

Planning at the Speed of Change:

Creating Good Strategy in Higher Education

Higher education has become the focal point of change. Technological change, economic change, social change and political change. Disruptions in the way instruction is delivered combined with struggles to keep courses relevant, create ongoing confusion. New business models threaten accepted norms, and political battles keep funding for public institutions, as well as their charters, in flux.

Traditional strategic planning and the pressures of accreditation do not help colleges and universities adopt a strategic perspective, but rather constrain them by codifying assumptions, re-articulating clichéd goals and objectives and homogenizing strategy.

The only way for institutions of higher education to remain resilient in the face of uncertainty is to learn how to navigate the future at the pace of change. Educational institutions must embrace uncertainty, pay attention as the future unfolds, and be as willing to experiment as they are to shed old programs and untenable assumptions. Higher education must learn to tell stories about their futures as well as they share their histories.

At the heart of these future stories are the strategies that will move the organization forward.

This document explores several areas of strategic planning that, if embraced by higher educational institutions, will help each institution explore its unique place in the ecosystem of learning, foster strategic dialog and drive strategic action. Universities and colleges can become more dynamic institutions if they learn to plan at the speed of change, and integrate strategy and strategic awareness into the every day work of the organization.

Organizations should develop visions that align with functional capabilities so that operating teams and units clearly articulate what they need to do in the near-term to migrate toward the long-term vision.



Create a vision, not just a vision statement

Vision is not a statement. Many vision statements encapsulate some abstraction of what an organization aspires to be, but they usually provide little guidance and no explicit path.



Vision statements often employ overtly generic language in order to meet some political or external expectation for what the organization should be, or to avoid conflict. Organizations often spend inordinate amounts of time crafting a vision statement filled with positive, descriptive words that outline goals, but offer no roadmap.

Rather than spending time in the strategic planning process creating a vision statement, organizations should develop visions that align with functional capabilities so that operating teams and units clearly articulate what they need to do in the near-term to migrate toward the long-term vision.

In order to create a vision, organizations must plan to achieve their vision, not just hope that at some point the future manifests itself as if by magic.

The Serious Insights strategic planning methodology employs the idea of vision components. These vision components represent individual aspirations, such as “operate the university 24 hours a day, several days a week” or “create a 21st Century skills program.” Components are arranged in a circle with planned “completion” dates at the edge — the furthest edge of the circle represents the plan’s horizon — not its expiration date. Each slice can be divided into tasks or projects that start immediately (or later). As the tasks or projects complete, filled in pieces of a slice illustrates contextual progress. This representation of vision permits organizations to monitor progress against major vision components quickly, while offering a compact view that can be used to facilitate strategic dialog about how well components and dates meet current needs.

Many accrediting bodies use the term “standards” but offer little or no guidance on what “good” looks like.



Lead accreditation with strategy

The relationship between accreditation and strategic planning is ambiguous at best, and stifling to organizational innovation at its worst. Although all accrediting bodies examine an organization’s strategic plan, the standards set forth by those bodies often deconstruct strategic plans, requesting bits and pieces of them scattered throughout the response. Organizations who have conducted strategic planning in a robust, active way, should not question their convictions when it comes to accreditation, but rather consider their current strategic engagement state as the answer to many requests made by accreditors.

Accreditation is coming under pressure to be more relevant. As colleges as universities grapple with their strategic positioning, even struggle with existential threats, that learning should all be reflected in the accreditation response. Unfortunately, the accreditation standards and related processes often create a bias toward the status quo. Because standards and criteria do not offer a view of what *good* looks like when it comes to strategic components, they don’t encourage institutions to examine their internal processes. Accreditation fails to reward those institutions that conduct active strategic dialogs, and masks weak strategy from institutions struggling with their strategic position.

The ACE report, *Assuring Academic Quality in the 21st Century*, asserts that “Accreditors have historically reviewed colleges and universities in light of the missions and educational objectives specified by each school. The imposition of common standards, irrespective of institutional goals or without consultation with faculty and staff, fundamentally undermines higher education, whether it comes from government agencies or accreditors.” The fragmentation of accreditation and the development of regional standards make it difficult to establish a 21st Century learning context, let alone assess organizations in a uniform manner.

