Managing Higher Education Institutions[1]

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Abstract
This paper briefly describes the importance of the application of management functions to improve educational outcomes. It tries to highlight changes in management paradigm and traces a brief history of the rise of strategic management. Changes in management paradigm and the rise of strategic management have helped education managers improve their organizational performance. The paper also identifies some serious challenges facing education managers in order to achieve educational goals. Finally, the environmental context of managing higher education institutions and its implications to education managers are also briefly discussed.

Introduction
Management is all about improving the organizational performance and involves the management functions of planning, organizing, staffing, leading and controlling. Management practices ensure the best possible educational outcomes through the integration of different resources of schools and colleges. However, to facilitate education managers to best apply management techniques or principles, there is very limited literature in place specific to campuses and colleges (Middlewood and Lumby, 1998).

The Key Concept and Functions of Management
Management knowledge comes from the field of management itself as well as many other fields. Most of the early writers were practicing managers who developed broad principles of management. Many psychologists, sociologists and anthropologists substantially contributed to the field of management and they considered management as a very important social phenomenon and managers used to be an important social resource. Other professionals such as

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mathematicians, accountants, economists, lawyers, political scientists, engineers, philosophers, and so on also have contributed to the discipline of management.

Management functions are key to any organization. Five basic functions of management are planning, organizing, staffing, leading, and controlling. These functions are briefly described below.

Planning
The planning function involves in defining an organization's goals, establishing an overall strategy for achieving these goals, and developing a comprehensive hierarchy of plans to integrate and coordinate activities (Robbins & Coulter, 1998). It also involves in selecting mission and objectives as well as the actions to achieve them, which requires decision making, that is, choosing a course of action from among alternatives (Weihrich & Koontz, 2005).

Organizing
Organizing function includes determining what tasks are to be done, who is to do them, how the tasks are grouped, who reports to whom, and at what level decisions are made (Robbins & Coulter, 1998). In other words, organizing is to decide how best to group organizational activities and resources (Griffin, 1998).

Staffing
Weihrich and Koontz (2005) define the managerial function of staffing as "Filling, and keeping filled, positions in the organization structure". It involves in choosing qualified and right persons from among the prospective candidates, orienting newly appointed staff, regularly analyzing employees' developmental needs, and providing training to staff to cope with the job.

Leading
Robbins and Coulter (1998) define leading function of management as "Every organization includes people, and management's job is to direct and coordinate these people. This is the function of leading". According to Weihrich and Koontz (2005), leading is "The process of influencing people so that hey will contribute to organizational and group goals".

Controlling
The final function managers perform is controlling. After the goals are set and the plans formulated (planning functions), the structural arrangement delineated (organizing function), the people hired and trained (staffing function), and

directed and motivated (leading function), something may still go wrong. In order to ensure that things are going as they should, management must monitor the organization's performance (Robbins & Coulter, 1998). According to Weihrich and Koontz (2005), controlling can be defined as "The measurement and correction of performance in order to make sure that enterprise objectives and the plans devised to attain them are being accomplished".

Paradigm Change in Management
Today is the age of competition. Before the early 1970's, managers used to make long-range plans and generally assume that there will be better time ahead. However, the rapid environmental changes since the 1980s, such as energy crises, deregulation of many industries, accelerating technological change, and increasing global competition forced mangers to rethink in the ways they used to plan and manage their business. As such a systematic approach to analyze the environment, assess their organization's strengths and weaknesses, and identify opportunities where the organization could have a competitive advantage for better service was then realized and the importance of leading and managing organizations strategically began to be recognized (Robbins & Coulter, 1998).

Why is strategic management considered so important? What does strategic management contribute to improve organizational performance? Does the strategic management process help managers improve their organizational performance? Answers to these questions are not so straight forward because it involves various aspects in making decisions that managers make. However, managers began to recognize the importance of strategic planning (SP)- a process of strategic management. Studies on the effectiveness of strategic planning and management further encouraged managers to support their thinking and practice strategic planning more because the studies concluded that companies with formal strategic management systems had better performance (Robbins & Coulter, 1998).

