Chapter 3: Creating a Unique Model of Strategic Planning for Higher Education

...there is no uniform agreement in the literature as to specifically when or how the mission statement should enter into the development of the strategic plan. 42

- usefulness of mission statement depends on Alocus of control@ 43

Institutions of higher education in the public sector are creatures of the states, and they serve the purposes that have been outlined either implicitly or explicitly by legal state authorities. This is a significant limit to internal locus of control, and implies that these institutions must frame their strategic planning within the context set for them by external legal entities. The underlying mission of the institution is determined by the state, and not by the institution. 46

...while the purposes and directions of colleges and universities may be defined and limited by external sources, the possibilities for a focused niche are profound. 46

Cyert (1988) states that Athe objective of strategic planning is to establish a plan by which a department, college, or university can achieve a position that gives it a special place among other departments, colleges or universities@. 47

- By developing a thorough self-examination, by discovering the opportunities that exist and may be exploited by the institution=s primary constituencies, and by determining the relevant niches that are available and that fit its unique capabilities, a college or university can begin to shape its own destiny. 48

Chapter 6: Concepts and Principles Underlying the Planning Process 101

The Strategic Planning Engine

1. Develop KPIs.
2. Perform an external environmental assessment.
3. Perform an internal environmental assessment.
4. Perform a strengths, weaknesses, opportunities, and threats (SWOT) analysis.
5. Conduct brainstorming.
6. Evaluate the potential impact of each idea on each strength, weakness, opportunity, and threat (cross-impact analysis).
7. Formulate strategies, mission, goals, and objectives.
8. Conduct a cross-impact analysis to determine the impact of the proposed strategies,
goals, and objectives on the organization’s ability to achieve its KPIs.


10. Monitor and evaluate actual impact of strategies, goals, and objectives on organizational KPIs. 102-103

...the strategic planning engine may be used to integrate many appropriate, previously developed elements and practices that the organization has already identified and implemented. 103

...other ideas...may have been included in requests during the annual budgeting process or through program change proposals. It is also likely that a college or university will have conducted a partial environmental analysis during program review or accreditation self-study. All of these can be plugged into the model and run without the necessity of having to reinvent these critical components of organizational life. 105

- Unlike mission-driven planning, planning that is based on a premise of measuring and checking performance against expectations provides a much more important and potentially highly beneficial linkage between the institution and its environments. 107

- A key performance indicator is a measure of an essential outcome of a particular organizational performance activity, or an important indicator of a precise health condition of an organization. 108

- The strength of the KPIs is not so much in individual measures but in taking the organizational KPIs as a family of measures that compete and collaborate with each other. 108

- ...the institution needs to develop a profile of itself that details which of its activities are most essential to its survival and success. The research and discussion will include the financial performance of the college or university, the effectiveness of its academic program base, its academic reputation, its administrative operations, its patterns of communication, and its ability to fulfill the expectations of significant internal and external constituencies. The college’s or university’s central SPC should initiate this process and analyze its results. 108-109

PEST trends analysis. The first set of domain forces is defined by a PEST analysis, which evaluates political, economic, sociological, and technological trends and events...that may have a positive or negative impact on the organization’s health. 115

Cross-impact analysis...[see photocopy] 116

Internal Environmental Assessment 121

- purpose of the internal assessment is to evaluate the influence that organizational design, performance, strategies, goals, objectives, and resources have on achieving KPIs 121
Chapter 12: Essential Areas II: Resources, Technology, and Support Systems

One way of integrating budgets so they will be compatible with one another, according to Canary (1992), is to build the budget as a financial plan that fits within the overall strategic plan. Dooris and Lozier (1990) report that The Pennsylvania State University helped secure its strategic planning process by directly tying the decision-making process of resource allocation to planning priorities. The University of San Francisco also ties strategic priorities to its annual budgeting cycle, and has a policy that allows the faculty budget to be moved among faculty salary categories.... 240

It is important to understand that resources and budget control are considered after much of the rest of the plan has been explored, particularly after its enrollment and academic aspects are beginning to take shape. This is purposeful. In higher education, it is important to emphasize what we do as a prelude to developing how we will get it done. The planning around institutional resources is part of the how. However, the tendency in many planning exercises often is to put the issues of resources up front so that the planning process can be predicated on the resources that the institution will have available to it. This is a mistake. It puts constraints and limitations on the process before the central purpose of the college or university is considered. 240

The type of strategic planning we are outlining in this text is concerned first with determining what the institution is doing, or perhaps what it should be doing, and then with developing a plan for how best to do it. As a result, the central planning process is not limited or constrained, and the various planners throughout the institution can think more realistically and creatively about how best to shape their academic program to meet the needs of their most crucial strategic constituencies. With these central directions in mind, it is appropriate to look at the implications of the emerging plan for the resource base of the institution. 240