While the accreditation process many require reform, that is not the purpose of this document. When it comes to strategy, institutional leadership should protect its investments in strategy by negotiating for inclusion of their strategic planning context in the accreditation response. Although it may remain necessary to point to various elements in order to answer specific questions, by presenting the entirety of a strategic context, the organization will be sending a clear message to staff, students and faculty that it remains forward looking, even as past performance is evaluated.

Deleting the “expiration” date on strategic plans represents the behavioral acceptance that the future is both uncertain and dynamic.



Don't put an "expiration date" on the strategy

The social, economic, political and technological assumptions built into a strategic plan change all of the time, as do the operational assumptions. Anytime a “strategic decision” is made, it should be made through the planning context. If the planning supports the strategic direction, great, if not, the new strategic reality needs to be reflected in the strategic context, and the associated outcomes included in a revised version of any plans affected by the change. This approach make strategic thinking more important than planning, and strategy more a process than an event. Thus the strategy has a planning horizon, which represents the plan element with the furthest expected completion date in the future, but does not have a date as to when the plan expires.

By placing expiration dates on plans, organizations assert that they are stable and that the future they represent has been adequately forecasted for the duration of the plan. The purpose of these types of plans is to state goals, and when the plan's expiration date is reached, document the completion of the goals—and then create a new set of goals for the next period.

This approach to strategic planning usually results in plans that don't actively reflect strategic decisions, execution success or abandoned paths.

Organizations need to see strategy as an ongoing activity for which the plan acts as the guide. As the future unfolds, the dialog, and subsequent action, are used to navigate unexpected circumstances, or confirm expectations. In either case, the plan should always reflect what is actually taking place, not just what was planned. By engaging in strategic dialog, a new person joining the organization at a senior level can read not only the organization's strategic plan, but what has occurred since the plan was initially documented.

Recognizing the dynamic nature of strategy also allows organizations to insert, or delete, strategic initiatives when decisions require it, rather than waiting for a bootstrapping of a plan to reflect a moment in time, or worse, circumventing the plan with other processes that never make it into the plan. Deleting the “expiration” date on strategic plans represents the behavioral acceptance that the future is both uncertain and dynamic.

Budget must be considered in order to define how strategic capabilities will be sustained, and the capital source for investment in new capabilities.



Define investment plans for new capabilities

Aspirations are a great way to state goals, but without clear plans that describe the transformation from aspirations into realities, those involved in ideation and planning often get frustrated and disenchanted.

In order to avoid disengagement, it is important to include budgets that detail how a new strategic capability will not just be initiated, but the sources of capital and how the capability will be sustained over the expected lifetime of the capability.

While hours in academia can be long, educators often remain willing to invest their time in new programs, but creating net new institutional capabilities that can be sustained over time requires more than volunteerism. Organizations must invest in space, policy and practice, and very often, technology, in order for a capability to meet its aspirational goals. And beyond that, change management requires ongoing investment to ensure that new capabilities are effectively integrated, maintained and executed with high quality.

The strategic planning process should not take the place of detailed unit or functional plans that will design and launch a new capability, however, the strategic plan should include an expectation for resources required to achieve the new capability. This means the strategic planning process must be aligned with tactical execution. Should implementation plans greatly exceed any of the budget categories—or even more importantly, should strategic shifts in the context render a new capability unnecessary, or perhaps require an acceleration in order to meet under-anticipated demand—the strategic planning team should immediately engage in strategic dialog to assess the implications of such changes.

Investment plans for new capabilities should include the following elements:

- Labor required to develop and deploy the new capability
- Facilities and infrastructure
- Data, information and analytics
- Utilities and other on-going expenses
- Marketing and positioning
- Assessment framework and budget for assessments

There really is no separation between strategic planning and change management in a dynamic organization.