Robbins and Coulter (1998) claim that today strategic management has wide application and moved beyond the private sector including various sectors such as government agencies, hospitals, educational institutions as well as not-for-profit organizations (Robbins & Coulter, 1998).
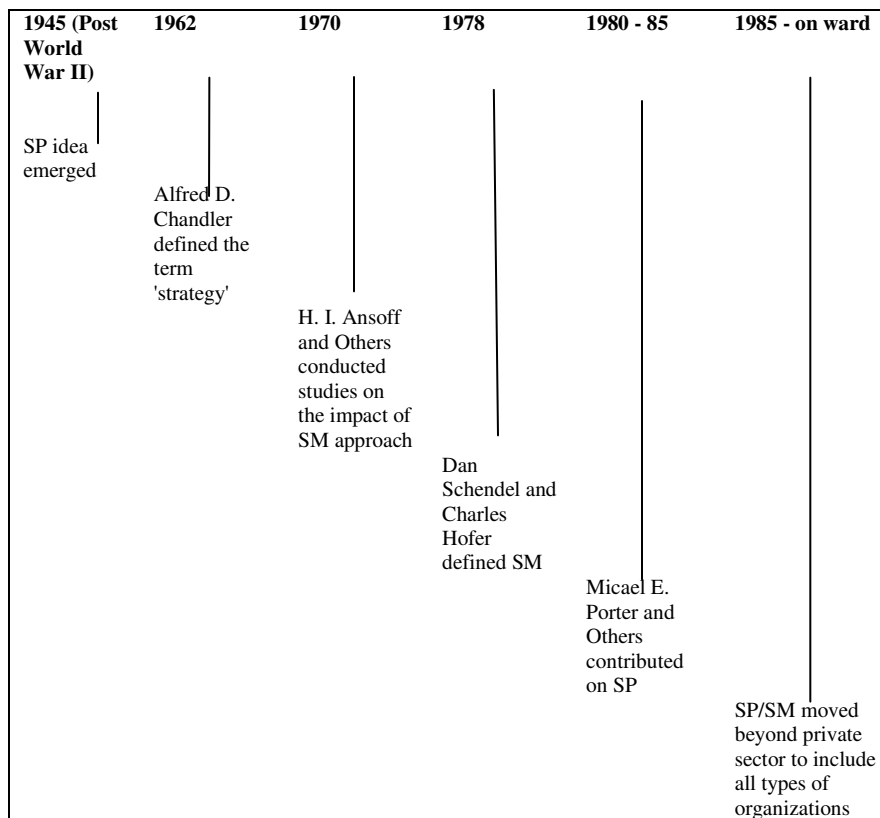
The Evolution of Strategic Management
The recognition of the fact that strategic management is critical to organizational success is a relatively recent one. Stoner et al. note that:

Only since World War II has the idea emerged that strategic planning and acting on those plans constitute a separate management process - the process we call strategic management. This comprehensive approach to developing strategy did not appear overnight. It evolved over time (Stoner et al., 2002. pp. 267 - 68).

Figure 1traces out the brief history of the rise of strategic management.

Figure 1: The history of the rise of the strategic management

1945 (Post World War II)	1962	1970	1978	1980 - 85	1985 - on ward
SP idea emerged	Alfred D. Chandler defined the term 'strategy'	H. I. Ansoff and Others conducted studies on the impact of SM approach	Dan Schendel and Charles Hofer defined SM	Micael E. Porter and Others contributed on SP	SP/SM moved beyond private sector to include all types of organizations

Source: Stoner, et al., 2002

The Key Concept and Process of Strategic Management

The principal aim of any managerial approach is to achieve the organizational goals. Strategic management system through strategic planning and strategic implementation substantially help improve the organizational performance.

Strategic management approach allows managers at all levels of the organizational hierarchy to interact in planning and implementation. The approach also promotes participative decision-making culture in the organization. As a result, strategic management has certain behavioral consequences and requires a set of non-financial evaluation criteria-measures of behavioral-based effect (Pearce & Robinson, 1991).

Kotler (1989)- a renowned writer in Marketing Management- defines strategic planning as:

> Strategic planning is the managerial process of developing and maintaining a viable fit between the organization's objectives and resources, and its changing market opportunities. The aim of strategic planning is to shape and reshape the company's business and products so that they combine to produce satisfactory profits and growth (Kotler, 1989, p. 33).

Labich (1995) points out the major reasons of failure of enterprises because they (a) lack understanding about the organizational mission, and (b) do not have clear-cut goals and strategies to achieve them. In reality, they fail because they lack vision for the future (Labich, 1995).