While we suggest that the SEM and APP areas need to develop at least the initial foundations of their portions of the plan prior to the development of the strategic resource plan, the ties between the three areas of planning will continue to grow and strengthen as more and more elements of all three portions of the plan become clear. Once planners begin to look at the resources available to the institution, they may need to revisit some of the planning premises and either scale them back or reject them altogether. 241

- ...there are forces at work that portent the possibility of real structural change in the financial and resource foundations of higher education. But it may also be that new resource bases will become apparent. Grants, contracts, revenues generated from intellectual properties, increased giving, and several other sources and types of income might become reasonable possibilities for increasing the resource base of the institution. 241

As the academic plan continues to emerge, and as the programs that hold the greatest promise for the growth and success of the institution are identified, resources need to be found or moved to support them. Likewise, as the institution identifies elements of the academic program that are
in decline or that no longer match its direction, it can begin to withdraw resources from those areas by making the resources available to support other areas. 241

Determining the Institution’s Current Resource Base

Resources come in a variety of shapes and sizes. They include money, people, facilities, equipment, investments, good will, and potential. Part of what strategic resource planners need to develop is a resource audit for the campus. This process involves placing value on all of the items in the list and beginning to determine the nature of these assets. Using methods such as straight accounting, human resource management accounting, and value assessments, resource planners can construct a fairly accurate picture of the resource base of the institution. 242

As the institutional strategic planning committee (SPC) begins to structure its efforts to develop its resource plan, it needs to include the principal players who oversee the institution’s resource base. Based on their experience at The Pennsylvania State University, Dooris and Lozier (1990) provide good advice by telling us that it is important to build on existing resource allocation structures and procedures in tying resources to the strategic planning process. 244

- ...inclusion of the tenets of the strategic plan within the budget process should be an inevitable outcome. Also, one of the most important ways that strategic planning is legitimized and incorporated into the ongoing strategic management of the institution is to make the elements of strategic planning an identifiable part of the budgeting process. This incorporation should occur through the strategic resource planning function, since it is an application of the results of the planning process by those whose major responsibilities within the institution include development, oversight, and control of the institution’s budget on a year-to-year basis. 245

- ...The process of using the budget to support strategic priorities helps provide such rationale and allows the board to track how institutional resources are being used to achieve strategic objectives over time. 245

Other Areas of Planning

Information Technology

The strategic plan at Villanova University states that its approach to technology is that it can not only expand the university’s resources but it can also become an enabling force to better serve both the internal and external constituencies of the university without increasing staff. 247

The campus must adapt in order to compete and to accurately reflect a leadership position in the information age. 247

Students must be highly computer literate, campuses must be networked, classrooms need to accommodate new types of technology, laboratories need to adapt to new technological methods of analysis, the administrative systems need to be modernized and integrated onto a single platform, and the interface between the campus and the worldwide community needs to be
reflective of the techniques now used in business and industry. 248

Establishing Campuswide Standards for Growth and Development 248

Strategic plans can and should mirror these challenges and constraints in setting different time frames for goals and strategies, and in developing a policy base that reflects the rapidly changing environment of information technology and sets the institution’s direction as it seeks to interface with that environment. 249

Innovative Methods of Growth 249

Strategic planning...can help an institution point the way toward the emerging world an important and fascinating opportunity for the educational process. 250

Costs, efficiency, and effectiveness are common issues in the administration of many colleges and universities, and the strategic planning process needs to look at these areas much the same as it looks at the academic, student, resource, and other areas of planning. The demands to cut prices, the growing national problem of deferred maintenance, and other day-to-day management problems need to be addressed. Also, much of the burden of implementing the plan and operating the campus within the framework of strategic management will fall to administrators, therefore requiring a planning premise that will guide the long-term outcomes of the strategic planning process. 250

The strategic planning process in this area should develop a basic planning rationale and then set out plans for administrative and operational standards, much the same as it has done in other areas. 251

The move toward thinking and making decisions strategically must be specifically planned out, practiced, reinforced, and monitored. Top administrators and academic leaders need to constantly remind themselves and others of the strategic significance of the issues they wrestle with. They need to tie results to strategic directions outlined in the original planning process, and be in a position to defend their actions based on strategic KPIs, goals, strategies, or policies. 251

Campuswide Operations 251

Adequacy of facilities, maintenance of the capital plant, the accounting function, the personnel function (human resources management), and other critical operations of the campus are but a few of the subareas that particular colleges or universities might want to highlight in their strategic planning process. 251

- ...an overall campus facilities master plan 252
University Services 252

- ...growing demands to assist the student, faculty, and staff in life issues 252
- student services, administrative services, community and other public services

- ...planners should not plan for the sake of planning 254.