Execution is the next phase of the plan

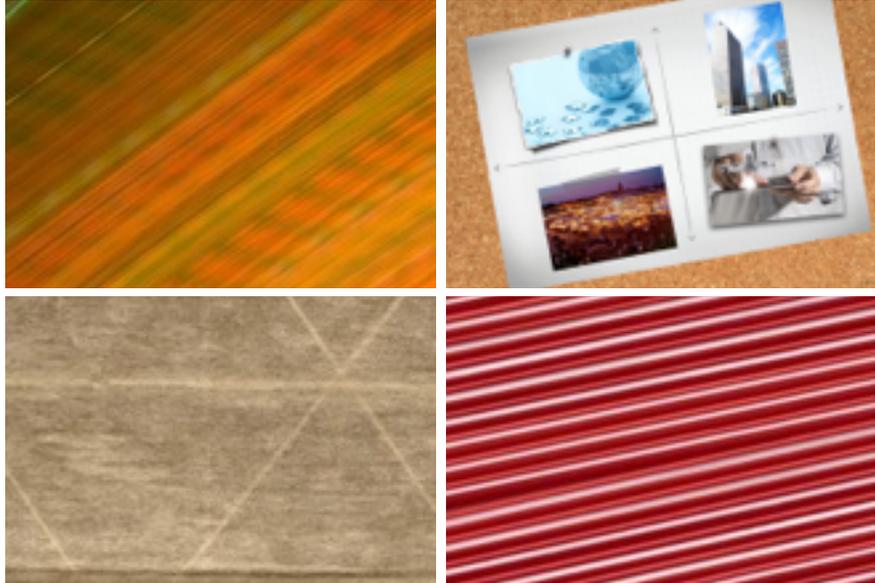
I was brought into a community college district to present on strategic planning. This was not a kick-off meeting where I offered guidance on the process. Quite the opposite. This was a meeting held in the quarter following the completion of a strategic planning process. The goal of the talk was to remind people that even though the process was over, the work to “be strategic” was something they needed to keep top of mind. The best way to execute strategy is to move forward incrementally, and to navigate change as it occurs.

There really is no separation between strategic planning and change management in a dynamic organization. Strategies create context and direction which induce change, and therefore, require change management to ensure that the strategies find realization in execution.

Units and functions should assess, within their existing budgets and charters, how to incorporate evolution toward strategic goals into their regular operations. Deploying a world class data center in a decade does not mean starting the year before it is to be built, but planning, investing, conducting research, testing assumptions and building relationships as part of the day-to-day work. Hiring new staff should reflect future requirements and capabilities, not just of existing needs. Short-term investments should be strategically validated to determine if investments make sense against strategic plans that may require removing them or retrofitting them in the future. Can near-term investments, for instance, be incrementally future-proofed in current dollars, perhaps even bringing down future costs? This is an especially important discussion when it comes to long-duration investments like buildings and other infrastructure.

Everyone in the organization needs to see the strategic plan as a backdrop to their own decision making. If they can't tie what they are doing to a strategy, then they should question that work. This assumes that the strategic plan is written as something that includes actionable strategies designed to accommodate this type of alignment. Poorly written strategic plans that consist of fluffy verbiage and goals rather than strategies, make it difficult to understand how existing work aligns, either because large umbrella statements seemingly cover everything, or goals don't include strategies where existing work is part of the path forward.

Scenarios result in plans that are more resilient in the face of change, and staff who is more open to change and better practiced at navigating it.



Use scenario planning to engage the future

Tomorrow will not be like today. And that is even more true when looking out five, ten, fifteen or twenty years. Although futurists may willingly provide their opinions, often expressed in declarative statements about what will happen in the future, much of this speculation is wrong, and adopting it wholesale can be dangerous.