Nakamura (1986) summarizes some issues that are crucial for the development of corporate strategy. They are process of formulating corporate strategy, evolution of corporate strategy for survival/growth, process of converting strategy formulation into implementation, and process of expanding individual entrepreneurship to organized one (Nakamura, 1986).

Porter (1987) identified four concepts of corporate strategy that have been put into practice-portfolio management, restructuring, transferring skills, and sharing activities. According to him:

> While the concepts are not always mutually exclusive, each rests on a different mechanism by which the corporation creates shareholder value …, today some make more sense than others.

Ignoring any of the concepts is perhaps the quickest road to failure (Porter, 1987, p. 49).

One of the main purposes of strategic management approach is to develop a set of strategies that effectively link the organization and its external environment. Before developing a mission statement, an organization needs to complete a stakeholder analysis. Attention to stakeholder concerns is crucial because the key to success in organizations including not-for-profit organizations is the satisfaction of key stakeholders. A stakeholder analysis allows organizations to identify their stakeholders, their stake in the organization or its output, their criteria for judging the performance of the organization, how the stakeholders influence the organization, and so on.

With these basic concepts, different writers have defined strategic management in terms of process model. The basic components of the process models used to define strategic management are very similar.

Stoner, at el., (2002) briefly discuss the strategic management model developed by Hofer and Schendel and integrate it in their model (see Figure 2). Hofer and Schendel (as cited in Stoner, et al., 2002) focused on four key aspects (steps) of strategic management which Stoner, et al. divided it into two phases. The first phase of Stoner, et al.'s model- strategic planning- incorporates the first two steps of Hofer and Schendel's model- goal setting and strategy formulation. Similarly, the second phase of Stoner, et al.- strategy implementation, which they customarily give the name of action based kind of planning- includes Hofer and Schendel's last two phases- administration and strategic control stages. The two return arrows, in the two-phase strategic management process model of Stoner et al., indicate that this process is an ongoing process as circumstances change (Stoner, et al., 2002).

Figure 2: The strategic management process
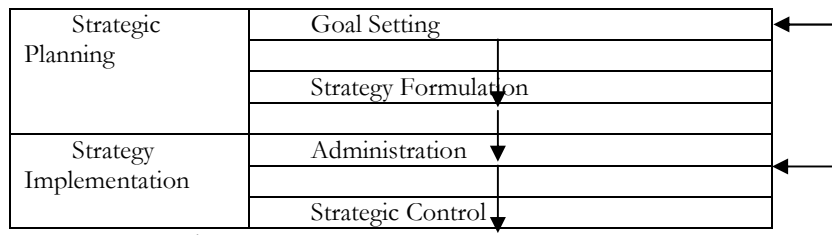
Source: Stoner, et al., 2002, p. 270

Robbins and Coulter (1998), in comparison to Stoner, et al. and Hofer and Schendel, developed an eight-step process model of strategic management encompassing three phases- strategic planning, strategy implementation, and strategy evaluation. According to this model, the first six steps describe the strategic planning that managers must plan in their organization. Steps seven and eight- strategy implementation and strategy evaluation- are also very important for managers. In their opinion "Even the best strategies can fail if management does not implement or evaluate them properly" (Robbins & Coulter, 1998, p. 260).

Management Practices in the Institutions for Higher Education
Management practices can either enable or hinder the effective operation of colleges/campuses. Johnson (2001) argues that until a new theory is applied, an institution of higher education will experience difficulty in achieving the stated goal. There appears to be common issues of poor capacity planning in the colleges and it is not specifically addressed in the literature for an institution of higher education especially in our context. There are several components of the capacity planning including capital investment in buildings, major renovation, acquisition of capital equipment and classroom technology, utilization of classroom space, maximization of program subscription, identification of types and frequency of course offerings, implementation of scheduling system and so on. Capacity planning is a key variable for the operational plan that ultimately fits into the strategic plan. Failure to recognize the importance of capacity planning will lead the colleges/campuses to depart out of the business (Johnson, 2001).

Organizing- a function of management- in colleges includes defining and delegating responsibility and authority of educational managers. It also deals with the issues of placing people in the right place and supporting and offering them the opportunity to perform their tasks most effectively. Organizing ensures that educational managers and other staff are aware of their responsibilities and the limitations of their authorities. In organizing, principals and campus chiefs have to classify their work and divide it into educational activities. This is called division of labor that means that each person in the institution has been given a specific job that can be done with his/her ability.

