this step is the heart of the strategic planning process, because it helps focussing attention on what is truly important. Moreover, the identification of issues usually creates tension prompting action, and finally, it provides useful clues and hints about issue resolution.[25]

Step 7: <u>Formulating strategies to manage the issues</u>

The purpose of this step is to create a set of strategies, that "effectively link the organization and its constituent parts to the external environment."[26] In other words, this step sets a clear picture of how the organization intends to meet its mandates, fulfil its mission, and deal effectively with the changing situations it faces.

Typically, strategies will be developed in response to strategic issues, but they also may be

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[25]. Bryson, p. 140.
[26]. Bryson, p. 166.

developed to achieve organizational goals and objectives.

Strategies may vary by level and time frame, a grand strategy, for instance, can be set for the organization as a whole. On the other extreme, a functional strategy can be designed to handle a specific functional issue.

In conclusion, Strategy formulation is the process of selecting the most advantageous choices of action from a set of alternative action possibilities that have the greatest probability of success in handling the strategic issues that an organization faces, or in achieving organizational goals and objectives.

In the following pages, two case studies, illustrating the application of strategic planning in two not-for-profit institutions, an academic institution and a medical care center, will be discussed briefly.

Study I: Graduate School of Business Administration at University of Michigan.[27]

Study II: Maria Hansen Health Center.[28]

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[27] Hosmer, pp. 432-443.
[28] Hosmer, pp. 443-472.

Case study I : <u>G.S.B.A. at University of Michigan</u>

a. <u>Background Information</u>

The University of Michigan was chartered by the Legislature of the Territory of Michigan in 1817. It was proposed by Augustus B. Woodward, who was then the federal judge of the territory. In 1817, the population of the territory was less than 5000 persons. In 1837, it was moved to its current location, Ann Arbor. The first class of 17 students was admitted in 1841.

In 1977, 140 years after the move to Ann Arbor, the University of Michigan had grown substantially in size and reputation. It had expanded to more than 45,000 students, enrolled in 17 schools on 3 campuses.It was undoubtedly one of the nation's leading universities.

b. <u>Problem Area</u>

University of Michigan had always succeeded in maintaining a prominent and leading position among the outstanding American universities. But, the financial problems it started facing since early 1970s, were a severe threat to its long-term viability and to the continued quality of its instructional programs. These financial problems were due to the following facts:

1. Revenues at the university simply had not kept pace with inflation. Thus over a period of six years (1970-76) revenues per full-year equivalent student had increased 47.5%; but inflation had risen 50,5%.

2. Substantial cuts were made in state funding for higher education, because other much more pressing social needs, particularly welfare and urban problems, had supplanted higher education in the political competition for funding.

3. Many of the available funds like gifts, donations, were restricted to designated purposes and activities.

Moreover, altogether with the above listed financial problems, the following environmental, demographic threats were revealed:

1. The number of college-age persons was declining steadily, and this trend was likely to continue in the same direction.

2. A decreased demand for higher education was forecasted.

c. Need for Planning

To handle the above listed financial, political and demographic problems, substantial "belt-tightening " measures were initiated. Reductions were made in expenditures for library books, technical equipment, organized research , property maintenance ...etc. Tuition fees were raised substantially but, only a

portion of the allocated costs were covered.

It was all clear that University of Michigan had to plan for a parsimonious future. Hence, a long-range planning effort was started in Fall 1975.

d. The planning Process

A three phase planning process was deigned and introduced by the academic vice president.

Phase I : Activation of each unit's objectives and their implications. Each of the 17 schools and 20 centers was asked to prepare a document stating the goals and the objectives of each unit. Moreover, each unit had to describe the instructional programs, research projects, staffing requirements, and the enrollment levels needed to achieve these goals and objectives. These reports were to be submitted to the academic vice president.

Phase II : Evaluation of the current performance for each unit in light of the objectives stated in phase I. This was to be done by a university wide committee.

Phase III: Delineation of directions and alternative courses of actions, based upon the statements of phase I and the evaluation of phase II.

In other words, this , three phase, planning process was an illustration of a mechanism of applying Strategic Planning in an academic institution.

e. The Objective of the Planning Process

The objective of the above described planning process was to insure the continuity, the prosperity and the long-term viability of the University of Michigan. This was to be achieved by establishing priorities for the future, and by allocating the scarce financial resources of the University according to the established priorities.

In other words, this formal planning process was a very clear example of what a large university can do when under pressure to spread its resources thinner.

f. The Planning Process in the School of Bus. Adm.

In the last section of the case study, and for illustration purposes, the current performance of the Business School was described as an initial step for the evaluation phase. Thus, the four different instructional programs (B.B.A; M.B.A.; M.B.A. Evening, Ph.D) were covered, and the following aspects, points were elaborated with respect to each program.

1. The academic requirements of each program.
2. The enrollment trends of each program.
3. The characteristics of the faculty in each program.
4. The characteristics of students in each program.
5. The financial resources of the Business School.
6. The different environmental trends affecting the performance of the Business School.

In conclusion, this case study was an illustration of the introduction of Strategic Planning in an university.

Study II: <u>Maria Hansen Health Center</u>

<u>a</u>. <u>Background</u> <u>Information</u>

In mid-1979, Mercy Hospital, and acute medical care facility, and Maplewood Neuropsychiatric care facility, both located in Madison, Wisconsin, were combined to form the Maria Hansen Health Center. The Health center was named after Maria Hansen, the founder of the Sisters of Holy Spirit, a Roman Catholic religious order, that for over 100 years has been very active in the ownership, management and staffing of hospitals. In 1980, the Sisters of Holy Spirit Health corporation was the largest non-profit religious provider of health care in U.S., with 17 hospitals and health centers in the tristate area of Wisconsin, Iowa and Illinois.

Maria Hansen was one of the 17 health centers. It was to fulfill the medical care needs of the Madison and Dane County communities.

<u>The</u> <u>Facilities</u> <u>in</u> <u>Maria</u> <u>Hansen</u> <u>Health</u> <u>Center</u>

Maria Hansen Health care center had the following facilities.

1. The Mercy Hospital: It was the largest facility in the Health Center, a 558 bed, nonprofit, voluntary acute-care hospital. It was modern and successful, and too often described as the "flagship of the Sisters of the Holy Spirit fleet." it was founded in 1911 as a

tuberculosis sanitarium, and expanded since, bringing the total bed capacity to 558 in 1940s. In 1977, it was moved to a 240 acres on the eastern edge of Madison, with new buildings, facilities and adequate room for expansion. The same bed capacity was maintained. The site was planned around the "concept of a health care campus" offering diversified services, integrated in one location to serve the total health needs of the community. Mercy Hospital provided both primary and secondary medical care, but attempted to avoid tertiary care unless it were unavailable in other health care institutions within the area.

The utilization of beds had been over 80% for years, and no decline in future demand was expected. It was staffed by 2500 employees (400 physicians).

2. The Maplewood Neuropsychiatric Hospital

It was established in 1920 to provide mid-term psychiatric treatment, with the average patient staying 7 to 9 months. It had 155 beds, was served by 25 psychiatrists. The occupancy rate had been 67% (1979) and it was described as an "institution in distress." The low occupancy figure was mainly due to the availability of public facilities, the obsolete nature of facilities, and the changing patterns in psychiatric care.

3. The Oak Medical Clinic

It had been started in 1979 to provide primary medical care. It had no inpatient beds, and offered only outpatient diagnosis and treatment. it was an experiment. In 1979, 5000 patients visited the clinic, but the anticipated utilization was 14,000 visits per year. It was clearly a deficit operation.

b. The Health Care Industry

Maria Hansen Health Center, the Sisters of Holy Spirit Health Corporation were all part of the national system of health care within the U.S.

The system had expanded rapidly during the period extending from 1960-80, with overall expenditures rising from $23.2 billion in 1960 to $210 billion in 1980. This massive growth was due to the following factors:

1. Inflation in the general price level.

2. Increased demand for health care due to increased age distribution in U.S. (more elderly people in need of health care), and increased insurance coverage (ability to pay for medical services).

3. Increased costs in meeting the demand for health care due to the use of advanced technologies,

and high quality personnel to operate the complex facilities and equipment.

This massive growth in expenditures, failed to solve problems as:

    a. Equal access to these health care services.

    b. Assured quality of that health care services.

Moreover, additional problems were revealed like:

    c. Excess bed capacities.

    d. Duplication of facilities and services.

These problems and rapidly rising costs, caused the federal government to take an active role in regulating the health care industry through the passage of control legislature to achieve cost containment, improved access, quality control, and more explicit planning to avoid duplicate facilities, and excess capacities. The health care industry became known as "the most regulated, unregulated industry in the country."

In other words, the health care industry was an explicit example of the presence of external forces in the industry, represented by the different constituent groups, and their interference in the different operations of the institution.

c. <u>Need</u> <u>for</u> <u>Planning</u>

The regulatory practices affected negatively the expansion plans of most health care institutions. Maria Hansen, in turn, suffered from these regulatory acts. Thus, it had substantial expansion plans, directed towards achieving a diversified set of medical services designed to meet the different health care needs of the Madison and Dane County communities. It was occasionally engaged in "bloody battles" for approval of its expansion plans.

In order to overcome the obstacles it was facing, and to improve the effectiveness and the efficiency of its current facilities, a formal planning process was instituted by the president of the institution, James Michelson. A planning process that would go beyond the normal personnel schedules, annual budgets, capital allocations and facility designs.

d. <u>The</u> <u>Objective</u> <u>of</u> <u>the</u> <u>Planning</u> <u>Process</u>

The basic objective of the formal planning process was to study the future health care needs of the community, and then to consider the alternative means of meeting these needs, with easier individual access, greater facility utilization, improved medical effectiveness and lower overall costs.

In other words, the objective was, the achievement of a proactive rather than reactive position in the health care management. This was to be achieved by focussing on the supply side of the equation rather than the demand size.

In conclusion, this planning effort aimed at designing a long-term set of services that was to be offered by Maria Hansen Center to fulfill the medical needs of the communities it was serving, and to secure the understanding and full support of its different constituent groups.

e.   The Planning Process

The planning process introduced in Maria Hansen Health Center focussed primarily on the following 4 steps of the Strategic Planning process.

1.   Assessment of the external environment. This was to be carried out by continuously monitoring the different environmental trends to detect their implications on the health care industry in general, and on M. H. Health Center in particular, so that major opportunities and threats were revealed. The different environmental trends to be monitored were the following:

> Political   : ex. Regulatory Acts.
>
> Demographic : ex. Age distributions, population
>   distributions.
> Technological: Innovations related to health care

2. Assessment of the internal environment.

An evaluation of the internal resources and the current performance of the Health Center was to be carried out to detect strengths and weaknesses.

3. Identification of strategic issues based on the analysis and the evaluations in steps 1 and 2.

4. Formulation of strategies to manage the identified issues.

In practice, this planning effort was to be carried out by the following teams established for this purpose.

1. **The Condition Review Teams:** Were small groups of representatives from various medical specialties, nursing and technical staffs, administrative personnel and funding organizations (representatives of the various constituent groups) . These groups studied specific clinical conditions, diseases, evaluated the medical programs used by the center for diagnosis and treatment, and considered alternative diagnostic and therapeutic programs.

The findings were reported to the Central Planning Committee.

2. **The Community Need Panels:** These were temporary committees formed to study medical services needed by the community. The members of these groups were representatives from the professional and

administrative   personnel,   staffs,   corporate
headquarter   members   of   the   S.H.S.H.   Corp.,
representatives   from   local   health   agencies,   and
consulting firms.

Each S. N. P. was assigned to a specific issue.
After evaluating the trends, each had to formulate a
consensus on a proposed direction for the Health
Center.

3.   **The Central Planning Committee** : Was a permanent
committee composed of the president, executive vice
president,   all   vice presidents,   2 appointed members
from   the   board   of directors,   and   several   elected
representatives   of the physicians.   The committee was
to   meet once a month to review reports from the first
two committees.   In case of approval, reports from the
C.R.T.s   were submitted to the   resource committee for
additional   fund   allocations,   and reports   from   the
S.N.P.s   were sent to   the central planning   staff for
feasibility study and then were submitted to the board
of directors for final approval.

In   other   words,   this   committee   was   used   to
"fine-tune"   the   organization,   and keep   it   closely
aligned to the advances and innovations in the medical
care practices, and changes in service area patterns.

The planning process was implemented successfully, and numerous proposals had been generated for new efforts and extended services. Five alternative diversification proposals, Geriatric Services, Alternative Financing, Rehabilitation Programs, Mental Health Services, , and Personal Wellness Programs were brought under immediate consideration.

This chapter presented a comprehensive review of literature with respect to the application of Strategic Planning in not-for-profit institutions. The following chapter will cover the methodology of this study.

Chapter III

Study Design and Methodology

As stated clearly in chapter I, this survey is an attempt to study and demonstrate the applicability and the worth of strategic planning in the Business Studies Division at Beirut University College.

Strategic planning is a comprehensive planning endeavour designed to achieve improved organizational efficiency and effectiveness. As indicated in Chapter II, it is a seven step formal process. Each step in the process plays a significant role in achieving the stated objectives of the integrated planning endeavour. Covering all the seven steps is far beyond the scope of this study. Thus, a comprehensive planning endeavour is under no circumstances a single-person effort. So, the purpose of this survey will be achieved by focussing primarily on a single step: the assessment of the internal environment of the Division. To achieve a comprehensive assessment of the internal environment of the Business Division, a thorough search for relevant information was conducted. This chapter will cover the procedures used and the methodology implemented in the data collection phase of this study.

A. Sources of Information and Survey design

In conducting a comprehensive assessment and evaluation of the internal environment of the Business Division, the participation of its various constituent groups is crucial. By the different constituent groups capable of evaluating the internal resources, character, and the current performance of the Division we mean:

a. The human resources of the Division: Students both graduate and undergraduate, and the faculty.

b. The employers of the B.U.C. Business graduates.

These four constituent groups served as the four different populations, and the main sources of information of this study.

1. Undergraduate students: This population is used to assess the following:

- The quality and the characteristics of the student body in the Division.

- The image of B.U.C. as viewed by high school students, prior to their enrollment in the Division.

- The Divisional facilities and resources. (faculty, computer center ..etc.)

2. Graduate students: This population is used to assess:

- The characteristics of the students enrolled in the program.

- The performance of other human resources, ex. the faculty performance.

- The Divisional facilities.

- The employment opportunities and markets, open to Business graduates.

- The relative image of B.U.C. Business graduates in the employment market.

3. Faculty : The faculty of the division is used to assess:

- The human resources of the Division, mainly students.

- The facilities of the division.

- The managerial practices in the Division.

- The work conditions and the financial package.

Moreover, this population is used to draw a comparison between the resources of the Division and that of the competitor's.

4. The employers & employment markets: This population is used to assess:

- The relative market share of B.U.C. Business graduates in the Lebanese employment markets.

- The market evaluation of the performance of B.U.C. graduates - The Market expectations , needs and requirements.

- The relative image of B.U.C. as viewed by employers.

In addition to the above listed constituent groups, the statistical & financial records of the B.U.C. Registrar's office, Dean's office and the comptroller's office served as important sources of information.

B. Samples & Measures Used to Collect Data.

Four different questionnaires were distributed to four different samples:

Sample 1 : Undergraduate Students

The population size is 887 students. 108 copies of questionnaire #1 were distributed in 4 different classes of different academic levels. The rate of response was 100%, 8 questionnaires were eliminated due to substantial lack in accuracy. The final sample size was 100 students (11.2% of the population).

Sample 2 : Graduate Students

The population size is 69 students, 45 copies of questionnaire #2 were distributed , the rate of return was 100%, the final sample size was 42 (60.87%) of the population.

Sample 3 : Market-employers

40 copies of questionnaire #3 were distributed, and 24 arrived back. The majority of the completed questionnaires were filled through personal interviews held with the respondents, mostly senior level managers.

The final sample size was 24, 10 banks, 5 insurance companies, 5 auditing companies, three general trade companies and finally a single consultant company.

Sample 4 : Faculty

The population size is 40. A copy of questionnaire #4 was distributed to every faculty memmber. Only, 23 questionnaires arrived back. Thus the response rate in the case of full-timers was 100%, but only 50% in the case of part-timers. The final sample size was 23 (7 full-timers and 16 part-timers).

Description of All Measures Used to Collect Data

Three different measures were used to collect all the required data:

a. Questionnaire surveys, which were the core of this study. These four questionnaires are elaborated respectively, in the appendix A, B, C, & D of this study.

b. Interviews :

    - with the Division chairman.

- with the managers of Divisional facilities

- with the B.U.C. Librarian.

- with managers of various organizations in the employment market.

c. Data from the records of:

- the B.U.C. Registrar's office.

- the B.U.C. Dean's office.

- the B.U.C. Comptroller's office.

- the Business Studies Division.

D. **Data Analysis**

The data collected by the questionnaires and the other data sources was elaborated, tabulated & analyzed with the help of three computer software packages:

- LOTUS 1-2-3

- ENERGRAPHICS

- SPSS (Statistical Package for Social Sciences)

- DBASE III PLUS

Having covered the methodology of this study, the following two chapters will cover the findings of this study.

CHAPTER IV

Business Studies Division: General Overview

This chapter is comprised of the following :

A. Enrollment trends in the Business Division.

B. Admission and graduation trends.

## A. Enrollment Trends

1. Introduction

The Business Studies Division is one of the 5 academic divisions at Beirut University College. The other four divisions are, the Natural Science, the Social Science, the Humanities and the Education Divisions. In fact, the Business Division is the largest of these 5 instructional units. Thus, currently, academic year 1990-91, 42% of all B.U.C. students (956 out of 2281) are enrolled in the different programs offered by the Division. The distribution of B.U.C. students in the 5 academic divisions is summarized in Table #1, and elaborated by the Pie chart #1 on the following page. It is to be noted also that 249 students are unclassified, hence not enrolled in the 5 instructional units.

TABLE #1 : Student Distribution in the 5 Academic Divisions at B.U.C. (1990-1991)

Nat. Sc.	Soc. Sc.	Humanit.	Business	Education
425	241	384	956	29
18.6%	10.6%	16.8%	41.9%	11%

PIE CHART # 1

STUDENT DISTRIBUTION IN B.U.C. (90-91)
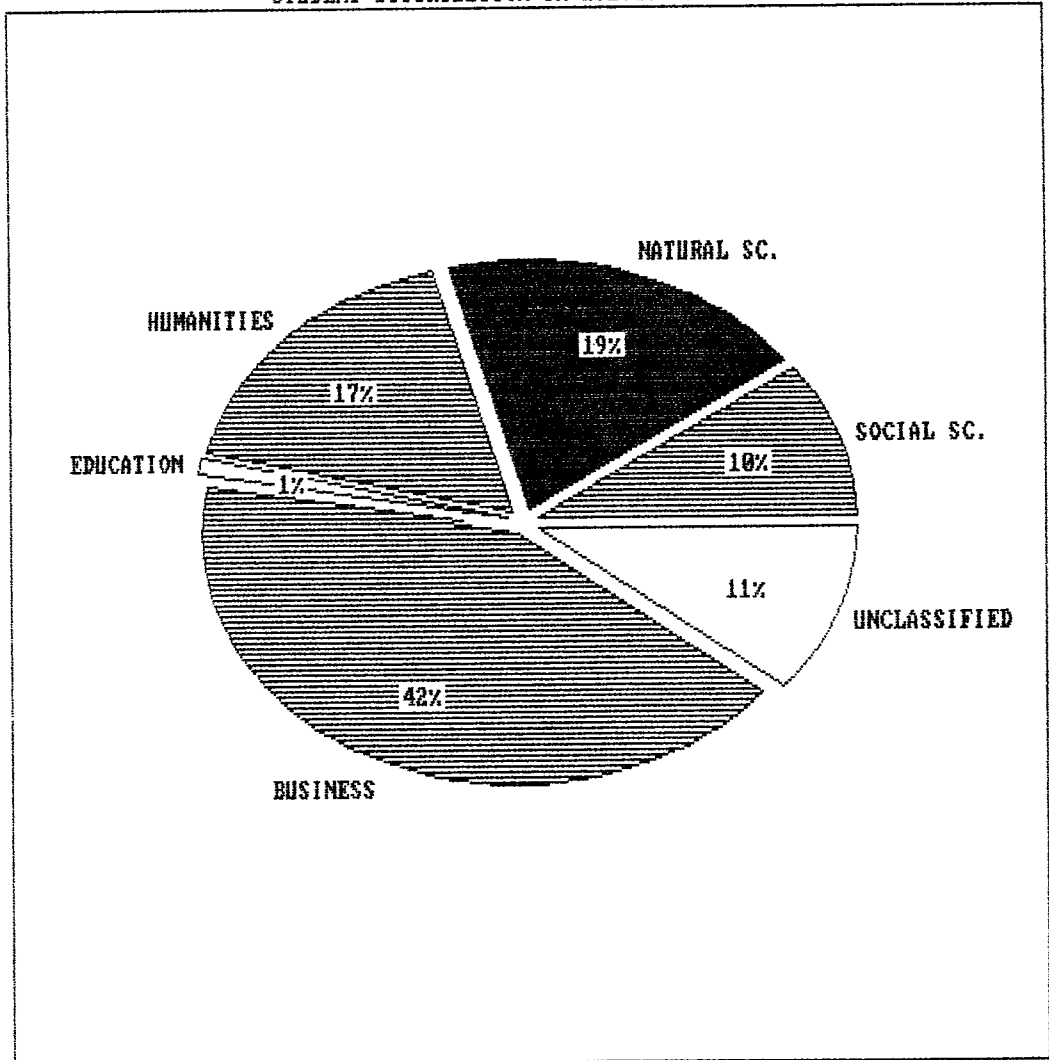
The Business Division has maintained this leading position over the last decade. In fact, almost 40% of all B.U.C. students were enrolled in the Business Studies Division over the last 9 academic years.