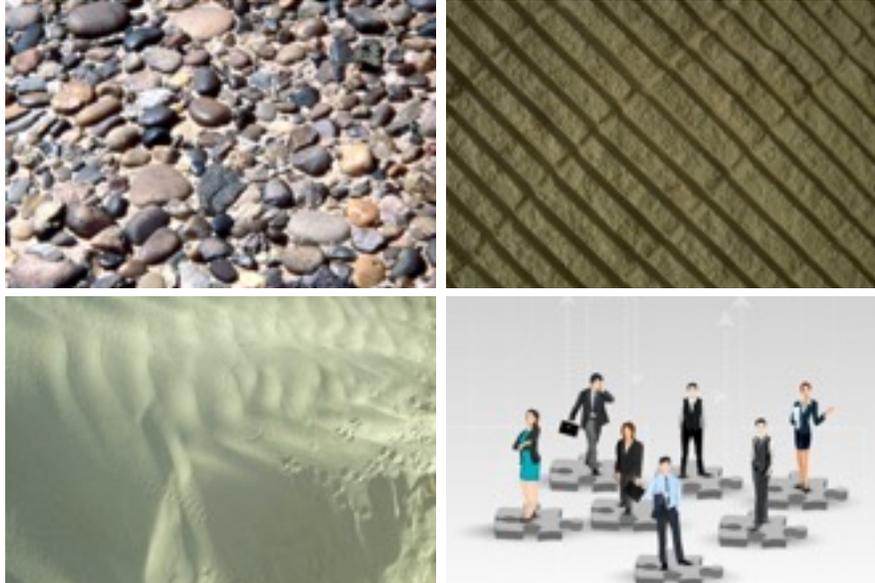
A more strategic approach employs scenario planning. Scenario planning focuses on uncertainties and driving forces that will shape the future, and examines the future under multiple sets of social, technological, economic, environmental and political circumstances. Scenarios tell multiple stories about the future so that an organization can test its ideas and assumptions against backdrops that deeply challenge assumptions. This results in plans that are more resilient in the face of change, and staff who is more open to change and better practiced at navigating it.

Scenarios are also important for the strategic dialog they engender. As stories of the future, current ideas placed into a scenario will surface assumptions and biases. As the attributes of ideas or strategies are buffeted by the very different futures, people involved in the dialog may also realize new, innovative approaches to related challenges, or recognize new opportunities. In a dynamic strategy environment, thinking long-term and using scenarios also helps individuals and organizations practice different situations, preparing them for change, even helping them practice reactions to future challenges and successes.

Organizations may create their own scenarios, or they may use scenarios from other organizations in a similar domain. For scenario work, it is important that scenarios be specific to the focal question of an organization, but not necessarily specific to the organization itself. A set of scenarios on the future of learning, for instance, developed by one institution in a state, will be useful to another institution in the same state.

The most important point is to use scenarios, and use them well. Not just read them, but to regularly return to them when a strategic decision is on the table. Scenarios can help inform decisions by flying them through the scenario logics so participants can see how decisions and ideas hold up against different circumstances—and how actions can be made more flexible and resilient within the context of the uncertainties the scenarios represent.

Perhaps most importantly, it is students, faculty and local stakeholders who will be responsible for executing strategy, as well as understanding how to consume the results of strategy.



Be inclusive: co-create the future

Although strategy is the work of leaders, executives and administrators, they are not the only source of strategic insight. Faculty, students, parents, community members, local businesses and others can also offer important insights about how they see the future unfolding, and what it will take to realize strategic objectives. Perhaps most importantly, it is students, faculty and local stakeholders who will be responsible for executing strategy, as well as understanding how to consume the results of strategy.

Inclusive means opening up the process to anyone who is interested in incorporating relevant feedback into the process. List all of the stakeholders, those who will be responsible for execution strategy, and those affected by it, and make sure they have access to information about planning.