Griffin (1998) defines organizing as "Organizing is deciding how best to group organizational activities and resources" (Griffin, 1998, p. 292). Similarly, Robbins and Coulter (1998) define organizing as "The process of creating an organization's structure" (Robbins & Coulter, 1998, p. 335). To manage colleges/campuses successfully, the organizing function must be carefully designed and implemented. Effective organizing enables principals and campus chiefs to ensure that all

activities and processes are arranged so that their institution can achieve the defined objectives.

Two classic aspects of all organizational structures are formalization (formal rules and procedures) and centralization (hierarchy of formal authority). Formalization refers to the extent to which the organization has a codified system of rules, regulations, and procedures. Two types of formalization are punishment-centered (coercive) and representative (enabling). Punishment-centered or coercive formalization refers to rules that are used to punish subordinates and such rules tend to hinder creative work (Sinden, Hoy, & Sweetland, 2004). Representative or enabling formalization, on the other hand, explained by Alder and Borys (as cited in Sinden et al., 2004) helps individuals provide flexible guides that reflect 'best practices' and help subordinates deal with difficulties and dilemmas (Sinden et al., 2004).

Similarly, centralization in organizations refers the extent to which subordinates are involved in decision-making process. Centralization also refers to an administrative hierarchy that enables or impedes in solving the organizational problems (Sinden et al., 2004).

Staffing function of management has received much attention in recent years. Weihrich and Koontz (2005) define it as "Filling, and keeping filled, positions in the organization structure" (ibid, p. 268) The process to be followed in staffing requires identifying workforce requirements, preparing a list of available people, and recruiting, developing, deploying and maintaining current jobholders to accomplish the objectives of the organization (ibid, 2005). The system approach to human resource management explains how the managerial functions of staffing such as identifying prospective candidates from within the organization, establishing a system to choose right persons, orienting the new staff, assigning jobs and evaluating the performances, training and retaining the experienced staff, and so on relate to the total management system (ibid, 2005).

Leadership function of management always implies some influence on others in terms of directing and motivating all involved parties and resolving conflicts (Huber, 2004 & Robbins & Coulter, 1998). The pivotal role of the college leader is described as firm and purposeful, sharing leadership responsibilities, involvement in and knowledge about the classroom environment (Huber, 2004). In viewing change and improvement as a continuous process, different conceptions of leadership are required. Transformational leadership is considered important on the fact that

transformational leaders not only administer structures and tasks, but also concentrate on the people carrying these out (Huber, 2004).

Challenges to the Institution for Higher Education

Academic leadership challenges are many. Leadership is about change and producing excellence. Leadership is about tensions and balances. Academic leadership must focus on change and innovation and academic values and strengths to meet the new and sometimes strange requirements. Most of the challenges recognized by academic leaders can be understood in terms of simple 'systems model' as presented in Figure 3.

Figure 3: A simple 'model' of academic leadership

Enhanced outcomes and capacity to influence change
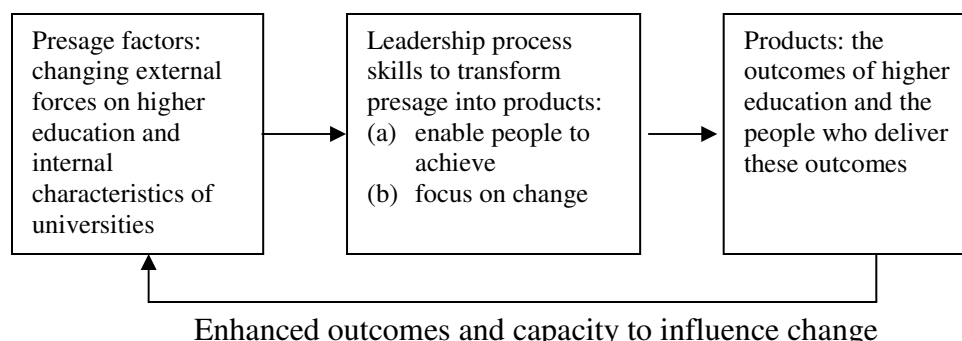
Source: Ramsden, 1998, p. 8

The leadership challenges in the contemporary context of higher education are ever increasing. Academic leaders have to manage their institutions at the confluence of multiple pressures to achieve four objectives: increase revenue, decrease expenses, improve quality, and enhance reputation. By so doing, outstanding leaders base their hopes for the future on what they have assessed their past experiences. The way of looking at some higher education philosophy and paradigm shift in quality education has changed. The conception of higher education and great numbers or mass higher education and quality of higher education was considered contradictory. However, time has proved it wrong and the fundamental change from elite system of higher education was largely confined within national boundaries to a mass higher education system.