Table #2 and Chart #1 relate the enrollment in the Business Division to total B.U.C enrollment over a period of 9 consecutive academic years, 1982-83 to 1990-91.

TABLE #2 : Enrollment in the Business Div. Vs.Total B.U.C. Enrollment.

Acad Year	1982 1983	1983 1984	1984 1985	1985 1986	1986 1987	1987 1988	1988 1989	1989 1990	1990 1991
Tot. BUC	1958	1760	1546	1587	2284	2775	2453	234	2281
Tot Bus.	742	667	567	609	867	1214	1092	984	956
Rate	37.9 %	37.9 %	36.7 %	38.4 %	38.0 %	43.8 %	44.5 %	41.9 %	41.9 %

Given the figures in Table #2, it can be easily pointed out that the total B.U.C. enrollment was subject to substantial fluctuations in both directions. This was mainly due to the changes in the different environmental factors, political, economic, social, demographic ...etc. Studying the relationships, and analyzing the affects of the environmental changes on total B.U.C enrollment is beyond the scope of this study. But, these

BAR CHART # 1

BUSINESS ENROLLMENT AS A % OF BUC ENROLLMENT 82-91
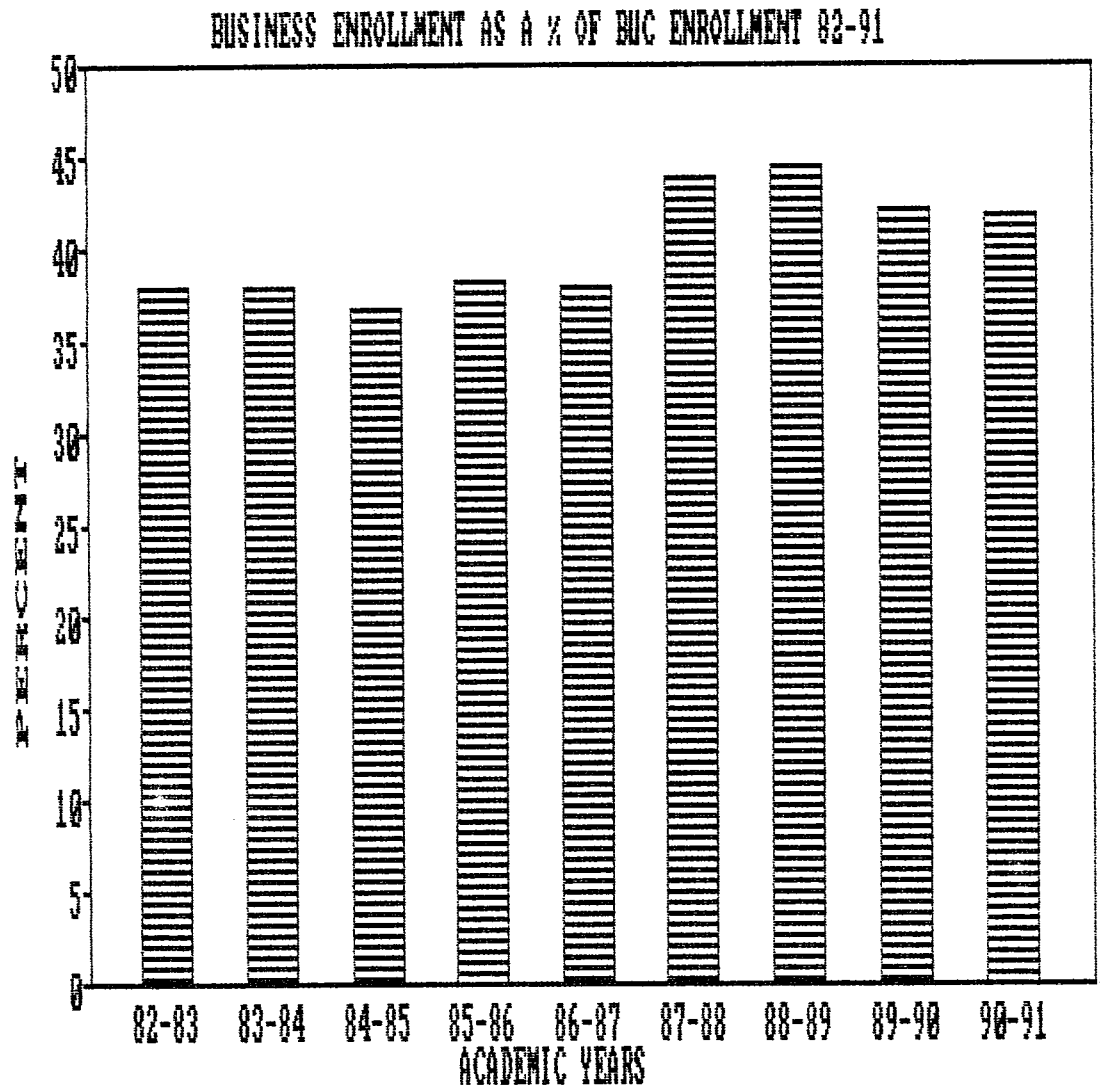
fluctuations in total B.U.C. enrollment in turn, initiated fluctuations in the enrollment in the Business Studies Division. It is interesting and worthwhile to explore the relationship between these two variables, assuming other variables constant.

The Pearsonian coefficient of correlation , **r = 0.984**, indicates the existence of almost perfect positive correlation between total B.U.C. enrollment and total Business enrollment. In other words, any increases or decreases in total B.U.C. enrollment is automatically reflected as increases or decreases in the total Business enrollment.

Moreover, a regression line is derived:

$$Y = 855 + 0.526(X-2110)$$

-**Y** is the predicted enrollment in the Business Div.

-**X** is a given total B.U.C. enrollment .

-**855** is the Mean of Bus. enrollment over 9 academic years.

-**2110** is the Mean of total B.U.C enrollment over 9 y.

The slope 0.526 of the regression line indicates that a 100% increase in total B.U.C enrollment is most likely to be reflected by a 52.6% increase in the total Business enrollment.

2. <u>The Programs Offered By the Business Division.</u>

The Business Division offers 3 different programs
the M.S. program, the B.S. program and the AAS
program. Student distribution in these 3 programs,
for the academic year 1990-91,is presented by the Pie
chart #2:

<u>PIE CHART #2</u>

STUD. DISTRIBUTION IN BUSINESS PROGRAMS

B.S. PROGRAM   78%   7%   M.S.PROGRAM

15%   AAS PROGRAM
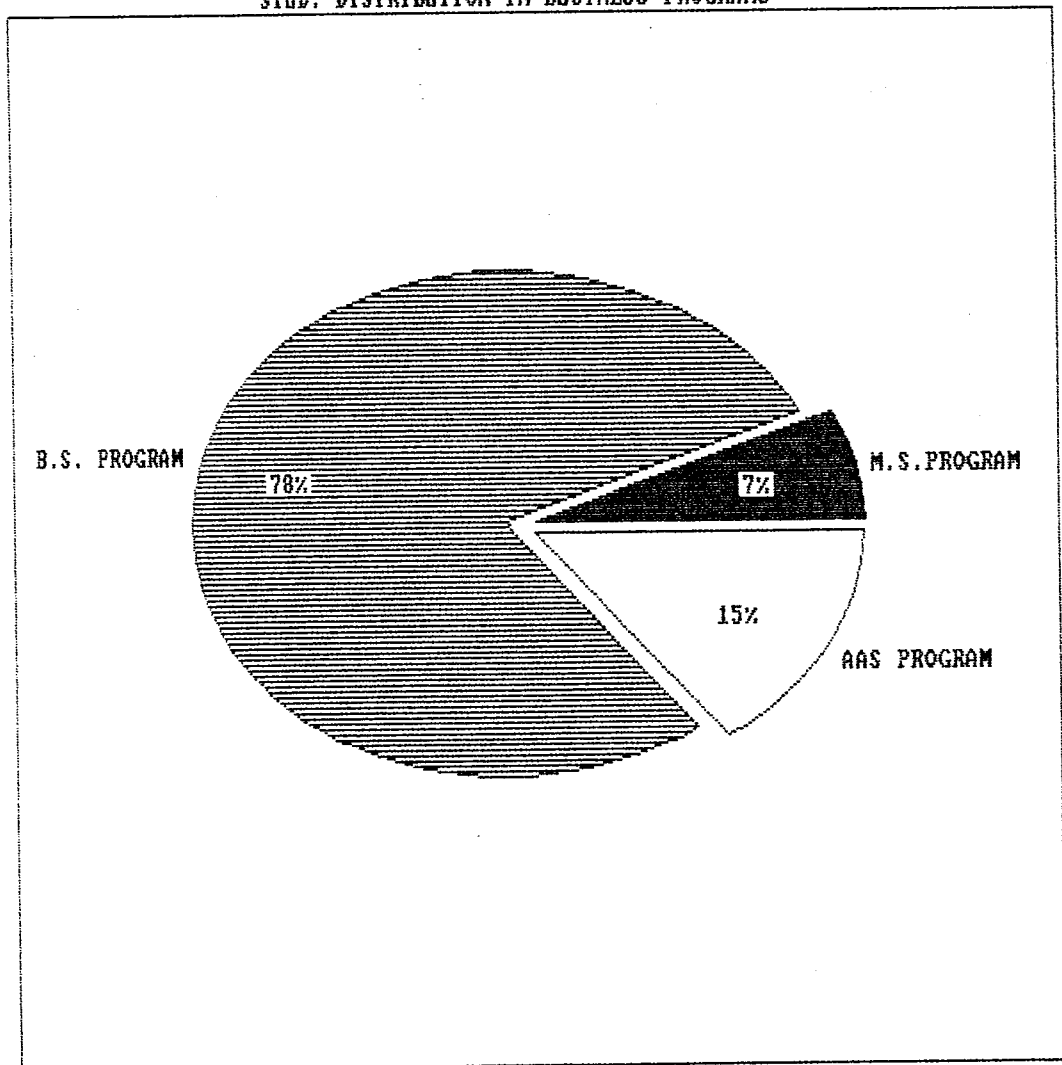
a. The M.S. Program : It is a two year program open to qualified B.A or B.S. holders, regardless of their undergraduate field of study, leading to an M.S. degree in Business Management. The objective of this program is to prepare men and women for responsible roles, managerial and professional positions in business and public agencies. This program was introduced in the academic year 1982-83. Table #3 presents the enrollment in the M.S. program over a period of 9 academic years (82-83 to 90-91). Bar chart #2, relates the total M.S. enrollment to the total Business enrollment over the same period.

TABLE #3 : M.S. Enrollment VS **Business** Enrollment.

Acad Year	1982 1983	1983 1984	1984 1985	1985 1986	1986 1987	1987 1988	1988 1989	1989 1990	1990 1991
M.S. stud	108	122	105	77	79	80	68	51	65
BUC stud	742	667	567	609	867	1214	1092	984	956
Rate	14.6 %	18.3 %	18.5 %	12.6 %	9.11 %	6.50 %	6.23 %	5.10 %	6.80 %

During the first 3 years of its introduction, the rate of M.S. enrollment to total Business enrollment increased to reach a peak of 18.5% in 1984-85. But since , the M.S. enrollment decreased continuously

BAR CHART # 2

M.S. ENROLLMENT AS A % OF TOT. BUSINESS ENROLLMENT
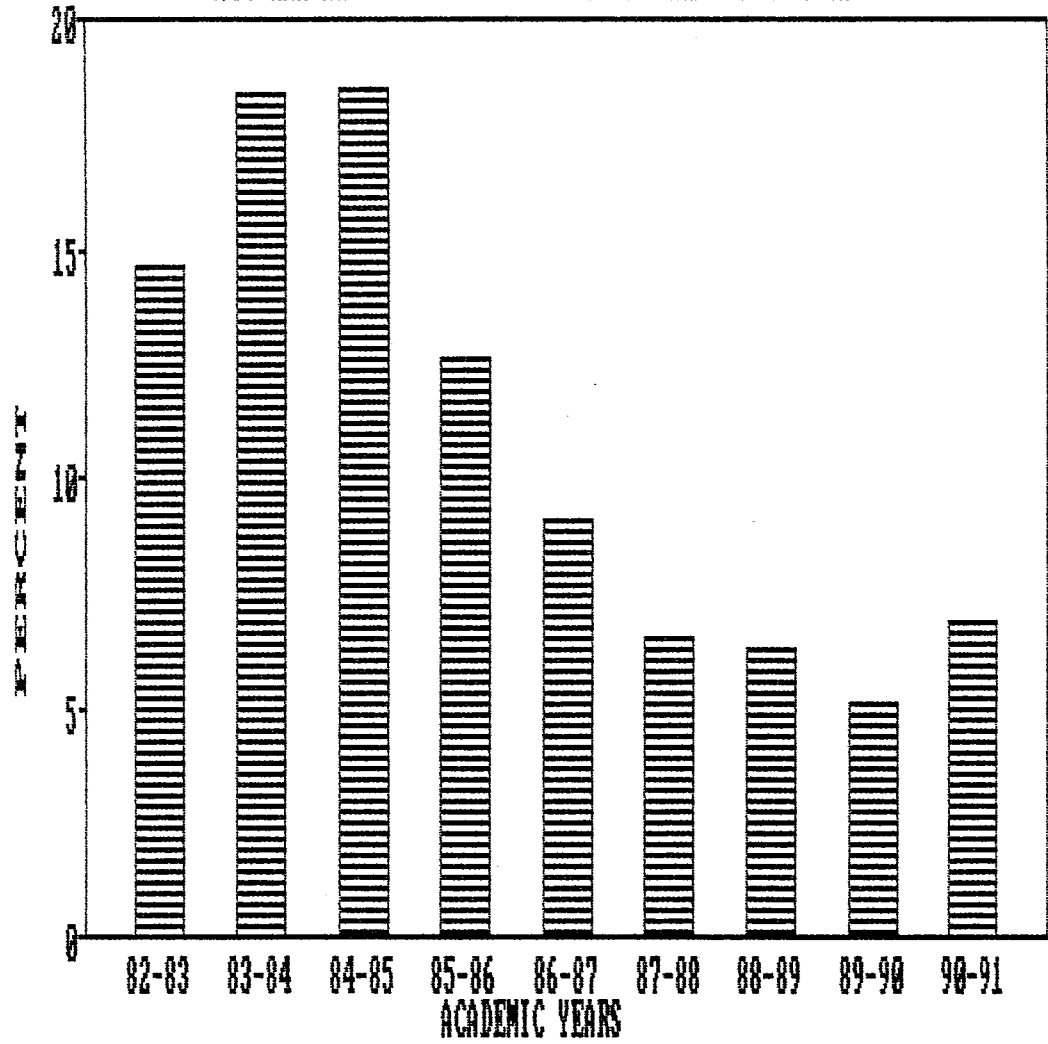
both in total number of enrollment , and in relative Business enrollment.

This decreasing trend can be explained by the below listed three factors. A detailed analysis of these factors is beyond the scope of this study.

1. Changes in the Admission Criteria. Thus, the basic admission requirement, the undergraduate cumulative GPA, was raised from a minimum of **2.75** to 3.00 and above.

2. The deterioration in the Lebanese economy since 1985, is one of the important factors that affected negatively the enrollment in the M.S. program. Thus, only those student groups which did not suffer from the economic difficulties, and those relying completely on financial aid were able to meet the high and continuously rising tuition costs of the M.S. program. Qualified students from the middle classes lost substantially their chances of enrollment due to financial problems.

3. The deterioration in the political conditions is another major factor with negative implications on the M.S. enrollment. To illustrate, the minimum enrollment figures in the M.S. program were during the academic years 1988-89 & 1989-90. These two years witnessed the most violent phases of the Lebanese War. Moreover, the problem of security and the demarcation line separations between the different geographic and demographic areas affected negatively the enrollment

in the program over the last 5 years. And finally, demographic trends such as immigration, a direct consequence of the War, had the same negative implications on the enrollment level.

In conclusion, the M.S. program suffered the most due to the implications of negative environmental changes.

b. The B.S. Program : This program offers 5 different field of emphases: Accounting, management, marketing, economics and computer. It provides professional skills in the above listed specializations, which allows successful graduates to find entry-level jobs in the world of Business.

The basic requirement for admission to this program is the Lebanese Bacc. II diploma, or an equivalent diploma. Moreover candidates should pass the S.Q. test and score 600 and above in the EEE test. TABLE #4 presents the enrollment of students in the B.S. program, and Bar chart #3 relates the B.S. enrollment to total Business enrollment.