Relationships Among the Several Areas of Strategic Planning 254

- ...this is not a process in which resources should dominate the development of the plan in the other areas. Creativity must come first, and then the issue of what is realistic or possible should follow. 256
- ...making a decision to reallocate these resources to areas and programs that the strategic planning process has identified as priorities for the institution 256

...it is important that academic objectives be consistent with service objectives, that SEM objectives tie in with resource objectives. Institutional master plan objectives need to be consistent with academic directions. In other words, a comprehensive strategic plan needs to be tested rigorously for internal consistency. 256

Chapter 13: Implementing the Plan

- ...in practice, team building, communication, top-leader commitment and direction, tying strategic priorities to the institution’s budgeting process, and overcoming planning obstacles from the very beginning are specific tactics critical to effective implementation. 261

- ...developing a strategic marketing program in conjunction with the institutional strategic plan may be helpful in developing appropriate implementation tactics 262

- ...small informal groups, meetings with governance groups, personal politicking, and doggedly keeping the strategic planning activity simple and straightforward were better methods of discussing the process and improving communication. 264

- ...in the third year of planning, as we moved to wind down significantly our strategic planning phase, we also were able to decentralize much of the strategic decision making in this manner, keeping only the university’s SPC intact to continuously monitor the effects of strategies over time. 264

- ...we believe that an effective strategic planning document needs to be kept simple and in a format that can be easily rewritten as new elements of the plan emerge over time. 265

- More important than the document are the insights its development triggered, the understandings created among participants about how to accomplish desired outcomes, and the
exposure it gives to the strategic thinking that underpins the plan. 265

- Through involvement in the strategic planning exercise, participants broaden their vistas of the state of the institution, as well as their views of the state of the environments within which it operates. 266

Chapter 15: Moving from Strategic Planning to Strategic Management

- need to write a mission statement, or adopt the Board=s
- An effective strategic plan must overcome initial resistance by seeking the common ground that describes succinctly the community of talent and resources an institution must enlist to survive and flourish. For example, if the mission statement is written after the campus has experienced some appreciable success from its strategic planning process but while confusion about the value or role of strategic planning still persists, the mission statement can become a mechanism for finding this much-needed common ground. At this point, the mission statement may help clarify the shared attributes essential to shaping the character of the institution, and included in it can be those common interests strongly held by the campus. 302-303

- ...the required linkage is student learning that is relevant to the times and that ensures meaningful and defining interactions between institutions and their crucial external constituencies. 303

- Strategic planning holds the promise of developing a firm foundation for change based on an increase of self-knowledge and of the knowledge of external changes that impact the academy. 314

Zabriskie and Huellmantel (1991) suggest that strategic thinking occurs when decision makers are able to visualize what they want their organization to become, and when they are able to align their resources to compete successfully. Such managers are able to assess the risks, revenues, and costs of the strategy alternatives available to them, and to identify the questions they want answered strategically. These managers can think logically and systematically about the planning steps and model they will use to activate their strategic thinking on the organization=s operations. 314

- If the academy cannot adequately provide the student with the skills and knowledge bases he or she needs, then the universal student will begin to seek out other sources of preparation that will do it. 317

...in a world where resources are already precious, te future appears to promise many fewer resources to do the work colleges and universities are asked to do. It is already important for the institution to choose wisely in deciding how to allocate its resources, but in an increasingly hostile environmental setting, using today=s resources to help sustain tomorrow=s institution becomes an even more critical responsibility. Strategic planning is the only logical way of helping to ensure that those long-term successful factorshave been properly identified. With these in place, it is then much easier to prioritize in the short run to help assure the longer run.
Planning to Survive and Prosper

While the overwhelming reason for strategic planning is to survive by better aligning the institution with its most critical environments, planning can also help the institution to prosper.

Prosperity in higher education means many things on many fronts. Administratively, prosperity may mean more than balanced budgets. It can mean burgeoning endowments and positive public relations. From a staff perspective, prosperity may mean salary parity (or better, somewhere above parity) and positive working conditions. For faculty, prosperity may mean rich new discoveries, exciting new ways of interacting with students, quality publications, and recognition within a discipline. For students, prosperity may mean a meaningful and useful education that properly prepares them for the world they are about to enter. For the community and beyond, prosperity in higher education should mean that the people in the ivory tower are listening and responding in a manner that helps improve the quality and productivity of life. In other words, prosperity should mean that everyone wins.

- ...strategic planning can be a logical and effective method of intervention, defining an appropriate direction toward a future in which they [colleges and universities] will flourish.