Ramsden (1998) observes that numbers, finances, structure, purposes, students, governance, confines, technologies, the amount of available knowledge and its diversity have all changed. These largely external movements have had and will

continue to have revolutionary consequences for how universities are run, what university staff do, and how academic leaders work.

Ramsden (1998) explains the 'two cultures' of management and academics blaming to each other. Autonomy, academic freedom, and professionalism have always been the problems with each other (Ramsden, 1998).

Ramsden (1998), in 1996, conducted an international survey on what outstanding academic leaders do. He summarized his survey findings on the several headings such as visioning; networking political activity and strategic alignment; inspiring, building confidence, communicating, and collaborating; and recognizing, managing performance, and supporting for staff learning (Ramsden, 1998).

He also conducted an interview study of 20 academic leaders at one Australian university and concluded leadership qualities as findings into two categories- good university leadership qualities and poor university leadership qualities. Some of the good university leadership qualities included being innovative and oriented towards change, knowing when and how to compromise, asking what we are trying to do, focusing on students, doing things differently (for example, employers participating more in course design), giving people freedom so that new ideas can surface, building a small group who think like you do in order to launch new ideas, understanding where people are coming from, getting feedback constantly, knowing the boundaries of what you can achieve, having a clear vision which is flexible and open, being a good manager of resources, being strategic and knowing about the wider system, having good planning skills and a strong sense of direction, being skilled at motivating and enabling people through identifying their needs and fears, finding out what people want to achieve, and helping them achieve it, helping staff learn and develop, and so on.

Ramsden (1998) summarized poor university leadership qualities as being unclear about what you want to achieve, not listening to people, authoritarian, bending too many rules, trying to push things forward without resources, not looking into what worked and what didn't work on previous occasions before doing something new, being dictatorial and too self-interested, communicating poorly, giving directives with no explanation, not having the respect of your colleagues because you don't have academic credibility, following rules because you are insecure in your ability to do things independently, and being unable or unwilling to delegate (Ramsden, 1998, pp. 87 - 88).

Similarly, a survey was conducted with the members of staff in leadership role such as course coordinators, head of research team, directors of centers, deputy vice chancellor and heads of department at a number of Australian and New Zealand universities with a leadership for academic work feedback questionnaire. The analysis concluded the things these academic staff most admired and wanted in their heads, deans, course coordinators and pro-vice chancellors can be summarized as a vision of scholarly endeavor, enthusiasm for research and teaching, clearly stated goals, commitment to the job, leading by energetic example as a teacher and scholar, honesty, integrity, fairness, open and participative decision-making, listening to staff and valuing their opinions, developing and mentoring staff through delegation and support for learning, and commitment to change and innovation. And the things these colleagues least liked or wanted in their leaders were arrogance and self-interest, assuming they know everything and being critical of those who have lesser abilities, excessive leading from the front- trying to do everything themselves, being uncommunicative, complaining about what can't be changed; being negative, not standing up for the department when its interests diverge from those of senior management, putting excessive emphasis on entrepreneurial activities and external ventures to the detriment of the department, favoritism – responding to a favored few staff and not the majority, supporting some section of the department over others, making decisions without consultations, isolating themselves and being inaccessible, and being disloyal (Ramsden, 1998).

Ramsden (1998) concluded that there were seven dimensions, which staff used to evaluate their colleagues and academic leaders. They were leadership for teaching, leadership for research, fair and efficient management, strategy and vision, transformational and collaborative leadership, development and recognition, and interpersonal skills (Ramsden, 1998).

A World Bank publication- Higher Education in Developing Countries: Peril and Promise- posed a serious challenge to the developing world. It is commonly believed that misleading public investment in higher education brings too little returns compared to investment in primary and secondary education. As a result, higher education system in developing countries has remained under great pressure for achieving multiple goals simultaneously. With these caveats, action with creativity, persistence and a new vision of what higher education can achieve is required, combined with better planning and higher standards of management (The World Bank, 2000).

Unfortunately, the higher education systems will not be able to deliver these promises if diversification continues to be chaotic and unplanned.