Table #4 : **B.S.** Enrollment Vs. **Business** Enrollment

Acad Year	1982 1983	1983 1984	1984 1985	1985 1986	1986 1987	1987 1988	1988 1989	1989 1990	1990 1991
B.S.	390	297	275	416	646	974	905	829	750
Bus.	742	667	567	609	867	1214	1092	984	956
Rate	52.6 %	44.5 %	48.5 %	68.3 %	74.5 %	80.2 %	82.8 %	84.3 %	78.5 %

BAR CHART # 3

B.S. ENROLLMENT AS A % OF TOT. BUSINESS ENROLLMENT
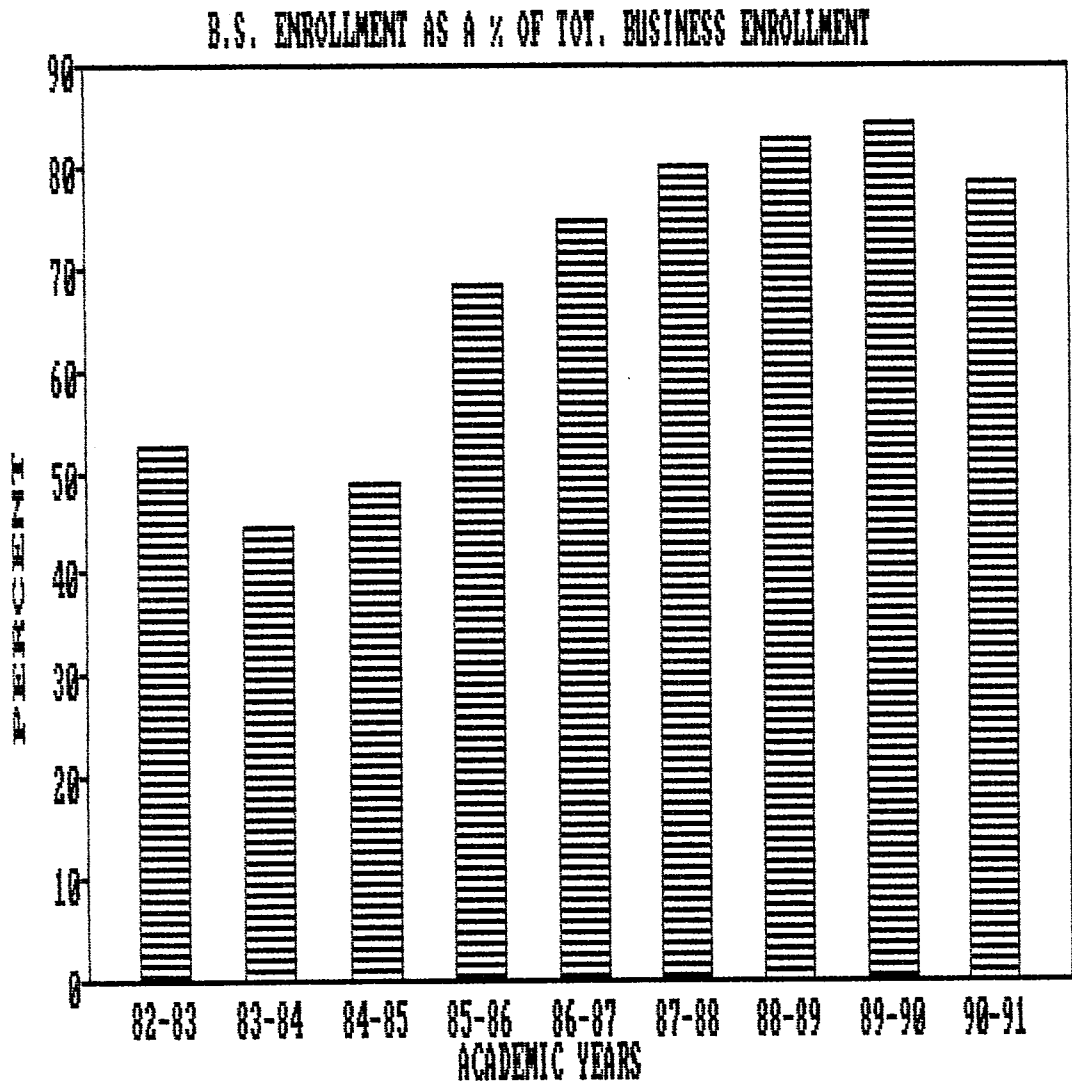
Moreover, it is worthwhile noting that a high positive correlations exists between total Business enrollment and total B.S. enrollment. The pearsonian coefficient **r= 0.9703** indicates that any increases or decreases in total Business enrollment are reflected automatically in the B.S. program enrollment.

The reason behind the increase in enrollment in the B.S. program, can be explained mainly by the fact that, the Lebanese Government has failed to organize the Bacc. II examinations due to the prevailing political conditions. Thus, most high school students were given a chance to enroll in the B.S. program, provided they pass the SQ and EEE examinations. To illustrate, during the academic years 1982-83, 83-84, when Bacc II examinations were performed the enrollment in the B.S. program was almost 50 % of total Business enrollment. In 1988-89 in the absence of Bacc II examinations , the ratio increased to 85% , and with the return of Bacc II in 1990-91 it decreased to 78%.

The Distribution of Students in the B.S. Program.

The distribution of the students in the different specialization in the B.S. program is covered in the following pages.

a. Business/ Management : It is the leading specialization in the B.S. program. It has maintained this leading position over the last decade except for the academic year 85-86, when the Business/computer enrollment exceeded the management enrollment.

Table #5 presents the enrollment in the management specialization over the last 9 academic years, and Bar chart #4 relates the enrollment in management to total B.S. enrollment.

Table #5 : **Management** Vs.**Total B.S.** Enrollment.

Acad Year	1982 1983	1983 1984	1984 1985	1985 1986	1986 1987	1987 1988	1988 1989	1989 1990	1990 1991
Mngt enr.	206	150	127	173	328	538	485	447	394
B.S. enr.	390	297	275	416	646	974	905	829	750
Rate	52.8 %	50.5 %	46.2 %	41.6 %	50.8 %	55.2 %	53.6 %	53.9 %	52.4 %

b. Business/ Computer : The relative enrollment in this specialization witnessed a substantial increase in the early 1980s to reach a peak in 1985-86 (44.5% of tot. B.S. enrollment). But since, the enrollment decreased steadily to reach 24.8% of B.S. enrollment in 1990-91.

Table #6 presents the enrollment in the Business computer specialization and Bar chart #5 relates it to total B.S. enrollment.

BAR CHART # 4

B-MANAGEMENT ENROLLMENT IN THE BS PROGRAM (82-91)
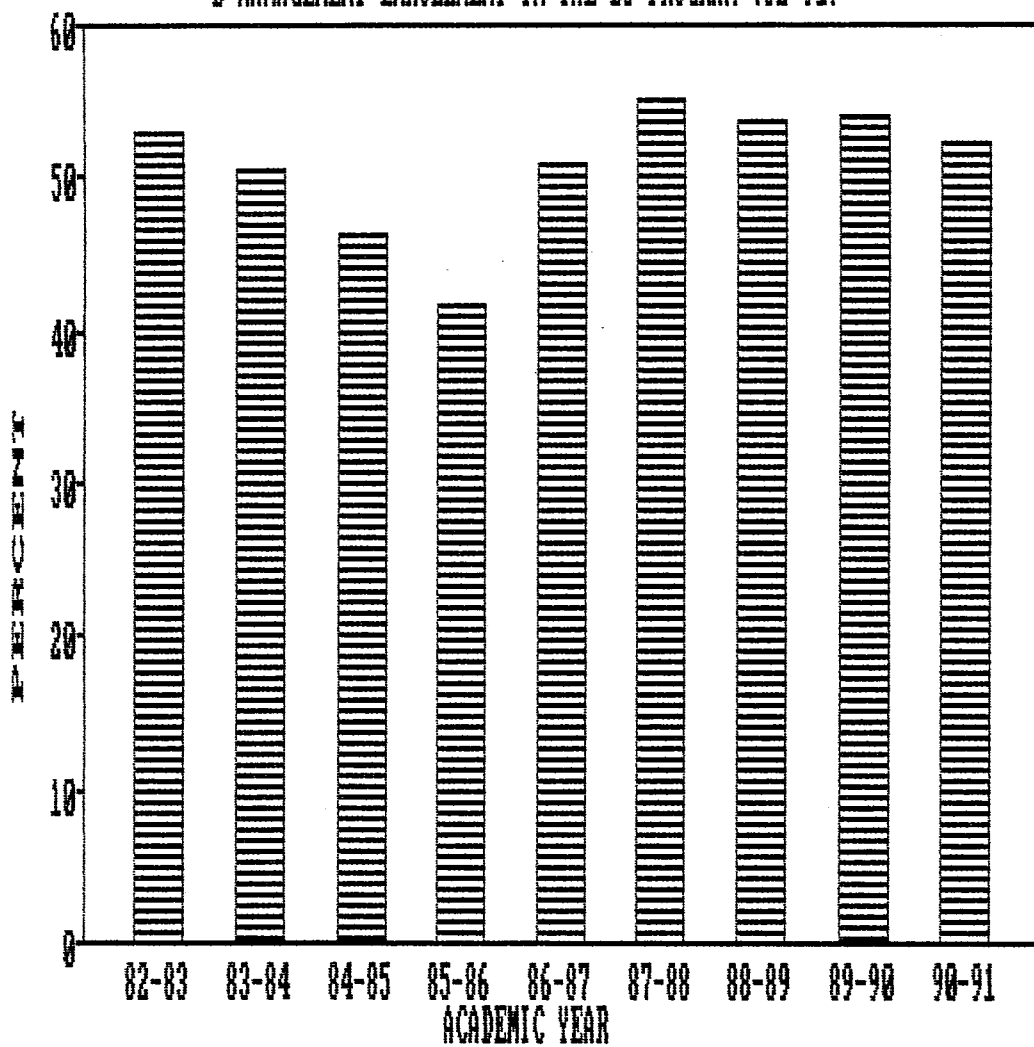
TABLE #6 : B-Computer Vs.**Total B.S.** Enrollment

Acad Year	1982 1983	1983 1984	1984 1985	1985 1986	1986 1987	1987 1988	1988 1989	1989 1990	1990 1991
B-Com enr.	137	115	117	185	227	303	256	214	186
B.S. enr.	390	297	275	416	646	974	905	829	750
Rate	35.1 %	38.7 %	42.6 %	44.5 %	35.1 %	31.1 %	28.3 %	25.8 %	24.8 %

   c.   **Business/ Accounting** : This program has maintained more or less the same relative enrollment level to total B.S. enrollment. Moreover, it has reacted positively to the fluctuations in total B.S. program. Table #7 and Bar chart #6 cover the enrollment trends in this specialization.

TABLE #7 : **Accounting** Vs.**Total B.S.** Enrollment.

Acad Year	1982 1983	1983 1984	1984 1985	1985 1986	1986 1987	1987 1988	1988 1989	1989 1990	1990 1991
Acct. enr.	29	15	11	26	50	78	87	80	50
B.S. enr.	390	297	275	416	646	974	905	829	750
Rate	7.4 %	5.1 %	4.0 %	6.3 %	7.7 %	8.0 %	9.6 %	9.7 %	6.7 %

   d. **Business/ Marketing** :   The relative enrollment in this specialization was increasing in the last three academic years with respect to total B.S. enrollment.

BAR CHART # 5

BUSINESS COMPUTERS IN THE B.S. PROGRAM

BAR CHART # 6

B-ACCOUNTING ENROLLMENT IN THE BS PROGRAM (82-91)
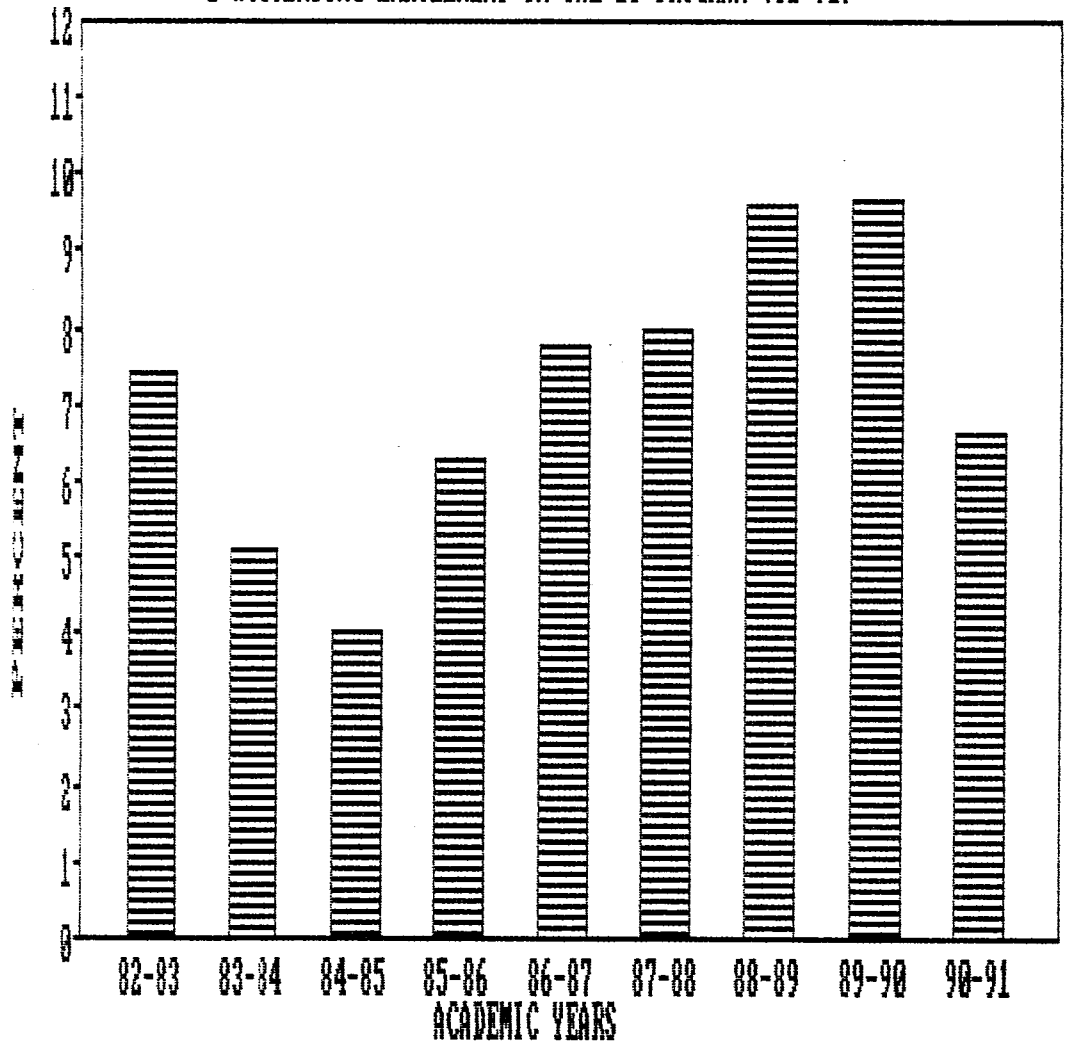
Table #8 and Bar chart #7 cover the enrollment trend in the Marketing specialization.

TABLE #8 : Marketing Vs.**Total B.S.** Enrollment.

Acad Year	1982 1983	1983 1984	1984 1985	1985 1986	1986 1987	1987 1988	1988 1989	1989 1990	1990 1991
Mark. enr.	10	12	14	21	22	35	60	76	108
B.S. enr.	390	297	275	416	646	974	905	829	750
Rate	2.6 %	4.1 %	5.1 %	5.1 %	3.4 %	3.6 %	6.6 %	9.2 %	14.4 %

e. Business/ Economics : This is the specialization with the least enrollment levels.

Table #9 and Bar chart #8 cover the enrollment trend in this specialization over the last nine academic   years.

TABLE #9 : B-Economics Vs.**Total B.S.** Enrollment.

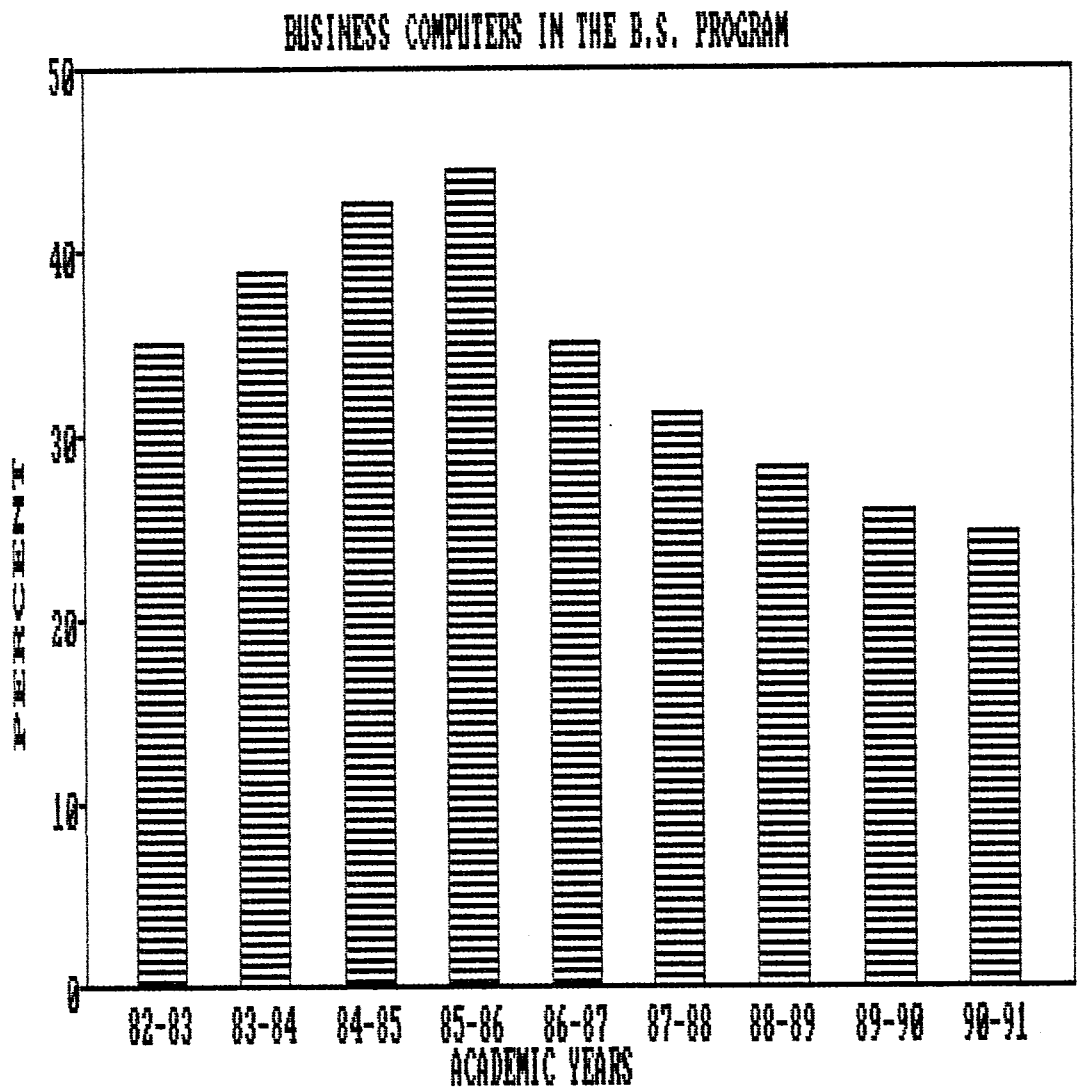| Acad Year	1982 1983	1983 1984	1984 1985	1985 1986	1986 1987	1987 1988	1988 1989	1989 1990	1990 1991
Econ. enr.	8	5	6	11	19	20	17	12	13
B.S. enr.	390	297	275	416	646	974	905	829	750
Rate	2.1 %	1.7 %	2.2 %	2.6 %	2.9 %	2.1 %	1.9 %	1.5 %	1.7 %