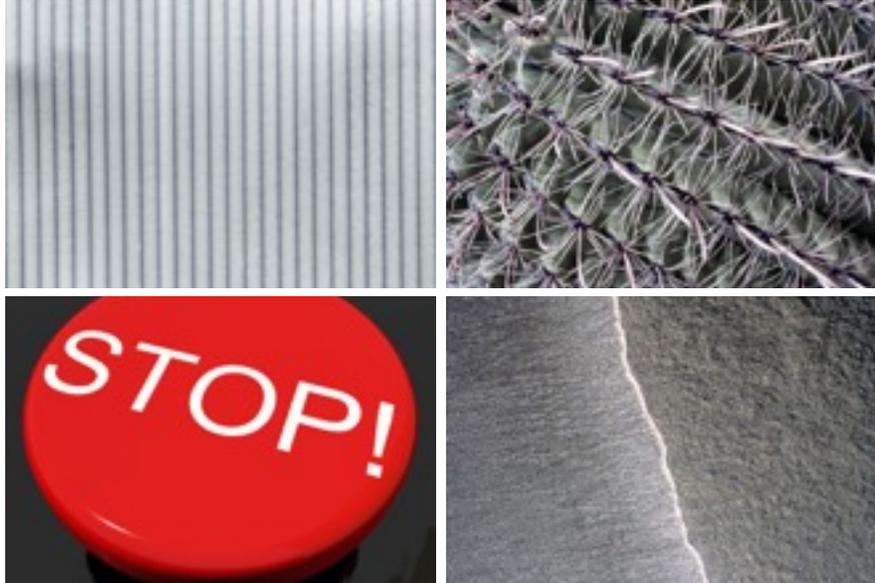


Co-creation means incorporating ideas not just into the process, but also into the content. If strategies must be articulated in ways to describe how they will be achieved, those who will execute the strategies are best positioned to describe their actions.

But co-creation and inclusiveness doesn't stop with the plan; it also means thinking of staff and students, administrators and community as members of a human sensor network. Although some large institutions may have dedicated strategic planning resources including research, most smaller organizations don't staff for sensing what is going on in the world and recognizing when something important is taking place that may affect a strategy. By including a wide variety of stakeholders, and actively engaging them on a regular basis, the organization creates a network of caring individuals who will help sense what is going on, and bring it to the attention of leaders within the organization. This approach offers another touch point for involvement and a chance for learning across the entire stakeholder community.

Co-creation and inclusiveness also help support the important social challenges of buy-in and shared purpose.

Nothing should be off limits in the strategic dialog.



Identify the things you will stop doing

There is a propensity to think about strategic planning as creating a set of goals and objectives, a guiding set of big buckets of actions that can be parceled out to various functions, units and divisions to be accomplished.

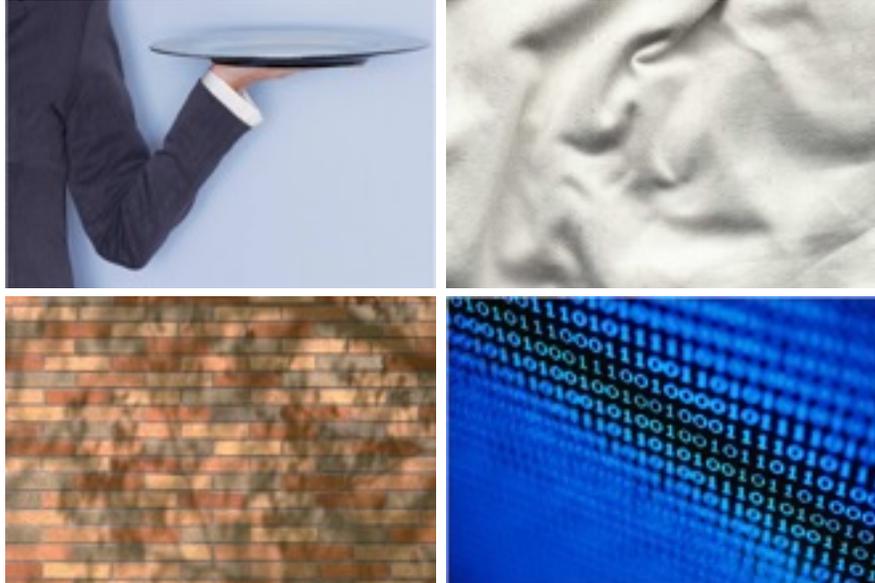
While that description isn't entirely inaccurate, it is incomplete. Strategic planning must necessarily include a thorough analysis of all things the organization is currently doing and how those tasks, activities and strategies stack up against evolving strategic goals and objectives.