After World War II, higher education system in developing countries with new realities began to strive to raise standards of living and alleviate poverty. Since the 1960s, higher education has been forced to confront with three new realities: expansion, differentiation, and the knowledge revolution. About 50 years ago, higher education in developing countries was characterized by few students. Today, however, there has been a dramatic shift from class higher education to mass higher education and expansion has been a result of the tremendous increase in the numbers of students. To cope with the rapidly increased expansion of higher education, the process of differentiation has been started in which, existing institutions have grown in size, transformed into public and private institutions, and new institutions are born and entered the sector. As a result, expansion and differentiation of higher education have caused low quality of education in many countries, as resources have been a serious constraint at new institutions for higher education. However, the late 20th century experienced the growth of the knowledge centered, as opposed to the manufacturing centered, economy (The World Bank, 2000).

Controlling function of management compares achieved goals with planned goals i.e., standard and ensures that organizational performance remains within the acceptable limits. Control is a sub-system of the overall management system. As with all systems, the control system in colleges is considered as interdependent part operating as a whole to accomplish a stated educational goal (Pant, 2003). As in business organizations, control function has four basic purposes in colleges: (a) to adapt to environmental change, (b) to limit the accumulated error, (c) to cope with organizational complexity, and (d) to minimize costs (Griffin, 1998).

In addition to these functional management challenges, institutions for higher education of the countries like ours now facing a number of significant new trends in the global environment. These new trends are affecting not only the shape and operational methods but also the purpose of higher education systems. In this context, Holm-Nielsen (2001) closely observes:

> Some of these trends represent sources of opportunities; others constitute potential treats. Among the most critical dimensions of change are the growing role of knowledge, the information and communication revolution, the emergence of a worldwide labor market, and global socio-political changes (Holm-Nielsen, 2001, p. 1).

With the beginning of new millennium, emerged many new challenges arising from the impacts of globalization. One of the major issues/challenges has been an inadequate quality and relevance in many third world educational institutions because of their overcrowded and deteriorating physical facilities (Holm-Nielsen, 2001).

For adequate quality and relevance two innovations are central: emphasis on action learning across the curriculum and project works for students (Rosenbloom & KC, 2003). Issues of quality and relevance are not exclusive to traditional universities; it can become a serious issue even in the diversified education system such as Indonesia in the absence of close linkages between tertiary education institutions and the labor market (Holm-Nielsen, 2001).

A World Bank report on "Higher Education: The Lessons of Experience" describes the challenges and constraints in higher education. The report highlights the issue as "Despite the clear importance of investment in higher education for economic growth and social development, the sector is in crisis throughout the world" (The World Bank, 2007). The report further explains the constraints of higher education as:

> Compounding the problem of declining resources per student is the inefficient use of these resources. Higher education in many developing countries is characterized by low student-staff ratios, underutilized facilities, duplicative program offerings, high dropout and repetition rates, and a very large share of the budget devoted to non-educational expenditures, such as subsidized student housing, food, and other services. In one Latin American country, for instance, costs per graduate in public universities are seven times higher than in private universities because of the higher repetition and dropout rates (The World Bank, 2007).

In the case of Nepal, although Nepal has achieved substantial progress in higher education development, the universities are facing increasing financial constraints, managerial problems, and low level of quality teaching and learning. A study report on "Tertiary Education in Nepal: An Assessment" identifies five critical issues in the current higher education development in Nepal viz. (a) the over rapid expansion of enrolment, (b) the under-financing of the higher education system, (c) the low level of managerial effectiveness, (d) the irrational structure of the system, and (e) quality erosion (UNDP & the World Bank, 1995).

The Environmental Context in Managing Higher Education in Nepal
Of all the challenges and issues discussed above, the environmental context of management occupies a very significant place in determining the effectiveness of institutions for higher education. It has been realized that even best managed organizations may sometimes not be able to perform better due to environmental factors. Due to the faster rate of environmental changes its understanding is more important to management today than ever before (Pant, 2003).

A major contribution of the system approach to management was that no organization operates independently. Forces in the environment play a major role in shaping manager's actions (Robbins & Coulter, 1998). Every organization has internal and external environment. Internal environment include goals, policies, strategies; organizational culture; organizational resources; and organizational structure (Agrawal, 2003).