BAR CHART # 7

B-MARKETING ENROLLMENT IN THE BS PROGRAM (82-91)
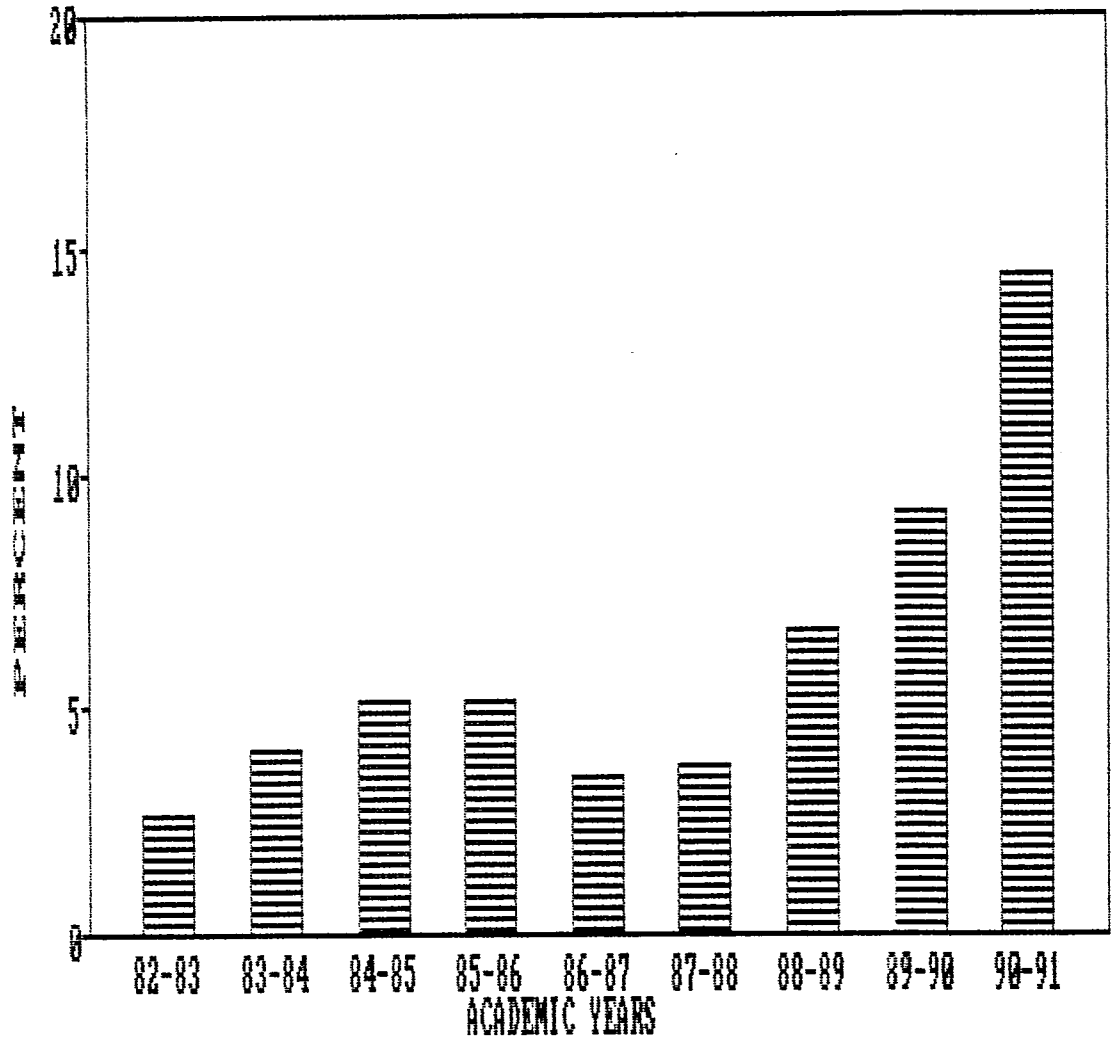
BAR CHART # 8

B-ECONOMICS ENROLLMENT TO TOATL BS PROGRAM ENROLL.
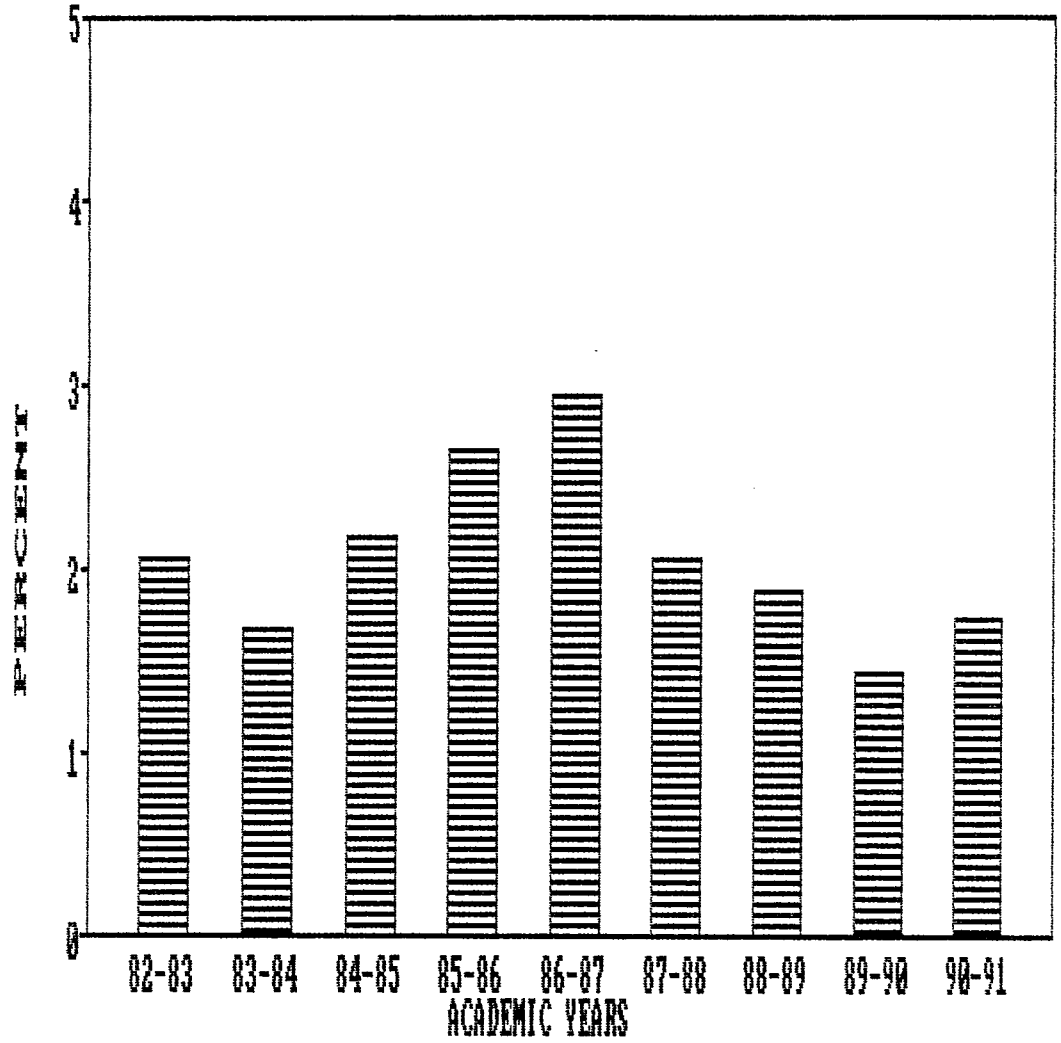
c. The AAS program : Is a two year semi-professional course of study leading to Associate of Applied Science degree in Business Management. This program is for students who were unable to fulfill the admission requirements of the B.S. program, specially the Bacc II diploma. The basic admission requirement is a high school diploma.

Table #10 presents the enrollment in the AAS program, and Bar chart #9 relates AAS enrollment to total Business enrollment, both over a period of 9 academic years.

TABLE #10 : AAS Students in the Business Division

Acad Year	1982 1983	1983 1984	1984 1985	1985 1986	1986 1987	1987 1988	1988 1989	1989 1990	1990 1991
AAS. enr.	144	248	187	116	142	160	119	104	140
BUS. enr.	742	667	567	609	867	1214	1092	984	955
Rate	32.9 %	37.2 %	33.0 %	19.0 %	16.4 %	13.2 %	11.0 %	10.5 %	14.7 %

The AAS program has decreased as a % of total Business enrollment from a peak of 37.2% in 1983-84 to almost 10.5% in 89-90, to gain back few points in 90-91 to reach 14.6%. The main reason behind this trend is the absence of Leb. Bacc II official examinations. Thus, most high school students are given chances to enter the B.S. program. A negative

BAR CHART # 9

AAS ENROLLMENT AS A % OF TOT. BUSINESS ENROLLMENT

ACADEMIC YEARS
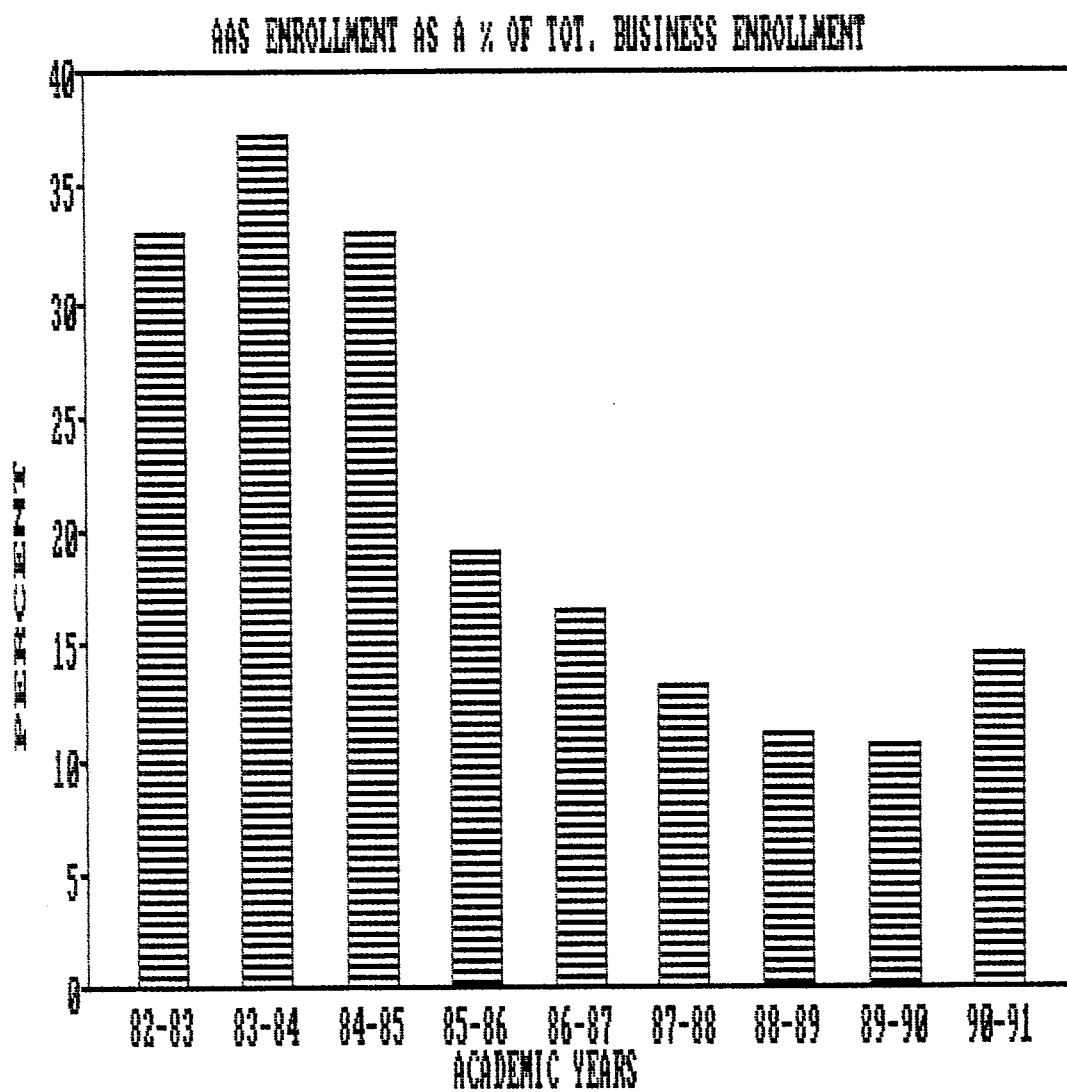
correlation exists between the AAS and the B.S. programs. The pearsonian coefficient **r ▪ - 0.6415** shows the extent of this negative correlation. Moreover a regression line is derived:

$$Y= 162 -0.126X$$

thus, a 100% increase in the B.S. program is likely to be reflected by a 12.6% decrease in the AAS enrollment

In summary, the following conclusions can be drawn based on the study of the enrollment trends in the Business Division.

a. The total enrollment in the Business Division proved to be very sensitive to total B.U.C. enrollment. Thus almost perfect positive correlation exists between the two variables hence either increases or decreases in total B.U.C. enrollment will be automatically reflected on total Business enrollment. Thus, any forecasts for total B.U.C enrollment may serve as a basis for predictions related to the Business enrollment.

b. The B.S. program, is the one affected the most by increases or decreases, by the fluctuations in the total business enrollment.

c. Improvements in the political and economic conditions prevailing in the country will affect the three programs in the Business Division.

- **The M.S. Program** : The enrollment in this program has the likelihood to react positively to positive changes in the economic and political conditions.

- **The B.S. Program** : The relative enrollment in this division is likely to decrease with respect to total Business enrollment. Thus, the regular return of Bacc II examinations will have a negative affect on the B.S. enrollment.

- **The AAS Program** : This program will eventually regain its relative enrollment share in the Business Division, because students will have less chances in joining the B.S. program due to Bacc II exams.

d. The distribution of students in the various fields of emphases in the B.S. program is likely to reflect the market demand for graduates with different specializations. Thus, it is meaningless to relate the enrollment levels in the fields of emphases to total enrollment trends. The market forces, supply and demand, will determine the enrollment levels in these specializations in the long-run.

2. Admission and Graduation Trends

A. Admission Trends to the Division

Severe data limitations hindered the analysis of the admission trends to the Business Studies Division. Thus, no admissions data related to the Division was available at the Registrar's office, except for the last two academic years 89-90 & 90-91. But even this limited data was not complete, because no information related to the M.S. program was available, and moreover, no separation was drawn between applications to the B.S. program and to the AAS program.

Hence, unable to carry a serious analysis of the admission trends, the available data is elaborated hereby.

Table #11 relates the application for admission to the Business Division to total applications to B.U.C.

TABLE #11 : Applications Received

	1989-90	1990-91
Total applications to B.U.C	1979	2308
Total applications to Business Div.	455	730
Rate of BUS./B.U.C.	23%	31.6%

As to the accepted applications, Table #12 covers the the details over the same 2 academic years.

TABLE #12 : Applications Accepted

	1989-90	1990-91
Total B.U.C.	905	1051
Rate of acceptances to applic. received	45.7%	45.5%
Total Business	221	432
Rate of acceptances to applic. received	48.57%	59.17%

As to the matriculations, it is covered by Table #13.

TABLE #13 : Matriculations.

	1989-90	1990-91
Total B.U.C	490	522
Rate of matriculation to acceptances	54.17%	49.6%
Total B.U.C.	150	244
Rate of matriculations to acceptances	67.87%	56.48%

B. Graduations from the Business Division (1982-1991)

The graduation figures are presented in Table #14 for the three different programs offered by the division.

TABLE #14 : Business Graduates at B.U.C.

Year	AAS	B.S.	M.S.
82-83	34	107	00
83-84	64	104	25
84-85	59	090	25
85-86	26	114	18
86-87	28	133	11
87-88	16	148	12
88-89	09	195	12
90-91	20	171	13

The graduation figures in the three programs are elaborated further by Chart #11, on the next page.

The limitations in the admission data hindered in turn, any possible analysis relating annual admissions to graduations during the above listed academic years.

BAR CHART # 10

GRADUATES OVER THE ACADEMIC YEARS 82-83 TO 89-90
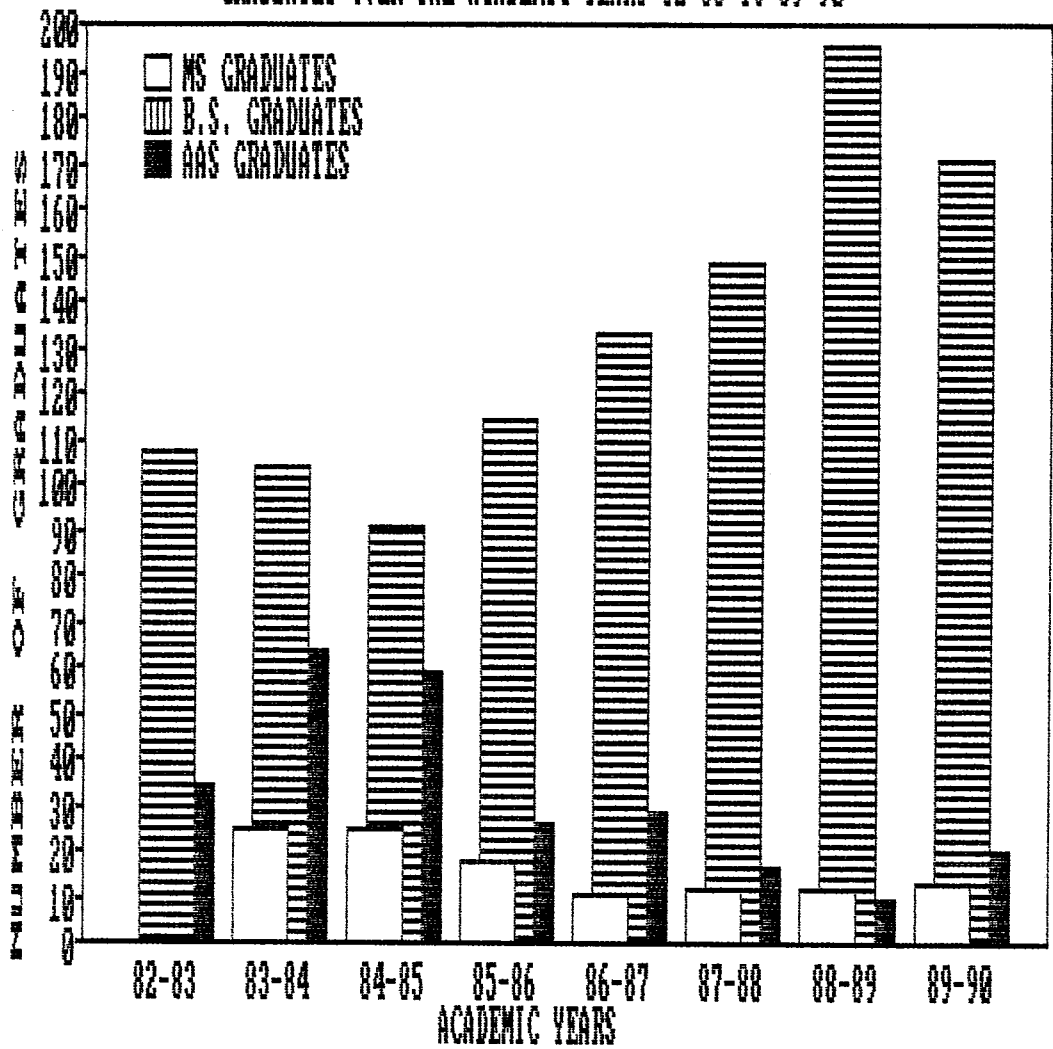
CHAPTER V

THE FINDINGS OF THE STUDY
Internal Environment of the Business Division

As indicated in chapter I, the purpose of this study will be achieved by focussing primarily, on a single step of the strategic planning process, the assessment of the internal environment of the Business Studies Division. This internal environmental assessment is carried out through a comprehensive process of data collection and data analysis. The major findings of this process are elaborated throughout this chapter. The chapter is comprised of the following subdivisions.

I.   Assessment of the various resources of the Business Division.

II. Assessment of the current performance of the Business Division.

SECTION I : **Assessment of the Various Divisional Resources.**

The Divisional resources are in turn classified into **tangible** and **intangible**. This section will cover in details the assessment of both the tangible and intangible resources of the Business Studies Division.

A. The **tangible** Resources of the Division.

The tangible resources are the following:

1. The Human Resources.

2. The Financial Resources.

3. The Facilities of the Division.

4. The Markets and the Market Share.

1. The Human resources of the Business Division.

The human resources of the division are the following:

a. **Students:** The recipients of the educational services that the division offers. The students in turn are subdivided into two groups:

- **Undergraduates:** enrolled in the B.S. and AAS programs

- **Graduates:** enrolled in the M.S. program.

b. **Faculty:** Instructors and professors in the Division.

The assessment of the human resources was carried out through three different questionnaires. The first questionnaire was addressed to undergraduate students, the second to graduate students, and finally, the third to the faculty. These questionnaires aimed at collecting relevant information about the respondents. Moreover respondents were asked to evaluate the performance of other groups. Students were asked to evaluate the performance of the instructors, and vice versa.