In many cases, the organization may have a committee that is looking into things to stop doing, especially when it comes to academic programs. It is very important in a dynamic strategy environment to see the institutions holistically. The budget to fund a new initiative may well come from the demise of an existing one. That can be a tough decision, but it is an important element in strategic dialog. Identifying strategic options and reasoning through the best set of choices usually leads to a differentiated and successful future state of the institution.

Nothing should be off limits in the strategic dialog. There is a reason people bring up topics, and those topics, from new investments to things to stop doing, are relevant and valid. During the strategic dialog, individual items can be discussed, defended, modified, combined, transitioned or abandoned. It is highly likely that when the strategies of the organization are initially set, they will purposefully eliminate some existing program. Rather than have those programs figure that out for themselves, the organization should include this level of detail in its strategic dialog.

Some strategic planning processes may choose not to address this issue. They may explicitly state that the strategy is only about forward looking issues, and that all existing programs will continue as-is. That approach proves disingenuous the first time a program is stopped in favor of something new, or a doubling down on another existing program. Future plans draw from the same budget as existing work, so being transparent about choices and budget allocation is necessary—and deciding what things to stop frees up capital and time that can be spent creating a new capability that better aligns with the strategic goals of the organization.

Mission statements should be highly specific and state the clear reason the institution exists, what differentiates it and why someone should teach or work there.



Define differentiated value

Accreditation tends to push organizations toward a common, generic mission statement, which means they fail to articulate unique value through the most important phrase in their arsenal. At the high end, endowments, alumni and historical expectations may drive differentiated missions for some institutions, but for the majority of colleges and universities, the mission statement goes something like this:

Our mission is to serve students, to transform learners into engaged citizens and to encourage life-long learning. We strive to strengthen local economic, social and cultural life in a diverse community. We will always offer high-quality, flexible and accessible programs that accentuate our teaching and learning excellence. We actively facilitate employee growth and development in a safe and nurturing environment.

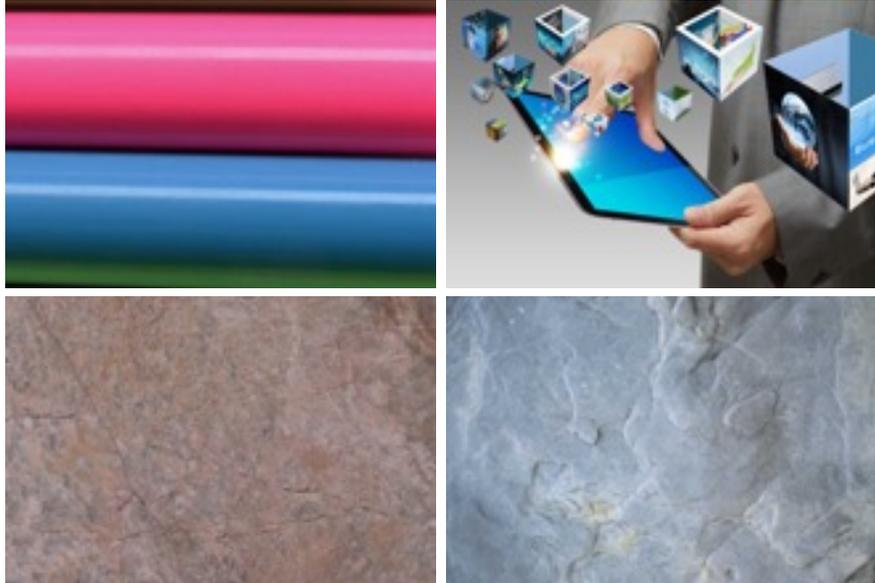
If your college or university mission statement sounds like this, then no one working at the organization, nor any student attending it, is likely to be able to express why they attend your institution over any other. For many, it may be location. For others, it is some other quality of differentiation that the mission statement fails to capture.