While organizational goals, policies, strategies, resources, and structure including students' unions, teachers' unions are just important; more important is the organizational culture for the institutions for higher education. Organizational culture is a system of shared meaning within an organization that determines, in large degree, how employees act (Robbins & Coulter, 1998). Surrounding values and beliefs of the organization members constitute organizational culture. When people join an organization they bring with them the values and beliefs they have been taught. It has characteristics: observed behavioral regularities, norms, dominant values, philosophy, rules, and organizational climate. Cultural environments are considered more important today because the attitudes and perspectives shared by individuals from a specific culture that shape their behavior and the way they see the world (Robbins & De Cenzo, 1995).

Basically, organizational culture is the personality of the organization and is particularly important when attempting to manage organization-wide change. Despite the great deal of literature generated over the past decade about the concept of organization culture, organizational change efforts have failed countless time and it is usually ascribed credited to lack of understanding of the strong role of culture and the role it plays in organizations (McNamara, 2008).

An organization's culture can be viewed as the sum total of beliefs, values, attitudes, and assumptions that are shared among its members. Organizational culture deals with planned change and transformation and understanding its process has become extremely important in all institutions including colleges and universities (Keup, Walker, Astin, & Lindholm, 2001).

Therefore cultures in the institutions for higher education are dependent on factors like size, influence from the environment, the nature of the work and the characteristics of staff. In case of fundamental changes in the institutions for higher education, (e.g., changes in type of instruction, decision making procedures, student promotion criteria, teaching materials, etc) cultural aspects play a role. Thus, culture is then considered more important in the institutions for higher education than their structures, market strategy or reward system (Visscher, 1999).

The external environment of the institutions for higher education concerns everything external to them: e.g., political/legal, economic, socio-cultural, and technological environments. Political environment consists of political systems, political institutions, and political philosophies. A political system is concerned with ideological forces, political parties, election procedures, and power centers. A stable, efficient and committed political system is essential for the development of the institutions for higher education.

Legal environment refers to all the legal surroundings that affect activities of the institutions for higher education. Institutions for higher education must comply legal provisions that are in force and assure that their activities conform to the laws of the land. The important legal environmental factors that influence the organization's activities are law, courts of law and law administrators.

Economic environment of the institutions for higher education comprises economic system, economic policies, regional economic groups and economic conditions. Economic systems: free market economy, centrally planned economy and mixed economy determine the scope of private sector participation in the education sector.

Social environments are rather vague and encompass attitudes, desires, expectations, beliefs and custom of people in the society in which, institutions for higher education are operating. These elements of society directly influence the institutions for higher education, e.g., when institutions for higher education

have to invest more to obtain students, a more intense contact with the local environment and culture may be expected (Visscher, 1999).

Today's most forcing environment for any type of organization is the change and innovation in technologies. Technologies influence institutions for higher education by bringing about changes in the type of instruction, decision making process, student evaluation and promotion criteria, development of teaching materials, etc). The pace of technological changes forces institutions for higher education to adapt/adopt the changed technology.

Visscher (1999) summarizes that these environmental features have implications for education institutions. Education institutions are not fully ready to coping with a turbulent environment. Education managers do not only have to deal with purely management functions: planning, organizing, staffing, leading, and controlling of educational activities. New skills such as political skills in negotiation process, leadership development skills, interpersonal communication skills, environment scanning skills, strategic planning skills, data-based management skills, financial management skills, marketing skills, and so on also have become more important (Visscher, 1999).

In many cases, faculty members' involvement in policy-making is required to make broadly-based decisions. However, this demands a participatory process of decision-making which is missing in most of the educational institutions. Coordination and cooperation between faculty members and college management is limited. Organization development is required in the educational institutions if they want to operate successfully in this competitive age.

Conclusion

The application of management functions (i.e., planning, organizing, staffing, leading, and controlling) to ensure the best possible educational outcomes in the higher education institutions is crucial. The management paradigm has changed over the years and moved from private sector to other sectors such as government agencies, hospitals, educational institutions and not-for-profit organizations. The rise of strategic management has helped education managers improve their organizational performance. Institutions for higher education in Nepal are facing serious challenges such as increasing financial constraints, managerial problems, and low level of quality teaching and learning to achieve multiple goals. The environmental context (internal and external) of management occupies a very significant place in determining the effectiveness of institutions

for higher education. It also has implications to education managers who not only have to deal with purely management functions but also require developing new skills (such as political, negotiation, leadership development, interpersonal communication, environment scanning, strategic planning, data-based management, financial management, marketing, and so on.

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