The sizes of the three samples are 100, 42 & 23 respectively.

a. UNDERGRADUATE STUDENTS

Characteristics of the Undergraduate Students.

In the following pages, The major characteristics of the undergraduate students in the sample are elaborated. Moreover, important issues related to these characteristics are revealed and analyzed. Table 5.1 summarizes the basic characteristics of the undergraduate students in the sample. After a quick look on Table 5.1 the following issues may be raised:

a. Only 58% of students are English educated. The rate of French educated students 42%, is relatively higher than expected. The question, Does this fact affect the academic performance of students? imposes itself. This question is to be answered at a later stage (analysis part) in this section of the chapter.

TABLE 5.1 : Characteristics of Undergraduate
Students

Characteristic	Range	Freq	Percentage
Sex	Male	63	63%
	Female	37	37%
Age	18-20	33	33%
	21-23	58	58%
	24-26	09	09%
	Males Mean = 21.5 years		
	Females Mean = 20.8 Years		
Degree	B.S.	91	91%
	AAS	09	09%
Field of emphasis	Accounting	09	09%
	Marketing	21	21%
	Economics	03	03%
	Management	44	44%
	B- Computer	23	23%
Class	Freshman	03	03%
	Sophomore	25	25%
	Junior	31	31%
	Senior	41	41%
Education	English	58	58%
	French	42	42%
Living Location	Beirut & Sub.	52	52%
	North Lebanon	13	13%
	South Lebanon	11	11%
	Bekaa	09	09%
	Mount Lebanon	15	15%
Problems in Meeting Tuition Costs	insignificant	52	52%
	Occasional	14	14%
	Increasing	25	25%
	Severe	40	40%

b. Only 35% of the students are not facing serious problems in meeting their tuition fee obligations. On the other side, 65% are facing severe financial problems. Any possible affect of financial difficulties on academic performance is to be studied in the analysis part of this section.

c.   52% of students live in Beirut and Suburbs, 15% come from the Mountains (specially Al-Chouf) , no students of foreign origins are enrolled in the Division.

Quality of the Students

Students were asked to classify themselves according to their high school performance.   The findings are summarized in table 5.2.

The following issues can be raised:

a.   The rate of A level students is very low. Only 2% of all students classified themselves as A level students. This fact has two possible reasons :

- A Level students, prefer other fields of specialization, ex. Engineering, Medicine ...etc.

- A Level students choosing to specialize in Business Studies are enrolled elsewhere ex. A.U.B.

This issue is to be analyzed further, in the analysis part of this section.

TABLE 5.2 : High School Performance of Students

Level	Freq	Percentage
A Level	02	02%
B Level	48	48%
C Level	45	45%
D Level	05	05%

b. The rate of D level students is higher than expected. It is interesting to know how the D level students were able to meet the admission requirements. Moreover, an important question is raised, Do D level students have the required academic capabilities?

This issue will be analyzed further in the analysis part of this section.

Undergraduate Students and Choice of Major

Students were asked to specify the main reason behind their choice of specializing in Business Studies. The findings are elaborated in Table 5.3 on the following page.

TABLE 5.3 : Students and Business Studies as
their choice of Major.

Major Choice	Freq	Percentage
Major Field of Interest and First Choice	39	39%
An Acceptable Substitute	32	32%
The Only Choice Available	10	10%
Highly Recommended, although not a Preferred Choice	11	11%
A Choice Matching with Academic Capabilities	08	08%

It is interesting to note that only 39% of the students in the sample recorded Business Studies as their major field of interest and the most preferred choice.

Moreover, students were asked to describe their prior to enrollment knowledge of Business Studies, and career opportunities open to Business graduates in the Lebanese employment market. The findings are elaborated in Tables 5.4 and 5.5 respectively.

TABLE 5.4 : Prior Knowledge about Business
Studies.

Prior Knowledge	Freq	Percentage
Insignificant	09	09%
Below Average	17	17%
Average	52	52%
Comprehensive	22	22%

TABLE 5.5 : Prior Knowledge of Career
opportunities

Clear Idea			
	Yes	32	32%
	No	26	26%
	Moderate	42	42%

After shedding a quick look on the preceding two tables, it can be easily pointed out that, 26% of the students in the sample had no satisfactory knowledge either about Business Studies or about the after graduation career opportunities. This figure is higher than expected, and the question, Does insufficient prior knowledge cause after enrollment dissatisfaction, and affect negatively academic performance? imposes itself.

This issue is to be analyzed in the analysis part of this section. Moreover , it is worthwhile noting that 19% of students in the sample regret their choice of major. The remaining 81% are satisfied with their choice.

The Academic Performance of the Students

The cumulative G.P.A. was used to evaluate the performance of the students in the sample.

Table 5.6 presents the classification of the students in the sample according to their G.P.A.s.

TABLE 5.6 : Academic Performance of Undergraduate
Students.

G.P.A.	Freq	Percentage
Less Than 2.0	4	4%
2.01 - 2.50	48	48%
2.51 - 3.00	40	40%
3.01 - 3.50	8	8%
3.51 - 4.00	0	0%

It is to be noted also that, **83%** of students find it very difficult to score an **A grade** in a Business course. 17% find difficult to score a **B** but, not a single student finds it difficult to score a **C**.

Moreover, instructors were asked to evaluate the performance of their students. The results are presented in Table 5.7.

TABLE 5.7 : Evaluation by Instructors

Performance	Freq	Percentage
Highly Satisfactory	10	10%
Satisfactory	60	60%
Not satisfactory	30	30%

Instructors pointed out the following complaints regarding the academic performance of their students:

a. Poor command of the English language. (Pointed out by 60% of instructors.)

b. Unsatisfactory high school background:

   - lack of mathematical skills.

   - lack of communicational skills.

   - lack of analytical skills.

   (Pointed out by 75% of instructors.)

c. Lack of systematic and regular study:

   - lack of organized efforts.

   - lack of seriousness.

   - lack of motivation: care only for grades.

   (Pointed out by 80% of instructors.)

d. Avoid reading textbooks and any related material.

   (Pointed out by 50% of instructors.)

Having elaborated the major characteristics of undergraduate students in the sample, and having revealed some important issues, these issues are to be analyzed further in the following few pages.

Analysis of Data

In this part of section I, the issues and questions related to the characteristics of undergraduate students, raised in the data elaboration stage are to be analyzed.

Issue #1 : The rate of French educated students is relatively high (42%)

Question : Is there a significant difference between the academic performance of French and English educated students?

To answer this question, a crosstabulation of high school education and academic performance (Table 5.8) reveals the following:

TABLE 5.8 :
Crosstabulation : High School Education
               By Academic Performance

G.P.A Education	Less 2.0	2.01-2.5	2.51-3.0	3.01-3.5
English	3 (5.2%)	27 (46.6%)	21 (36.2%)	7 (12.1%)
French	1 (2.4%)	21 (50.0%)	19 (45.2%)	1 (2.4%)

Chi-Square	D.F.	Signific.	Min E.F.	Cells E.F.<5
3.88957	3	0.2736	1.680	4 of 8 (50%)

The Chi-Square test of independence proved the fact that the two variables are independent. Thus, the observed significance level = 0.2736 which is greater than 0.001 or 0.005 this implies that the hypothesis that the two variables are independent is accepted. Moreover, a one way ANOVA test revealed similar results.

---------- ONEWAY ----------

Variable 1 :   G.P.A.
           By   Education

Analysis of Variance

Source	D.F.	Sum of Squares	Mean Squares	F Ratio	F Prob.
Between Groups	1	0.1390	0.1390	0.2790	.5986
Within Groups	98	48.8210	.4982		
Total	99	48.9600			

F- Prob = 0.5986 > F- Ratio = .2790 . This implies that there are no significant differences in the academic performance of English and French educated students.

Issue   #2 : 65% of students are facing severe financial problems.

Question   #2: Is there any relationship between financial problems and academic performance?

A crosstabulation of these two variables is presented in Table 5.9.

TABLE 5.9 : Crosstabulation: G.P.A.
                              By Financial Difficulties

Fin. Pbms. G.P.A	No	Insig.	Ocass.	Increas.	Severe
Less 2.0	0	0	0	4	0
2.01 - 2.5	7	2	8	12	19
2.51 - 3.0	4	3	6	9	18
3.01 - 3.5	3	2	0	0	3

Chi-Square	D.F.	Signific.	Min E.F.	Cells E.F.<5
23.64911	12	.0227	.280	12 of 20(60%)

The Chi-Square test of independence reveals that the two variables are dependent. (The observed level of significance is less than 0.05) Thus, financial problems in meeting the tuition fee obligations affect negatively the academic performance of students.

Issue #3 : The rate of A level students is very low in the Division.

Question #3 : Is Business Studies an unpreferable choice of specialization for outstanding high school students?

A crosstabulation of high school performance and choice of major is elaborated in Table 5.10.

TABLE 5.10:
Crosstabulation : High School Performance By Choice of Major

	1st Ch.	Subst.	Only Ch.	Recomm.	Match.
D Level	3 (60%)	0	1 (20%)	1 (20%)	0
C Level	20 (44.4%)	12 (26.6%)	6 (13.4%)	4 (8.0%)	3 (6.6%)
B Level	16 (33.3%)	19 (39.6%)	3 (6.25%)	5 (10.4%)	5 (10.4%)
A Level	0	1 (50%)	0	1 (50%)	0

The following issues can be raised:

- No A level students pointed out Business Studies as their most preferable choice, or as their major field of interest. The A level students who have joined the division did so because:

- It was a highly recommended choice. (50%)

- It was an acceptable choice.   (50%)

Moreover, it can be easily pointed out that, the lower the high school performance level, the greater is the tendency to specialize in Business Studies as the most preferable choice. Thus, 60% of all D level students, 44.4% of all C levels, and 33.33% of all B levels have chosen to specialize in Business Studies as their most preferable choice.

Business Studies as a choice of specialization, is an acceptable substitute for A, B, & C, level students. Thus, 50% of A level 39.6% of B level and 26.6% of C level students have chosen to specialize in Business Studies as an acceptable substitute.

It can be pointed out, also that 20% of D level students have chosen to specialize in Business Studies because, they had no other choice available. This rate is lower in the case of B & C level students 13.4% & 6.25% respectively, and lowest in the case of A level students, 0%.

Finally, only 10.4% of B level, 6.6% of C level and 0% of A & D level students believed that Business Studies is a matching choice to their academic capabilities.

Issue #4 :   18% of all students in the sample regret their choice of major

A   crosstabulation   of   after   enrollment satisfaction/dissatisfaction   and   choice   of   major is elaborated in Table 5.11

TABLE 5.11:

Crosstabulation :   **Major Choice**

By   After   Enrollment   Satisfaction

Major Choice	Regret	Not Regret
First Choice	4 (10.25%)	35 (89.75%)
Substitute	8 (24.2%)	25 (76.8%)
Only Choice	2 (20.0%)	8 (80.0%)
Recommended	2 (18.8%)	9 (81.8%)
Match Academically	3 (33.33%)	6 (77.77%)

The   crosstabulation   reveals   that,   the   highest rate of dissatisfaction with the major choice, was in the case of students who thought that Business Studies matches   with   their   academic   capabilities   (33.33%). Those   who   have   chosen   Business   Studies   as   an acceptable   substitute   had the second highest rate of dissatisfaction   (24.2%),   followed   by   those   who have   specialized   in   Business studies   as their only available   choice   (20%).   Students who   have   joined Business   Studies as their most   preferable choice had the   lowest dissatisfaction rate (10.25%), followed by the   students who have   joined Business Studies   being recommended to do so.

Issue   #5: 26% of students enrolled in the Division had no prior Knowledge about Business Studies.

Question #5: Does this fact have any negative affect on after enrollment satisfaction?

A crosstabulation of these two variables is elaborated in Table 5.12.

TABLE 5.12
Crosstabulation :   After Enrollment Satisfaction
                By   Prior Knowledge

	Insig	Bel Aver	Average	compreh.
Regret	2	5	8	4
Not Regret	7	12	44	18

Chi-Square	D.F.	Signific.	Min E.F.	Cells E.F.<5
1.70939	3	0.6348	1.710	3 of 8(37.5%)

The Chi-Square test of independence, reveals that the two variables are independent. (The observed level of significance 0.6348 is greater than 0.001 or 0.005)   Hence, prior knowledge has no significant affect on after enrollment satisfaction or dissatisfaction.

Issue #6 : 5% of the students in the sample are D level students.

Question #6: Is there any relationship between high school performance and after enrollment academic performance?

A crosstabulation of High school performance and G.P.A is presented in Table 5.13.

TABLE 5.13.

Crosstabulation : **X6** **High School Performance**

By X18 **G.P.A.**

X18	Less 2.0	2.01-2.5	2.51-3.0	3.01-3.5
X6 **D Level**	0	4 80 % 8.3%	1 20 % 2.5%	0
C Level	4 8.9% 100 %	31 68.9% 64.6%	9 20.0% 22.5%	1 2.2% 12.5%
B Level	0	13 27.1% 27.1%	29 60.4% 72.5%	6 12.5% 75%
A Level	0	0	1 50.0% 2.5%	1 50.0% 12.5%

Chi-Square	D.F.	Signific.	Min E.F.	Cells E.F.<5
33.336	9	0.0001	0.080	12 of 16 (75%)

The Chi-Square test of independence revealed a high dependency rate between the two variables, as expected. this implies that, students of unsatisfactory high school performance, are most likely to perform unsatisfactorily in college. A ONEWAY ANOVA test reveals similar results.

----------ONEWAY----------

Variable   X18 : G.P.A.

BY Variable X6 : High School Performance

Analysis Of Variance

Source	D.F.	Sum of Squares	Mean Squares	F Ratio	F Prob.
Between Groups	3	13.7697	4.5899	12.521	.0000
Within Groups	96	35.1903	.3666		
Total	99	48.9600			

F-Prob =.0000   is less than   F-Ratio = 12.521.
This implies that there are significant differences in
the academic performance of students of different
levels of high school performance.

The answer to the question, should students of
low high school performance be admitted to   the
Division?, academically speaking the answer is no,
but this issue has non academic implications,
too.   Financial implications are one example, thus,
number of new admissions is directly related to
budgeted revenues.

b. GRADUATE STUDENTS

In the following few pages, the major characteristics of graduate students in the sample are elaborated, important issues related to these characteristics are revealed and analyzed.

Table 5.13 summarizes the major characteristics of the Graduate students in the M.B.A. program.

TABLE 5.13 : Characteristics of the Graduate Students in the Sample

Characteristic	Range	Freq	Percentage
Sex	Male	23	54.8%
	Female	19	45.2%
Age	20-22	9	21.4%
	23-25	25	59.6%
	26-28	7	16.7%
	29-31	1	2.4%
	Mean of Males = 23.87 Ys.		
	Mean of Females = 23.78 Ys.		
Marital Status	Single	40	95.2%
	Married	1	2.4%
	Widowed	1	2.4%
Living Location	Beirut & Sub.	26	61.2%
	South Lebanon	4	9.5%
	North Lebanon	1	2.4%
	Bekaa	4	9.5%
	Mount Lebanon	7	16.7%
Undergraduate Specialization	Business	37	88.1%
	Computer Sc.	4	9.5%
	Engineering	1	2.4%
Undergrad. G.P.A.	2.75 - 3.0	17	40.5%
	3.01 - 3.50	23	54.8%
	3.51 - 3.99	2	4.8%
University graduated from	B.U.C.	38	90.5%
	Other	4	9.5%

shedding a quick look on table 5.13 reveals the following:

- The rate of students holding degrees in specializations other than Business is currently very low.(11.9%)

- The presence of students graduated from other Lebanese universities is rare.(9.5%)

In other words, The M.B.A program is currently failing to attract students of various undergraduate specializations, and students graduated from other Lebanese Universities.

As to the main reasons behind student decisions of enrollment in the M.B.A. program, Table 5.14 summarizes the basic findings.

TABLE 5.14 : The Main Reasons Behind Student Decisions to Join the M.S. program.

Reason	Freq	Percentage
Improve the chances of getting a better job and financial compensation.	10	23.8%
Join the Ph.D. Program upon graduation.	10	23.8%
Improve Chances of getting a better job & Pursue a teaching Career.	8	19.0
Improve chances of getting a job, join Ph.D & pursue a teaching career.	6	14.3%
To gain more knowledge	5	11.9%
Prestige	3	7.1%

61.9% of graduate students have enrolled in the M.S. program, believing that an M.S. degree will eventually lead to a better job and financial compensation. 38.1% have plans to join the Ph.D program upon graduation. 33.3% have intentions to pursue a teaching career in a Lebanese university. Finally, 19% have joined the program simply to gain more knowledge and prestige.

The students in the sample were asked to specify the means by which they meet their tuition fee obligations, the findings are summarized in Table 5.15

TABLE 5.15 : Graduate Students and Tuition.

Tuition	Freq	Percentage
Met by parents.	16	38.1%
Met Personally.	6	14.3%
Full scholarship.	3	7.1%
Financial aid -B.U.C.	7	16.7%
Loans from Al Hariri Found.	10	23.8%

Moreover, if obliged to meet tuition costs personally, 47.6% of students, pointed out that they will be obliged to drop out. 33.3% will manage to meet but with substantial difficulties. This is an

important issue, thus, financial problems are really one of the main reasons behind the decreasing enrollment trend in the M.S. program.

Finally, it is worthwhile noting that only 52.4% of students in the sample are employed. The high rate of unemployment is an implication of a highly deteriorated Lebanese economy.

An attempt was made to relate the reasons behind the student decisions to join the M.B.A. program to the financial difficulties in meeting tuition fees. A ONEWAY ANOVA test revealed that there are no significant differences in the reasons behind enrollment in the program given students of different social classes.

C. FACULTY

Currently, academic year 1990-91, the faculty of the Business Division consists of 8 full-timers and and 32 part-timers. The number of full-timers has been almost the same over the last decade, thus failing to keep in pace with increasing total Business enrollment. On the other hand, both increases and decreases in Business enrollment were reflected as increases or decreases in the number of part-timers. Table 5.16 presents the figures and relates full-timers to part-timers.

TABLE 5.16 : Faculty over the period 82-83 to 83-84

Academic Year	Full Time	Part Time	Total enrollment	Full-time/ Part-time ratio
82-83	9	13	742	0.70
83-84	10	9	667	1.11
84-85	9	14	567	0.64
85-86	8	15	609	0.53
86-87	8	28	867	0.28
87-88	7	29	1214	0.24
88-89	7	37	1092	0.19
89-90	6	34	984	0.18
90-91	8	32	956	0.25

This currently very low, full-time to part-time ratio is definitely not a credit to the Division. It is a serious issue to raise. Thus, full-timers are in fact the cornerstones of the faculty. It is their full-time presence in the Division that sets and organizes the scope and the structure of the academic or the educational services.

As to the reasons behind this low full-time to part-time ratio, there are two important reasons:

a.   Unavailability of qualified candidates, specially Ph.D degree holders. This is a problem that all the Lebanese Universities have faced over the last decade, and are most likely to face in the near future . The reasons behind this fact are the various economic and political implications of the Lebanese Civil War. Thus, the absence of Foreign nationals due to security problems and unattractive financial compensation, the immigration of qualified Lebanese professors or instructors are some of these implications.

b.   The second reason, which is not less important, is the high cost of a full-time faculty member, compared to a part-timer of the same level and work conditions. Thus, the fringe benefits are a considerable financial burden, that most universities are trying to minimize to cope with limitations set by the scarcity of the financial resources. This point is to be elaborated further in the financial resources part of this section.

Distribution of the Faculty in the M.S.& B.S.Programs

M.S. Program : Currently, the faculty of the M.S. Program consists of 2 full-time & 3 Part-time professors. Every Professor teaching a single course per semester. A total of 95 students were registered in these 5 courses in Fall 1990, and 122 students in

Spring 1991. This implies that an average class size is 22 students.

The total M.S. enrollment during the current academic year is 65 students. hence student/faculty ratio is equal to 1/13.

Undergraduate programs,B.S. & AAS : The facullty in these programs consists of 8 full-timers and 29 part-timers. 6 out of 37 hold Ph.D degrees, 29 hold M.S. / M.A. degrees, and 2 B.S. Degrees. The last 2 teach technical courses like, keypunching. In average, a full-timer teaches 148 students per semester, and a part-timer 46 students.

The total undergraduate enrollment is 890, this implies that the faculty-instructor ratio is 1/24.

99% of instructors in the division are Lebanese, few holding foreign nationalities too. 45% have received their degrees from American or European universities, 55% from Lebanese Universities mostly from A,U.B. & B.U.C.

The turnover of the faculty in the division is high,. Thus, 25% of instructors have joined the division during this academic year, inother words they have spent less than one year in the division. 15% have joined the division since 2 academic years. 20%

have joined since 3 years. this implies that, 60% of instructors in the Division have spent less than 3 years in the division.

In the case of full-timers, 50% have spent more than 5 years in the division. the other 25% less than 3 years, and the final 25% have joined only recently.

Moreover, instructors were asked to fill in their experience in the field of higher education, In the case of part-time faculty, 16 instructors responded to the question. The results are summerized in table 5.17.

TABLE 5.17 : Part-timers and experience

Experience	Percentage
1 to 3 years	25%
3 to 6 years	50%
6 and above	25%

On the other hand, in the case of full-timers,the rates of experience are higher. The findings are presented in Table 5.18:

TABLE 5.18 : Full-timers and experience

Experience	Percentage
1 to 3 years	14%
3 to 6 years	29%
6 and above	57%

This high turnover, and low experience levels specially in the case of part-timers raises the issue, to what extent the performance of instructors is satisfactory. Students both graduate and undergraduate were asked to evaluate the performance

of their instructors. Knowing in advance, that student evaluation is not a perfect measure, an attempt was made to evaluate the overall performance of the faculty, thus students were not asked to evaluate the performance of specific instructors ,but the performance of all instructors in the Division, based on their experience with the teaching competence of their instructors. The findings are presented in Tables 5.19 and 5.20.

TABLE 5.19 : Undergraduate Students & Instructors

Evaluation	Percentage
Extremely unsatisfactory	1%
Unsatisfactory	14%
Satisfactory	62%
Extremely satisfactory	23%

In other words, 85% of undergraduate students are satisfied with the performance of their instructors. This rate is higher than expected. Moreover a crosstabulation of faculty performance evaluation with the academic performance of undergraduate students reveals the following :

**Crosstabulation : Evaluation of faculty performance
By Academic performance (GPA)**

	Less 2.0	2.01-2.50	2.51-3.0	3.01-3.5
Extremely unsatisfactory	0	0	0	1
unsatisfactory	2	5	7	0
Satisfactory	2	31	24	5
Extremely Satisfactory	0	12	40	2

50% of D level students, 10.4% of C level students, 17.5% of B Level and 12.5% of A level students are not satisfied with the teaching competence of their instructors. Thus, the D level students had the greatest complaints, which is natural and vice versa.

A ONEWAY ANOVA test reveals that there are significant differences in the evaluations of the performance of instructors by students of different levels of academic performance.

---------- ONEWAY ----------

**Var. 1: Evaluation of the performance of instructors
By Var. 2: Academic performance of students (G.P.A.)**

Analysis of Variance

Source	D.F.	Sum of Squares	Mean Squares	F Ratio	F Ratio
Between groups	3	1.6308	.5436	1.3423	.2653
Within groups	96	38.8792	.4050		
Total	99	40.5100			

As to the graduate students, their evaluation of the performance of their instructors is presented in Table 5.20.

TABLE 5.20 : M.S. Students and Faculty Performance

Evaluation	Percentage
Extremely unsatisfactory	11.9%
Unsatisfactory	38.1%
Satisfactory	42.9%
Extremely satisfactory	7.1%

The dissatisfaction with the performance of the instructors in the graduate program is high (50% of student). Being a graduate student the researcher finds this high rate of dissatisfaction very logical.

In conclusion, the preceding few pages presented a detailed assessment of the faculty of the Business Studies Division.

2. The Financial Resources of the Business Division.

This part of the chapter, covers the financial resources of the Division, sheds a look on divisional expenditures, and relates both revenues and expenditures to that of two other academic divisions at B.U.C., the Humanities and the Natural Science Divisions. (respectively the second and the third largest divisions) Three academic years were chosen for illustrative purposes. (academic years 1983-84, 87-88 and 89-90) The choice of these three years was made carefully, thus 83-84 is a pre inflation year, 87-88 is a period of high enrollment, and 89-90 is a period of high economic and political turbulence.

Revenues

Tuition revenues are the major, not to say the only source of divisional revenues. Thus, at divisional level donations and grants are extremely rare.

As to the tuition Revenues, it is worthwhile to raise the issue that, The divisional tuition revenues are not calculated in B.U.C. Thus, in the financial records of B.U.C., The tuition revenues are presented in a single cumulative figure for all academic divisions. To overcome this obstacle, and to calculate the divisional tuition revenues, the following method was used:

The total production in credits of a given division over a specific academic year was multiplied by per credit tuition fee for the same period. These total production figures were obtained from the statistical records of the Registrar's office.

To clarify the term **production in credits**, assume that the Business Division is offering currently 20, 3 credit courses, and the total number of students registered in each course is 30 students. Then, the total production in credits is

20 $*$ 3 = 60 $*$ 600 = 3600 credits.

Before presenting the tuition revenue figures, it is worthwhile to shed a quick look on the total production figures of the Business Division, and the other two divisions over the above listed three academic years.

TABLE 5.21 : Total Divisional Production

	Business	**Humanities**	**Natural Sc.**
83-84	10,836 cr. MS:1,782 cr.	17,824 cr.	10,393 cr.
87-88	18,465 cr. MS:1,245 cr	25, 983 cr.	20,399 cr.
89-90	16,947 cr. MS: 675 cr.	19,990 cr.	13,022 cr.

Although, the Business Division is the largest academic division, in B.U.C. given the enrollment figures, the humanities division is the most productive, this is due to the fact that, this

division offers most of the basic college requirements (courses to be taken by all B.U.C. students, like Cultural Studies, Communication Art ..etc.)

Now, the Revenue figures over the same academic years are presented in table 5.22

TABLE 5.22 : Divisional Tuition Revenues.

	Business	Humanities	Natural Sc.
89-90	572,859,800LL ($ 1,074,784)	558,591,600LL	408,512,800LL
87-88	202,737,000LL ($ 579,249)	222,165,000LL	197,096,000LL
83-84	6,460,440LL ($ 1,292,088)	7,765,460LL	4,848,710LL

Although the production of the Business Division, and revenues in Lebanese pounds have increased substantially since 1983-84, the revenues in U.S. $ have decreased substantially. This is because per credit tuition fees have failed to keep in pace with inflation.

TABLE 5.23 : Per Credit Tuition Fees in U.S. $.

	83-84	87-88	89-90
Undergraduate Business Credit	$94	$27	$59
M.S. Credit	$154	$50	$95

The exchange rates were obtained from the B.U.C. comptroller's office.(83-84, $=5LL. 87-88, $=350LL and 89-90 $=533LL)

On the other hand, table 5.24 relates the total tuition revenues to total B.U.C. revenues over the three academic years.

TABLE 5.24: Tot. **Tuition** Rev. Vs. Tot. BUC Rev.

	83-84	**87-88**	**89-90**
Tot. Tuition Revenue (BUC)	23,051,401 ($4,610,280)	725,114,833 ($2,071,757)	1,887,644,750 ($3,541,548)
Total Revenues(BUC)	28,673,617 ($5,734,723)	837,599,372 ($2,393,141)	2,178,385,578 ($4,087,027)
Tuition as a % Total	**80.4%**	**86.6%**	**86.6%**

An interesting issue imposes itself, B.U.C. is highly dependent on tuition revenues. This was the case in 1983-84, but since, the situation has become even worse, thus, currently, total tuition revenues are 86.6% of all B.U.C. revenues. This implies that the donations, grants and other non-tuition revenues are becoming more scarce.

Tables 5.25 and 5.26 respectively, cover the contribution of divisional tuition revenues to total B.U.C. tuition, and to total B.U.C. revenues respectively.

TABLE 5.25 : The Contribution of **Divisional Revenues** to **Total B.U.C. Tuition Revenues.**

	Business	Humanities	Natural Sc.
83-84	28%	33.68%	21.03%
87-88	27.96%	30.64%	27.18%
89-90	30.35%	29.59%	21.64%

TABLE 5.26 : The Contribution of **Divisional Tuition Revenues** to **Total B.U.C. Revenues.**

	Business	Humanities	Natural Sc.
83-84	22.53%	27.08%	16.91%
87-88	24.26%	26.5%	23.5%
89-90	26.29%	25.64%	18.75%

Expenses

The divisional expenditure figures over the three academic years under study are presented in table 5.27

TABLE 5.27: Divisional expenditures.

	Business	Humanities	Natural Sc.
83-84	2,103,374LL	3,603,352LL	1,968,629LL
87-88	64,082,205LL	83,068,462LL	109,484,194L
89-90	173,285,061LL	180,392,466LL	155,908,695L

The main divisional expense is the financial compensation, payroll and fringed benefits, to the faculty. The other major expenses are the divisional contracted services, which include salaries paid to graduate assistants, the student labour paid as a work study grant to undergraduate students, and finally supplies and equipments. Table 5.28 relates the major divisional expenses to total divisional expenses.

TABLE 5.28: Major Divisional expenditures in relation to total divisional expenses

	Faculty	Contracted Services	Supplies& Equipment	Student Labour
83-84	89.12%	3.4%	1.3%	2.11%
87-88	84.59%	5.2%	3.87%	4.4%
89-90	84.5%	6.4%	2.6%	3.5%

Moreover, it is to be noted also, that the fringe benefits to the 8 full-time faculty members constitutes 58.5% of the total faculty financial compensation. On the other side, the payrol of 40 faculty members counts only 41.5% of the total faculty financial compensation.

Table 5.29 presents the divisional net income figures over the three academic years under study.

TABLE 5.29 : Divisional Net Income.

	Business	Humanities	Natural Sc.
83-84	4,357,066 LL	4,162,108 LL	2,880,081LL
87-88	138,654,795 LL	139,096,538 LL	87,611,806LL
89-90	449,574,739 LL	378,199,134 LL	252,604,131LL

Finally, table 5.30 relates divisional expenses to divisional revenues:

TABLE 5.30 : **Divisional Expenses** as a **Percentage** of **Divisional Revenues**

	Business	Humanities	Natural Sc.
83-84	32.56%	46.4%	40.6%
87-88	31.6%	37.39%	55.4%
89-90	21.5%	32.29%	38.16%

Based on the figures elaborated in the preceding two tables, the following issues can be raised:

The Business Division is the most profitable of the three divisions. Currently, only 21.5% of its revenues are covering all of the divisional expenses. The Division is generating a net income of 449,574,739 LL which is allocated elsewhere.

The trend of Business expenditures as a
percentage of Business tuition revenues has decreased
steadily from 32.5% in 83-84 to 21.5% in 89-90. This
implies that, either the divisional resources are
managed more efficiently, or the divisional revenues
are not used to improve the quality of the educational
services, the facilities, and hence are allocated
elsewhere to cover the fixed costs of B.U.C.
The second issue sounds more realistic, thus B.U.C. is
highly dependent on tuition revenues, so every
division has to contribute its share of revenues to
cover the general college expenditures. But, this
does not imply that the Business Division has to play
continuously the role of a cash-cow, because the
financial resources of a division are the major key
leading to the improvement of the other resources ,
facilities, and hence to the improvement of the
overall performance of the Division.

In conclusion, the allocation of financial
resources, can't be discussed further at divisional
levels, but it is worthwhile to raise the issue that
the contribution of the Business Division in tuition
revenues to total B.U.C. revenues should be kept at a
level that will not impede any urgent or possible
improvements in the quality of divisional resources
and facilities.

3. The Facilities of the Business Studies Division.

In this part of the chapter, two facilities are to be assessed: The B.U.C. Library, and the Business Computer Center.

The B.U.C. Library: (Offerings related to Business)

In the absence of statistical figures related to the offerings of the B.U.C. Library in specialized Business books and Journals, an attempt was made to evaluate these offerings, through an evaluation carried out by the different library users. Thus, instructors and students were asked to evaluate the library offerings. Moreover, an interview was held with the B.U.C. librarian to clarify certain issues. The findings are elaborated in the following few pages.

a. Evaluation by instructors : 23 faculty members (7 full-timers & 16 part-timers out of 32) responded to the questionnaire. Their evaluations are tabulated in Table 5.31:

TABLE 5.31 : Library Evaluation by Instructors.

	Frequency	Percentage
Satisfied with the Library offerings	9	39.1%
Not satisfied with the offerings.	9	39.1%
Unable to Decide	5	21.8%
	23	100%

In the case of full-timers, the satisfaction rate was 57.15% (4 out of 7). On the other side, the satisfaction rate of part-timers was 31.25% (5 out of 16) 37.5% of part-timers were not satisfied, but the most interesting finding was that 31.25% of part-timers were unable to evaluate the library offerings related to Business Studies, being unaware of both the quality and the quantity opf the library offerings.
An important issue imposes itself, if instructors are not interested in, and not using the library resources, then how to expect the students to use these resources.

34.78% of instructors admitted that they are given chances to order new books, but on the other side 47.83% claim that they are not given any chances to order new books , and the remaining 17.39% agree that they are given rare chances. It is interesting to note that 71.4% of full-timers and 18.75% of part-timers respectively, are the ones that admit to have given the chances.

Moreover instructors were asked to classify their students according to student tendency in using the library resources, the findings are covered in table 5.32.

TABLE 5.32 : Students & Use of Library Resources as Viewed by Instructors.

Classification	Percentage
Use only when asked to do so	70%
Not use at all	25%
Voluntary users	5%

b. Evaluation by students: Both graduate & undergraduate students were asked to evaluate the library resources, the findings are presented in tables 5.33 & 5.34 respectively.

TABLE 5.33: Evaluation by Graduate Students.

Evaluation	Percentage
Full satisfaction	7.1%
Partial satisfaction	42.9%
Dissatisfaction	50.0%

This figures are very logical, because, most of the time the graduate students are obliged to use the A.U.B. Jaffet Library.

Table 5.34: Evaluation by undergraduate students.

Evaluation	Percentage
Full satisfaction	21%
Partial satisfaction	51%
Dissatisfaction	28%

A crosstabulation of undergraduate Library evaluation and the academic performance of the student reveals that, 66.7% of students who are satisfied with the Library offerings are D & C level students. On the other hand, 65% of unsatisfied students were A & B level students. Thus, the rate of dissatisfaction is high in the case of A & B level students, who are the potential library users.

As to the issues raised by the B.U.C. librarian,

- The Library has the necessary financial resources to keep in pace with the latest publications and to update its offerings. It has the required funds to meet the various divisional needs of references, specialized books, and other publications. But, most of the time these allocated funds are used only partially, due to a lack in divisional orders and interest.

- The Library is constantly asking divisions to fill in orders for new books and publications. But, the feedback is rare specially in the case of the Business Division.

Most of the Business faculty members are neither using the Library resources, nor showing any interest in these resources. They are too often unaware of the

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29. Interview with Miss Bughdana Hajjar, The B.U.C. Librarian, on April 25, 1991.

available references. Hence, assignments are given without prior assessment of the Library resources.

These issues raised by the librarian, show that no serious attempt is made by the division to update the Library resources. Thus, on one side, almost 50% of the faculty claim that they are not given any chances to order new books, and on the other, the librarian, confidently, claims that, the chances are given but the feedback is rare.

In conclusion, keeping the Library resources up to date is crucial in securing user interst and satisfaction. Hence, a better coordination is needed between the Library and the Division in general, and between the Library and the Business faculty in particular, to utilize the available financial resources and to improve the offerings of the Library.

The Business Computer Center

The Business Computer Center is a medium size facility. Its major objective is to educate students in business-oriented softwares, and to provide them enough knowledge about the current employment market requirements of computer usage. Moreover, the center is to help The M.S. students in their research and thesis requirements.

Currently, the center offers 120 lab-hours a day, 90 hours to undergraduate students, and 30 hours to graduates. The total lab-hours offered per semester is about 8500 hours.

The undergraduate courses that benefit from the center facilities are Accounting I & II, Cost , Intermediate, and Advanced Accounting, Marketing Research, M.I.S., Business Statistics, and Business Senior Study.

The center is supervised by a full-time faculty member, and a part-time technical supervisor. 7 student assistants(2 graduate students and 5 undergraduates) are employed to help the users of the center's facilities.

the hardware configuration of the center is the following:

- 6 monochrome 256K RAM double-floppy (360K) computers
- 1 monochrome 640K RAM double-floppy (360K) computers
- 3 Monochrome 640K RAM 1 floppy and 10 MB hard disk computers.
- 1 color CGA 640K Ram 1 floppy and 10 MB hard disk computer.
- 1 color CGA 640K RAM 1 floppy and 20 MB hard disk computer.

The software packages used are the following:

- Lotus 1-2-3 ver. 2.0
- Dbase III Plus.
- Samna Word III.
- BPI General Accounting.
- SPSS (Statistical Package for Social Sciences)

Current Problems

The major problem that the center is facing is the obsolete nature of its hardware facilities. Thus, the center has failed to keep in pace with the latest technologies. This in turn, has reflected negatively on the software packages used currently. Thus, the current hardware facilities are unable to meet the technical requirement (memory space, processing speed) of more advanced software packages. Hence, a strong need for upgrading the center facilities imposes itself. In fact, this need has received recognition and a decision is taken by the B.U.C. administration to upgrade the center. The required financial resources are allocated, and negotiations are on their way to reach a final agreement about the proposed configurations. No details about the proposed configurations are released yet.

As to the management of the center, this is an issue that should receive immediate consideration,too. The center should have a full-time supervisor, spending at least eight hours daily in the center, and capable of handling both the technical and the managerial needs of the center.

In conclusion, the Business Computer Center is a very important facility in the Division, that will help the Business graduates to meet the employment market requirements. This is what 86% of graduate students, and 90% of undergraduates believe in. So it should be kept up-to-date to the latest technological innovations, and should be managed more efficiently and effectively to achieve its objectives.

And finally, the Business Studies Division has no other facilities to assess or evaluate. But, in case, small financial allocations be made annually, new facilities, like audiovisual aid equipments can be purchased, which will help to a large extent in improving the quality of the educational services, specially in the case of certain courses requiring extensive use of the blackboard.

4. Markets and Market Share.

The Business Studies Division serves two types of markets:

a. The students choosing to specialize in the different programs offered by the Division.

b. The employment markets, in need of university graduates holding degrees in Business Studies.

It is worthwhile to note that, these two markets can be viewed as a single comprehensive market, but this subdivision is intentional because the study is to focus on the second subdivision, only.

As to the first market, the division meets a human need for higher education in Business Studies. This market represents the demand for the educational services that the Division offers. Any detailed analysis of the demand curve, and forecasts are beyond the scope of this study, because that will require an assessment of the various environmental factors, political, economic, social, demographic, and technological that affect directly or indirectly the demand for higher education in general, and for Business Studies in particular. But, at this stage, it is possible to claim that the demand for enrollment in Business studies at B.U.C. is inelastic. Thus, B.U.C. charges the highest tuition fees among

the various Lebanese universities, although it is not the leading university in Lebanon. 50 to 60% of B.U.C. students pay their tuition fees, and annual increases in tuition fees have no negative affect on either enrollment levels or admissions. Moreover, even the negative implications of the Lebanese Civil War , over the last decade, did not have considerable negative affects on the demand, specially in the case of undergraduate programs.

In other words, the "industry" of higher education in Lebanon is an oligopoly, dominated by few universities, with the demand for higher education exceeding the supply of this educational services.

Moreover, it is to be noted that, the assessment of the characteristics of the undergraduate and graduate students in the sample, discussed in the first part of this chapter, highlighted some of the basic characteristics and features of this market. The most important feature is the fact that, the Business Division at B.U.C. is failing to attract the most qualified , and outstanding high school students. Moreover, its M.S. program is failing to attract graduates from other Lebanese universities.

As to the employment market, it is the needs of this market that determine and shape the programs offered by the educational institutions.

The Business Division has to scan continuously the latest developments in this market to detect opportunities initiated by the presence of unmet needs. In the long-run, the requirements and the needs of these markets will impose themselves and will be reflected on the demand for the educational services that the Division offers, but detecting these opportunities well in advance of other competitors is crucial in building a competitive edge.

A questionnaire (quest. #3) was designed to collect relevant information about the basic market needs and trends, about the market expectations from Business schools, and finally, about the market evaluation of the performance of B.U.C. Business graduates.

40 copies of this questionnaire were distributed, but only 24 copies arrived back. (the rate of return was 60.0%) It is to be noted also that most of these 23 questionnaires were filled through personal interviews with the respondents. The respondents were senior level , either top or administrative, managers. The sample size might seem small, but the majority of these 24 organizations were among the most outstanding and the leading organizations in their industries, mostly multi-branch organizations with total number of employees in the range of 50-300. The sample consists of ten banks, five auditing firms, five

insurance companies, three general trade companies and finally a consultant firm.

Given the 24 organizations in the sample, Table 5.35 relates the number of employees holding a university degree in Business Studies to total number of employees in these organizations.

TABLE 5.35: Rate of Employees Holding a University Degree in Business Studies.

Sector	Percentage
Banking	32%
Insurance	30%
Trade	13%
Auditing	64%
Consulting	100%

Moreover, Table 5.36 presents the rate of students holding an M.S. degree in Business Studies to total number of employees holding a Business degree:

TABLE 5.36: Rate of Employees Holding an M.S. Degree in Business Studies.

Sector	Percentage
Banking	16%
Insurance	15%
Trade	18%
Auditing	10%
Consulting	4%

The Market Share

Drawing on the sample of 24 organizations, A.U.B is the market leader, its Business graduates both B.S. & M.S. degree holders have the largest market shares, 33% & 40% respectively. The second position is occupied by B.U.C. with a market share of 26% in the case of B.S. degree holders, and 32% in the case of M.S. Degree holders.

Table 5.37 presents in details the market shares of both A.U.B. & B.U.C. Business graduates classified according to the type of organizations.

TABLE 5.37 : Market Share of B.U.C. & A.U.B. Business Graduates.

Sector	B.S. Degree		M.S. Degree	
	A.U.B.	B.U.C.	A.U.B.	B.U.C.
Banking	34%	21%	41%	22%
Auditing	22%	16%	35%	25%
Insurance	30%	35%	35%	60%
Trade	50%	40%	----	---
Consulting	42%	42%	75%	25%

In general, U.S.J. occupies the third position, but it is worthwhile to note that, it has the largest share in organizations of French orientation, usually located in the east sector of the Capital. In such organizations, A.U.B & B.U.C. have minimal shares.

In the case of the auditing sector, the first position is occupied by A.U.B (24%) , the second by

the Arab University (20%) , the third by B.U.C.(18%)
, and the fourth by U.S.J.(16%).

<u>Evaluation of the Market performance of B.U.C.</u>
<u>graduates</u>.

The respondents, mostly top or administrative
managers, were asked to evaluate the performance of
B.U.C. Business graduates, by classifying their
performance as highly satisfactory, unsatisfactory or
moderate. 58.% of respondents reported high
satisfaction and 42% moderate satisfaction. Thus, 80%
of respondents in the auditing sector, 60% in the
banking sector, 40% in the insurance sector, and 33%
in the general trade sector reported high satisfaction
with the performance of B.U.C. graduates.

Moreover, the respondents were asked to specify
the specializations in which the B.U.C. Business
graduates are meeting the market requirements, and the
specializations in which they are failing to meet the
market requirements. 18 respondents answered these two
questions. Students specialized in Business-computer,
Accounting and Management are meeting the market
requirements. On the other side Economics and
Finance are the specializations in which the B.U.C.
students are failing to meet the market requirements.
In the case of Marketing the figure is not clear,
because the frequency of reported satisfaction was

matching with the frequency of reported dissatisfaction.

The Market Trends & Needs

Given the prevailing economic conditions in Lebanon 58% of respondents claim that the demand for jobs by university graduates holding a degree in Business studies exceeds the supply of jobs in the Lebanese employment market. In details, 80% of bank managers, 60% of insurance company managers, 20% of auditing company managers and 100% of trading company managers, share this view. Most of the managers in auditing companies do not share this view, because their industry is characterized by high turnover, initiating in turn, a continuous demand for fresh graduates.

This fact explains the high unemployment rate (47.5%) in the case of students currently enrolled in the B.U.C graduate program. Moreover, it explains the high immigration rate of university graduates.

Fortunately, most (90%) of respondents, specially in the banking sector believe that, the expected improvements in the political conditions, will be reflected automatically and positively on the demand for university graduates, and hence, the current trend will be reversed.

Finally, the respondents were asked to fill in

the specializations that their organizations are most
likely to need in the near future. The findings are
summarized in Table 5.38.

TABLE 5.38 : Market needs of Business Graduates

Sector	Acc.	Mngt.	Mkt.	B-comp.	Finan.	Econ.
Auditing	100%	---	---	80%	---	---
Insurance	40%	40%	80%	80%	60%	---
Banking	70%	50%	---	70%	80%	40%
Trade	66%	---	100%	66%	---	---

Business/Computer and Accounting are the
specializations needed in almost all of the sectors.

M.S. degree holders were demanded in the
auditing, banking and insurance sectors.

In conclusion, drawing on the findings of this
study, it can be stated that, the currently offered
specializations in the Business Division are most
likely to be demanded in the near future. Moreover,
there is a strong market need for specialists in
Finance, specially in the banking and insurance
sectors. This is an issue that should receive
immediate consideration. A feasibility study should
be carried out to study the possibility of introducing
this specialization.

Finally, it is to be reminded that a systematic
scanning of the market needs and requirements is
crucial first step in building a competitive position.

B. The **Intangible** Resources of the Division.

This part of the chapter will present an assessment of the the competitive image of B.U.C. and its Business Division. This assessment is carried out by the various constituent groups of the Division.

a. The competitive image of the Division assessed by undergraduate students.

The undergraduate students were asked to recall the prior to enrollment image they had about B.U.C. and its Business Division. The findings are summarized in Table 5.39.

TABLE 5.39 : The Image of B.U.C. as Viewed by Undergraduate Students.

Image	Percentage
Recently growing college	3%
A prominent Lebanese university	7%
The second after A.U.B.	82%
Not highly prestigious	8%
Very expensive institution for higher education	39%

B.U.C. is a very expensive academic institution occupying the second best position after A.U.B.,among the different Lebanese universities. This was the prevailing image of B.U.C. that most undergraduate students had in mind prior to their enrollment in the Business Studies.

Even after enrollment, this prior image has not changed, significantly. Only 50% of those who thought that B.U.C. is not a highly prestigious university, have reported a positive change in that image.

Moreover, the undergraduate students were asked to list the universities they had applied to for admission, according to the priorities given to these universities.

85% of students enrolled in the Division have applied to both A.U.B. & B.U.C. 83.5% of these students (71 out of 85) had preferred to join the Business Studies Division at A.U.B. Moreover, only 23% of all students in the sample had preferred to join the Business program at B.U.C.. 14% of students had applied also, to the Lebanese University, 10% to the Arab University, 8% to U.S.J., 1% to Haigazian College and finally 6% to Foreign universities.

In conclusion, A.U.B. has the leading image, among the Lebanese universities as viewed by high school students. B.U.C. occupies the second position.

b. The competetive image of the Division as viewed by the graduate students.

Graduate students were asked to assess the competetive image of B.U.C. in the Lebanese employment

market.   57.1% of the   students in the   sample   think
that   A.U.B.   has the   leading   market image,   and its
graduates   the   priority   in employment.   But, on the
other   side,   42.9%   believe that   A.U.B.   and   B.U.C.
Business graduates have a matching market image, hence
equal opportunities in the Lebanese employment market.
It   is   interesting   to   note   that   50%   of   employed
students think that both have matching chances, but,
this   rate is lower   (35%) in the   case of   unemployed
students.

Moreover,   45.2%   of   students   enrolled   in   the
program   have   applied   for admission   to the graduate
program   at A.U.B.   89%   (17 out of   19) preferred   to
join the graduate program at A.U.B.   These   rates   are
lower compared to the undergraduate students.

c. The competitive image of the Division assessed by the faculty of the Division.

Instructors,   specially   part-timers,   working   in
different   sectors of the economy were asked to assess
the   image   of   the   Business   Division,   through   an
evaluation   of   the   competitive market   image   of its
graduates.

Only   5 instructors in the   sample, answered this
question,   a single full-timer and   four part-timers.
The   others were either   not   in a position to   assess
the   required   issue or,   were   not employed   in other
sectors of the economy.

As to the part-timers , three out of four believe that A.U.B. Business graduates have the leading market image . The fourth part-timer and the single full-timer believe that the A.U.B. and the B.U.C. Business graduates have matching market images.

d. The competetive image of the Division assessed by the employers of Business graduates.

Employers were asked to assess the competitive market image of B.U.C. Business graduates. The results are summarized in Table 5.40:

TABLE 5.40 : Image of B.U.C. Business Graduates.

Image	Freq.	Percentage
A.U.B has the priority	13	54.2%
B.U.C has the priority	0	0%
Both have a matching image	11	45.8%

Moreover, 79.2% of respondents reported that both A.U.B. & B.U.C. Business graduates, have a better market image than the other Lebanese university graduates. On the other side only 33% of respondents claim that both A.U.B. & B.U.C. Business graduates have a weaker market image compared to students graduated in Business Studies from an European or U.S. university.

The highest rate (80%) of those who reported similar market image was in the auditing sector followed by the banking sector 40%, trade 33% and insurance 20%. This implies that in certain specializations, the image of B.U.C. graduates is matching to that of A.U.B. graduates. Accounting is an example.

At this stage, as pointed out by Dr. N. Pasha, the Chairman of the Division, it is worthwhile to note that, one of the major reasons behind the leading market image of A.U.B. is the presence of A.U.B. graduates in leading managerial positions in different organizations. Thus, A.U.B. alumni, occupying senior level managerial posts, too often, give the priority to A.U.B. fresh graduates. B.U.C., lacks this important market asset. This issue raises the importance of the role that B.U.C. alumni can play in order to improve the competetive market image of B.U,C.

In conclusion, according to the assessments of the four different constituents groups, the A.U.B. Business graduates have the leading market image in the Lebanese employment market. But, in particular specializations, B.U.C. graduates have an almost matching image. The B.U.C. Business Division has to capitalize on such issues. Thus a matching image is only one step away from a leading image.

SECTION II : **Assessment of the Current Performance
of the Division.**

The current objective of the Division as stated
by Dr. N. Pasha, the Division chairman, is to maintain
the second best position after A.U.B. among the
different universities operating in Lebanon.

Drawing on the findings covered in the first
section of this chapter, it can be easily pointed out
that the Division has achieved the above stated
objective, and it is currently occupying the stated
position, both in market share and market image.

At this stage, the Division faces two choices,
either to continue with its defensive strategy and
direct all of its resources to defend and maintain its
current position, or set a new objective and implement
an offensive strategy to achieve this new objective.
In case of the first choice, the Division may succeed
in maintaining its position for a long-time, but it
will fail to keep in pace with the market leader,
because all of its resources and efforts will be
directed to handle the threats emerging from
universities occupying lower positions. On the other
side, based on the findings of the assessment of the
internal environment of the Division, it can easily be
pointed out that the Division has the required
resources to back up a new objective and enable it to

launch an offensive move. The proposed objective is a new market position matching to that of A.U.B., the market leader, and the proposed offensive move is a "guerrilla war".

To clarify, it is unrealistic to claim that B.U.C. in general and its Business Division in particular can outperform A.U.B. or its Business Division, specially in the short-run , because A.U.B has the most strategic "weapon", the leading market image formed by a century long history. But, on the other side, this fact does not mean that the B.U.C. Business Division should give up its "fight" for improving its different programs and market image.
To illustrate from the military world, in case you can't beat your enemy in a single battle then you have to launch a guerrilla war by taking both offensive and defensive moves in the right times.

In other words, the Division has to work hard to improve the quality of its programs , by improving the quality of the students enrolled , and the quality of the offered educational services. As soon as a program is ready to compete for a better market image, an image matching with that of A.U.B., the Division should take the offensive move and direct its available resources to secure the success of the move. This offensive move, for example, can take the form of a marketing campaign to promote the graduates

specialized in that program. The market feedback should be utilized to correct any possible deficiencies of the offensive move.

On the other side, defensive moves should be taken to handle emerging weaknesses in the market image of certain programs. Thus, improvements in certain programs should not be reflected as weaknesses in others.

The timing and the frequency or the pace of both the proposed offensive or defensive moves will be determined by the developments in the markets and in the divisional resources.

To illustrate drawing on the findings of this study, currently, three of the five undergraduate specializations, Accounting, Business-computer and Management, are meeting the market requirements. These three programs have the potential tocarry out the first three offensive moves respectively. Thus B.U.C. graduates in Accounting have an almost matching image to that of accountants graduated from A.U.B.. This is an opportunity that the Business Division should capitalize on. It should work out to improve any possible weaknesses in the program, if any, and then immediately launch an offensive move to promote its accountants in the Lebanese employment markets. At the same time, the Business-economics and the Marketing specializations need immediate

action to detect the reasons behind the market dissatisfaction, and take the required correction moves.

Moreover, the Business Division is failing to meet a strong market need of specialists holding a degree in Finance. This is another issue requiring a defensive move, in the right time. Thus, to achieve a prominent market image the Division has to meet the important market needs. Eventually, at the completion stage of this study, this researcher learned that a decision is taken by the administration of the university to introduce a new specialization in the B.S. program, Banking and Finance.

And finally, the M.B.A. program has some internal weaknesses that require immediate consideration. Thus, 50% of students are not satisfied with the performance and the teaching competence of their instructors, and 71% of students complain that the program lacks specialization. These are issues imposing correction moves to avoid their negative implications of the market image of the B.U.C. M.B.As.

In conclusion, the proposed strategy aims at achieving a better market image, through the improvement of the quality of the offered programs. the proposed strategy sets challenges to meet, which are ignored by the current strategy.

In a final conclusion, This chapter covered the findings of a comprehensive assessment of the internal environment of the Business Studies Division. In other words, this study evaluated and assessed the overall performance of the Division, revealed its major strengths and weaknesses , and laid the foundations for proposed improvements, all these in order to achieve higher levels of Divisional performance, effectiveness and efficiency.

This internal environmental assessment is one of the major steps of the strategic planning process. Hence, at this stage, drawing on the findings of this study, a positive answer should be compiled to the research questions raised in chapter I. Thus, strategic planning although designed primarily for Business oriented organizations, proved to be applicable in a not-for-profit academic institution.

Strategic Planning is a worthwhile endeavour to undertake because, it is a planning technique that reveals the obstacles, hurdles impeding improvements in the performance of the Business Division, and the opportunities and courses of action leading to these desired improvements.

CHAPTER VI

CONCLUSIONS & RECOMMENDATIONS

The purpose of this study was to demonstrate the applicability and the worth of strategic planning in a not-for-profit academic institution. The B.U.C. Business Division was used for illustration.

This purpose was achieved by focussing primarily on one of the major steps in the seven step process, the internal environmental assessment of the Division, and only partially, on strategic issue identification, and strategy formulation. These last two steps only in relation to the findings of the internal environmental assessment.

In the preceding two chapters, a comprehensive assessment of the internal environment of the Business Division was carried out. The analysis of the enrollment, admissions and graduation trends served as a valuable prelude to the assessment of both Divisional resources and Divisional performance.

Thus, the various Divisional resources, both tangible and intangible were evaluated, and analyzed. The inherent strengths and weaknesses were identified and revealed. Finally, the overall performance of the Division was highlighted, and a new strategy was proposed to achieve higher levels of performance.

In other words, this detailed internal environmental analysis proved to be a very essential step in paving the way towards higher levels of organizational performance.

Summary of Major Findings

As to a brief summary of the major findings of this study, the following few paragraphs will summarize the major issues raised as a result of the assessment of the internal environment of the Business Studies Division.

As to the financial resources of the Division, the Business Studies Division is the most profitable division at B.U.C. But, it is serving as a cash cow. Thus, 80% of The Divisional revenues are allocated to cover the fix costs of the college. In other words, only 20% of its revenues are covering all of the operating expenditures of the Division.

As to the human resources of the Division, The undergraduate programs offered by the Division are failing to attract qualified high school students. Thus, the rate of, outstanding A level high school

students is rare. On the other side, the M.S. program in turn is failing to attract students graduated from other Lebanese universities, and students holding undergraduate degrees in specializations other than Business Studies.

As to the facilities of the Division, there is an urgent need to upgrade the Business Computer Center to keep in pace with the latest technologies and software applications. On the other hand, the offerings of the B.U.C. Library in specialized Business books and other publications should be improved by establishing a better coordination between the Library and the Division.

As to the employment markets and the market share of B.U.C. Business graduates in the Lebanese employment markets, currently, B.U.C. has the second largest market share after A.U.B. Moreover, B.U.C. Business graduates specialized in Accounting, Management and Business/computer are meeting the employment market requirements, but on the other side graduates specialized in Marketing and economics are not meeting the market requirements. Finally, The Business Division is failing to meet a strong market need for graduates specialized in Finance.

As to the intangible resources of the Division, the assessment of the competitive image of the

Division revealed the fact that B.U.C. has the second best competitive image among the various Lebanese universities.

And finally, as to the assessment of the overall performance of the Division, this study revealed that the Division has succeeded in achieving its objectives. Thus, The B.U.C. Business Division occupies the second best position after A.U.B. among the Lebanese universities. Moreover, based on the strengths in the internal resources of the Division revealed by this study, a new strategy was proposed for the Division. A more aggressive strategy directed to achieve a matching market share and image to that of A.U.B.

Recommendations

As indicated earlier, the purpose of this study was achieved by focussing primarily, on a single step of the strategic planning process. Thus, the applicability and the worth of strategic planning was studied through a comprehensive assessment of the internal environment of the Division. Studying this subject through another step of the strategic planning process, is an interesting and challenging issue, that will complete the picture. Hence, further research on the subject is recommended, through the implementation of another major step of the process, the assessment of the external environment of the Division.

Moreover, the assessment of some of the internal resources, like the market share, image of B.U.C. graduates in general, and Business graduates in particular, the allocation of financial resources in an academic institution are issues that have the potential to serve as subjects for independent researches.

APPENDIX A

<u>Questionnaire #1 : Undergraduate students</u>

My name is Hagop Panossian. I am a graduate student in the M.B.A. program, Business Division, B.U.C.. I am conducting a survey to demonstrate the applicability of <u>Strategic Planning</u> in the Business Division at B.U.C. This questionnaire is designed to collect relevant information. Your responses will be completely anonymous, confidential and to be used for statistical purposes.

Please check your choice in the appropriate space

1. Sex ? :   Male ———   Female ———

2. Age ? :   ——— years.

3. What is your major ?

   - Business Studies with an emphasis in :

   a. Accounting ———   c. Marketing ———

   b. Economics ———   d. Management ———

   e. Business computer ———

4. What is the degree you are working for?

   a. B.S. Degree ———   b. AAS Degree ———

5. Class ? a. Freshman ———   c. Junior ———

            b. Sophomore ———   d. Senior ———

6. During the last stages of your secondary education were you :

            a. ——— A below average (D level) student?

            b. ——— An average (C level) student?

            c. ——— An above average (B level) student?

            d. ——— A distinguished (A level) student?

7. You are : a. English educated ———

              b. French educated ———

              c. Other: specify ———

8. Fill in your scores on the following examinations,
   (The ones you have taken)

   a. E.E.E. ———   c. TOEFL ———

   b. S.Q.   ———   d. Full-freshman E.E. ———

9. Fill in the name(s) of the secondary school(s) you
   were enrolled in prior to your B.U.C. enrollment:

   a. ————————————————————————

   b. ————————————————————————

10. You have chosen to specialize in your <u>major</u>,
    because :

a. ——— It was your major field of interest, and your
         first, most preferred choice.
b. ——— It was not your major choice but an
         acceptable substitute.

c. ——— It was the only choice you had.

d. ——— It was highly recommended to you by your
         parents,teachers ...etc.although it was not
         your preferred choice.

e. ——— You thought, your major's requirements match
         perfectly with your academic abilities.

f. ——— Other: specify ————————————————

   ————————————————————————————————

11. After enrollment, do you occasionally regret your
    choice of major ?

    a. Yes ———   b. No ———

12. Prior to enrollment, the knowledge you had about
    the Business Studies was :

    a. Insignificant ———   c. Average ———

    b. Below Average ———   d. comprehensive ———

13. Prior to enrollment, did you have a clear idea
    about the career opportunities that you might have
    after graduation ?

a. Yes ———   b. No ———   c. To a certain extent ———

14. Check from the list below, the universities or the colleges you had applied for admission.

a. Haigazian College   —————————

b. Lebanese University   —————————

c. Beirut Arab University —————————

d. St. Joseph University   —————————

e. Notre Dame University —————————

f. A. U. B.   —————————

g. B. U. C.   —————————

h. Other, specify : ———————————————————

15. If you had applied for more than one university rank those, according to your priorities.

a. ———————————————————

b. ———————————————————

c. ———————————————————

16. What image of B.U.C. did you have in mind, before applying for admission ? check one or two

a. ——— A recently growing college.

b. ——— A prominent Lebanese University.

c. ——— Ranking second after A.U.B. in academic prestige, among the Lebanese universities.

d. ——— Not highly prestigious academically.

e. ——— A very expensive institution of higher education for high class students.

f. ——— Other, specify : ———————————

———————————————————————————

17. After enrollment, has the prior image you had formed changed ?

a. Yes, positively ————

b. Yes, negatively ————

c. Not changed ————

18. What is your cumulative GPA ? ──────────

19. In your major courses, do you find it difficult to
    score :

       An   – A – grade   yes ──── No ────

       A   – B – grade   yes ──── No ────

       A   – C – grade   yes ──── No ────

20. Do you think that the reason behind your failure
    in scoring satisfactory grades is mainly due to:

       a. your inefficient performance?─────

       b. unsatisfactory performance of your
          instructors? ─────────

21. Have you had complaints, regarding the teaching
    performance and competence of your instructors:

    a. None ─────   d. Often   ─────

    b. Few ─────   e. Too often ─────

    c. some / occasional ─────────

22. So far, your satisfaction with the teaching
    performance of your instructors in the Business
    division ranges ranges from :

    a. 0 – 25 % ────   e. 50 – 75 % ────

    b. 25 – 50 % ────   f. 75 – 95 % ────

23. Are you in general , satisfied with the offerings
    of the B.U.C. library - specialized Business book
    s and journals - ?

    a. Yes ────   b. No ────   c. Partially ────

24. Do you find the use of computerized systems and
    computers in the Business Computer Center :

    a. Extremely beneficial ─────

    b. Beneficial ─────

    C. time consuming endeavour ─────

    D. Waste of time ─────

25. Do you face financial problems in meeting the continuously rising tuition fee obligations?

    a. No ——   d. Increasing ——

    b. Insignificant ——   e. Severe ——

    c. Occasional ——

26. Please specify your living location:

_____

***** Thank You *****

APPENDIX   B

Questionnaire #2 : Graduate Students

My name is Hagop Panossian. I am a graduate student in the M.B.A. program, Business Division, B.U.C. I am conducting a survey to demonstrate the applicability of <u>Strategic Planning</u> in the Business Division at B.U.C. This questionnaire is designed to collect relevant information. Your responses will be completely anonymous, confidential and to be used for statistical purposes.

Please check your choice in the appropriate space

1. Sex :   Male ――――   Female ――――

2. Age :   ―――― years.

3. Marital Status :

    a. Single ―――   c. Widowed ―――

    b. Married ―――   d. Divorced ――――

4. where do you come from ?

    a. Beirut & Suburbs ―――   d. Bekaa ――――

    b. South Lebanon ―――   e. Kesrwan ――――

    c. North Lebanon ―――   f. Mountains ――――

    e. Outside Lebanon, specify ――――

    g. Other,specify ――――

5. Fill in :

    a. Undergraduate degree & major ――――――――――

    ―――――――――――――――――――――

    b. Undergraduate final cumm. GPA : ――――
                         or,Average: ――――

6. Had you applied for admission to the M.B.A. program in other universities in Lebanon / outside Lebanon?

    a.   A.U.B. ―――

    Other, specify   b. ―――――――――――――――

                    c. ―――――――――――――――

7. If you had applied for admission to the M.B.A. program in more than one university, rank those according to your priority/preference:

a. ————————————————————————

b. ————————————————————————

c. ————————————————————————

8. If B.U.C. was not your first choice then, the main reason, in not being able to join the M.B.A. program in your most preferred university was :

a. Your application was not accepted. ————

b. You were accepted , but unable to meet the financial requirements.

c. Other, specify : ————————————————————
————————————————————————————————

9. You have decided to join the M.B.A. program :

a. To improve your chances of getting a better job and financial compensation. ————

b. To pursue a teaching career in a Lebanese university. ————

c. To join a Ph.D program upon graduation. ————

d. a. & b. ————

e. a. & b. & c. ————

f. other, specify : ————————————————————
————————————————————————————————

10. How do you meet your tuition fee obligations:
          check one or two

a. Met by parents ———— d. Full Scholarship ————

b. Met by yourself ———— e. Financial Aid/B.U.C. ————

c. Met by employer ———— d. Other ————————————

11. If obliged to meet the financial requirements- tuition & other expenses- personally, then:

a. ———— You will manage to meet it easily.
b. ———— You will manage to meet it, but face great difficulties.
c. ———— You will be obliged to drop out.
d. ———— Other, specify ————————————————

12. Do you find the M.B.A. program in B.U.C. too general,ie. Lacking specialization and emphasis in one field ?

    a. Yes ———   b. No ———

13. Your satisfaction with the teaching performance of your instructors ranges from :

    a. 0 to 25% ———   c. 50 to 75% ———

    b. 25 to 50% ———   d. 75 to 95% ———

    Answer question 14 only if you hold an under-graduate degree in Business studies.

14. To what extent , a specific M.B.A. course broadens your knowledge accumulated by undergraduate courses in the same field ?

    a. Insignificantly ———

    b. Partially ———

    c. Significantly ———

    Answer question 15 only if you hold an   under – graduate degree in Business studies from B.U.C.

15. Having spent 3 to 6 years in B.U.C. at the Business Division, and having taken management courses, Do you think that the basics of management theory are applied in the Business Division ?

    a. Yes ———   b. No ———

16. Do you think that the Business Division is managed efficiently and effectively ?

    a. Yes ———   b. No ———   c. Partially ———

17. Are you in general satisfied with the offerings of the B.U.C. library - specialized Business books & Journals ?

    a. Yes ———   b. No ———   c. Partially ———

18. Do you find the use of computerized systems, and packages in the Business Computer Center:

a. Beneficial? ———   c. Time consuming endeavour? ——

b. Extremely beneficial? ———   d. Waste of time? ——

19. The difficulties you faced in finding your first job after graduation were :

a. insignificant ———   b. Moderate ———

       c. Significant ———

20. Are you currently employed ? Yes ——— No ———
If <u>Yes</u> fill in the following :

a. Since when? Month ——— Year ———

b. Sector : —— Insurance, —— Banking, —— trade

       Other, specify :—————————————
       ————————————————————————

c. Name of Instit/Organization you are working in:

       ————————————————————————

d. Part time ——— full time ———

21. Are you satisfied with the financial compensation

of your job ? Yes ——— No ———

22. Your dissatisfaction with the financial compensation of your job and the deterioration of the Lebanese economy are :

a. Highly related ——— b. Related ———

       c. not related ———

23. Given an <u>A.U.B.</u> graduate and a <u>B.U.C.</u> graduate holding the <u>same</u> academic degree & specialization (a degree in Business studies) and of matching academic abilities. If they apply for the <u>same</u> job, in Lebanon and both meet the requirements of the job, <u>Do you think that</u>

a. The A.U.B. student has the priority? — T — F

b. The B.U.C. student has the priority? — T — F

c. Both have similar chances? —— T —— F

d. Both have greater chances than another student of the same characteristics, but graduated from another Lebanese university ? —— T —— F

xxxxx Thank You xxxx

APPENDIX   C

Questionnaire # 3 : Market - Employers

My name is Hagop Panossian. I am a graduate student in the M.B.A. program, Business School, B.U.C. I am conducting a survey to demonstrate the applicability of Strategic Planning in the Business School at B.U.C.

This questionnaire is designed to collect relevant information. To be more specific, it is designed to collect information related to :

a. The Employment opportunities open in the Lebanese market for university graduates holding a degree in Business Studies.

b. The relative market share of B.U.C. graduates holding a degree in Business Studies in the Lebanese employment market.

c. The relative image that B.U.C. graduates have in the Lebanese market.

d. The market satisfaction/dissatisfaction with B.U.C. Business graduates.

e. The market expectations from Business Schools in Lebanon, and from students specializing in Business Studies.

Your responses will be 100% confidential to be used only for statistical purposes.

This questionnaire is to be answered by the manager of the employment department, or the manager of the personnel department/division in your organization or institution.

<u>Please check your choices, or fill in your answers in the appropriate spaces.</u>

SECTION I: <u>Background Information</u>

1. **Name of the organization/institution:** ————————

————————————————————————————

2. Sector of the economy to which it belongs :

    a. Banking : ——   c. Insurance : ——

    b. Trade   : ——   d. Industry : ——

        e. Other, specify: ————————

3. Is it a multi-branch organization?

        Yes ——   No ——

    If <u>Yes</u>, then are you working in :

    a. The Head Office ie, central unit? ——

    b. A branch? ——

4. The geographic location of the unit or the branch you

    are working in : ————————

5. Personal data about the person answering the questionnaire :

    a. Name (optional) : ————————————

    b. Age : ——— Years.

    c. Occupational position: ————————————

————————————————————————————

    d. Number of years spent in the organization: ——

    e. <u>Educational degree</u>   <u>University attended</u>

    B.S. ——   ————————————

    M.S. (M.B.A.) ——   ————————————

    Ph.D. : ——   ————————————

SECTION II : Please answer the questions in this section
patiently and accurately.

Note : If you are working in a multi-branch org./instit.
limit your answers only to the specific unit you
are working in.

6. What is the total number of employees in the unit?

——————— employees.

7. How many employees hold a university degree in

Business Studies?   ——————— employees.

8. Please classify the employees holding a university
degree in Business Studies according to their degrees

Number of employees   Degree

———————   AAS Degree

———————   B.S. Degree

———————   M.S. (M.B.A.)

———————   Ph.D

9. Given employees holding a B.S. degree in Business
Studies, specify the number of employees in each of
the following specializations:

Number of employees   Specialization

——————   Accounting

——————   Marketing

——————   Management

——————   Economics

——————   Business/computer

——————   Other: ———————————

10. Given employees holding M.S. degrees (M.B.A.),
classify them according to the university choice.

University   Number of employees

A.U.B. graduates ....   ——— employees

B.U.C. graduates ....   ——— employees

Other: ——————————— ....   ——— employees

11. Given employees holding B.S. Degrees in Business
    Studies, classify them in terms of Universities
    graduated from:

Universities		Number of employees
A.U.B. graduates	.....	————
B.U.C. graduates	.....	————
Lebanese University	.....	————
Leb. Arab University	.....	————
St. Joseph (U.S.J.)	.....	————
Haigazian College	.....	————
Other —————————————	.....	————

12. How many employees holding a university degree in
    Business Studies were employed in the last 5 years.
    classify them in terms of universities graduated
    from:

Graduated from	Number of employees
A.U.B.	————
B.U.C.	————
other ————	————

SECTION III: Questions related to the employee selection
             process.

Note: Please answer these questions objectively.

13. Given the requirements of a specific job(University
degree & personal skills) rank the following factors
according to the importance you believe they have in the
employee selection process. -rank from 1 to 5-

    ( ) work experience.

    ( ) Academic performance - grades -.

    ( ) Personal capabilities as measured through
         interviews & employment tests.

    ( ) University issuing the required degree.

    ( ) Recommendations by professors and previous
         employers.

14. Given <u>Two</u> applicants for a particular job
<u>both</u> meeting the requirements of the job perfectly:
holding the required degree, required academic
performance, experience, & skills.

<u>But</u> The first <u>graduated</u> from <u>A.U.B.</u> and the second
from <u>B.U.C.</u>

Do you think that, in getting selected:

a. The A.U.B. student has the priority ——T ——F

b. The B.U.C. student has the priority ——T ——F

c. They have similar chances —— T —— F

d. Both have greater chances compared to graduates from

other Lebanese universities. —— T —— F

e. Both have less chances compared to graduates from a

U.S. or a European university. —— T —— F

15. Given, the general attitude, formed by experience,
your org./instit. has towards the different Lebanese
university graduates in Business studies, <u>rank</u> these
universities according to the priority you give to
their graduates : rank from 1 to 6

( ) U.S.J.   ( ) Haigazian college

( ) B.U.C.   ( ) A.U.B.

( ) Lebanese Univ.   ( ) Leb. Arab Univ.

16. In which of the following specializations do you
think that B.U.C. Business graduates are outstanding
and outperform others: (check one or more)

a. Accounting ——   d. Marketing ——

b. Management ——   e. Finance ——

c. Business/computer ——   f. Economics ——

g. None of the above ————

17. In which specialization(s), do you think that B.U.C.
Business graduates are <u>not</u> meeting the market
requirements and their performance is <u>unsatisfactory</u>
compared to other university graduates.

a. ————————   b. ————————

b. ————————   d. ————————

18. In general your satisfaction with B.U.C. Business
    graduates is :

    a. High ——   b. Moderate ——   c. Low ——

  SECTION IV : Market trends, & expectations.

19. How many <u>new</u> jobs were introduced in your org./inst.
    over the <u>last 5 years</u> for employees holding the
    following specializations in Business Studies?

       <u>Number of Jobs</u>   <u>specialization</u>

            ——   B.S. in Accounting

            ——   B.S. in Marketing

            ——   B.S. in Management

            ——   B.S. in Economics

            ——   B.S. in Finance

            ——   B.S.in Bus./computer

            ——   M.B.A.

20. What are the specializations in Business Studies
    that your org./instit. will need the most in the
    near future?

    a. ————————   b. ————————

    c. ————————   d. ————————

21. The introduction of computerized systems and
    advanced packages might affect the market demand for
    certain specializations. In your opinion, what are
    the specializations in Business Studies that can be
    affected <u>positively</u> or <u>negatively</u>?

       <u>Affected Negatively</u>   <u>Affected Positively</u>

         ——————————   ——————————

         ——————————   ——————————

22. Given your experience in recruiting employees, Do
    you think that the number of students graduating in
    Business Studies in Lebanon, annually, <u>exceeds</u> the
    employment vacancies open in the Lebanese market?

    a. T ——   b. F ——   c. Unable to decide ——

              ***** Thank You *****

APPENDIX D

My name is Hagop Panossian. I am a graduate student in the M.B.A. program, Business Division, B.U.C. I am conducting a survey to demonstrate the applicability of <u>Strategic Planning</u> in the Business Division at B.U.C. This questionnaire is designed to collect relevant information. Your responses will be completely anonymous, confidential and to be used for statistical purposes.

SECTION I

1. How many years of experience do you have in the field of higher education?
   —————— Years.

2. When did you join the faculty of the Business Division at B.U.C.?   ————————.

3. Please fill in the following:

   <u>Degree & Major</u>   <u>University attended</u>

   Ph.D ———————————   ————————————

   M.S. ———————————   ————————————

        ———————————   ————————————

   B.S. ———————————   ————————————

        ———————————   ————————————

4. Are you an instructor/professor in the:

   a. Undergraduate program?   ————————

   b. Graduate Program?   ————————

5. Give the distribution of your students according to their academic performance in each of the following categories.

   —————— %   Highly satisfactory.

   —————— %   Satisfactory.

   —————— %   Unsatisfactory.

6. What are your major complaints regarding the general academic performance of your students?

a. _____

b. _____

c. _____

7. **Do you find the offerings** (references: specialized business books & journals) **of the B.U.C. Library**

a. Satisfactory ?   ————

b. Unsatisfactory?   ————

8. Are you given occasional chances by the Business Division & the B.U.C. Library, to order new business books and other publications.

Yes ————   Rarely ————   No ————

9. Classify your students as:

———— %   Voluntary Library users.

———— %   Use only if requested .

———— %   Do not use at all

10. Do you find the **number of computer-lab hours per student**, available to your students in the Business Computer Center

a. Satisfactory ?   ————

b. Unsatisfactory?   ————

11. List your major complaints with the **audiovisuals of the classrooms** in the Business Division:

a. _____

b. _____

c. _____

12. Are you in general satisfied with the **financial compensation** you receive at B.U.C.?

a. Full-timers (academic year)   ———— yes   ———— No

b. Part-timers (per course)   ———— Yes   ———— No

13. If you are not satisfied with the financial compensation you receive, **Do you find your dissatisfaction and the deterioration in the Lebanese economy:**

   a. Highly related ———   b.Related ———

   c. Not related ———

14. Do you think that you can have **a better financial compensation for a job in another sector of the economy** (except for the private sector) of almost equivalent work conditions (hours, effort ..etc.)?

   a. Full-timers   Yes ———   No ———

   b. Part-timers   Yes ———   No ———

15. Do you think that the Business Division is managed effectively and efficiently?

   ——— Yes   ——— No

   If NO then list your basic complaints related to the managerial practices in the Division.

   a. _____

   b. _____

   c. _____

   If you teach in more than one Lebanese university then answer the questions in section II.

SECTION II

16. List the universities you teach in:

   a. _____ .

   b. _____ .

   c. _____ .

17. Rank those according to your satisfaction with the **financial compensation** you receive, given the same work conditions.

   a. _____ .

   b. _____ .

   c. _____ .

18. Rank those according to your satisfaction with the general **academic performance** of your students:

    a. ————————————————— .

    b. ————————————————— .

    c. ————————————————— .

Answer questions in section III only, if you work in another sector of the economy.

SECTION III

19. Please specify the sector you work in:

a. Insurance ———   b. Banking ———   c. Trade ———
d. Industry ———   e. Other : ————————————

    Please fill in :

    Your occupational position: ————————————

    Number of years spent in the firm : ——————————

20. Do you have B.U.C. Business graduates (AAS, B.S. or M.S) employed in your work-place?

        Yes ———   No ———

If Yes answer the remaining questions

21. In which of the following specializations, their performance is satisfactory:

    a. Accounting ———   d. Marketing ———
    b. Management ———   e. Business computer ———
    c. economics ———

22. In which of the above listed specializations their performance is **not meeting** the market requirements.

    a. ————————————   b. ———————————
    c. ————————————   d. ———————————

23. Rank the following Lebanese universities, according to the **priority** you believe their Business graduates have in getting selected for a vacancy in the organization you are working in. (assuming applicants of almost matching personal and academic capabilities and skills)

    ( ) A.U.B   ( ) B.U.C.
    ( ) Haigazian College   ( ) Lebanese University
    ( ) U.S.J.   ( ) Leb. Arab University

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