Many institutions during accreditation lean toward generic mission statements as they try to coalesce their positions in non-offensive, inclusive phrases. And once approved, these mission statements become politically charged artifacts held preciously by boards of trustees and other stakeholders.

Mission statements **should** be highly specific and state the clear reason the institution exists, what differentiates it and why someone should teach or work in this institution, and most importantly, why students should attend. Consistent communication of intent is critical to transforming strategy into action.

Generic mission statements do a disservice to all those who work so hard to make an institution special, and they fail their own mission by not helping people understand what makes an institution unique.

Understanding the competition can help an organization perceive its own uniqueness.



Don't ignore competition

Many educational institutions believe that education should be viewed as non-competitive, but the education market has clearly become competitive. The rise of for-profit universities and colleges that deliver learning experiences through the Internet, as well as public institutions that have innovated their business models, cast doubt about the position of traditional schools. If time and learning are both scarce and expensive, then those institutions that create the best experiences, establish affordable entry points and differentiate their offerings, will be the most competitive. That is, of course, only one line of reasoning.

Universities and colleges reflect brands and brand promises, even if they don't think of themselves in that way. Those brands reflect differentiation. Commercial brands would state it like this: *Not all colleges are equal. Ours is better for this reason. You should be willing to pay more because of that.* When looking at commercial competition that is the logic applied every day. Understanding the competition can help a college or university perceive its own uniqueness. It can also help identify what it can strive to do better.

Generic strategies aimed at meeting accreditation standards or serving existing expectations don't differentiate a school—and the planning process doesn't encourage it. Maintaining a liberal arts charter, for instance, is adequate for accreditation. But does that charter meet the needs of employers? Do graduates require supplemental education to be effective members of the workforce? Are graduates taught how to implement innovative ideas that will make an impact? In research, does the National Science Foundation provide more grants to another institution because of its strategic positioning, not just its research teams and proposals?

Any exploration of the higher education landscape will reveal that every institution of higher learning is unique. Not all of them, however, recognize the competitive nature of the market. They don't express that uniqueness at the strategic level, which can lead to operational and recruiting confusion. And they don't use their strategic planning process to seek ways to meet the challenges exposed by their competitors. All schools offer students great learning experiences in a safe environment. What makes your school the one certain students should attend over all others? Does your strategic plan follow-up on that brand promise? Does it make the organization's competitive advantage clear? Do all the investments made seek to maintain that sustainable advantage?

Conclusion

All organizations end up arriving at strategies, the differentiator between successful organizations and less successful ones begin with understanding challenges, responding to those challenges, and creating an environment focused on execution, communication and, perhaps most importantly, coordination. Writing down a set of goals does little to help functions and units coordinate their work, to pull together toward a common good. Goals put forward an end state, but they do not provide the path. If there are multiple paths toward a goal, then without articulated strategic choices, individuals and groups must forge their own paths, which can lead to needless dysfunction, loss of lower-level budget control and even animosity. Constraints in one area can lead unleash creativity in others. By clearly negotiating shared strategies, the organization sets the direction so each group knows what it is expected to contribute, and accountable for delivering.

In a dynamic world initial directions often prove less than optimal, or the context may change, requiring rethinking of strategic direction. Shifts in context make it doubly important to clearly articulate strategies—when the path is unclear, a lack of direction only feeds into the chaos. Change of direction is likely. Monitoring context is itself a strategy. People will know when the facts on the ground aren't aligning with expectations. The direction of an organization is more at risk if it does nothing to adjust when everyone knows the conditions have changed. Hoping against hope that the world will eventually align with an initial goal when all signs point to the contrary isn't just poor strategy, it is bad management.

The topics discussed in this paper are intended to help leaders of universities and colleges focus not just on tasks, but on managing toward goals in an effective way. We hope you have found this advisory useful. Should your organization need assistance in facilitating its strategic path, please reach out to Serious Insights. We are here to help put your future in context.

About Daniel W. Rasmus

Daniel W. Rasmus is the Founder and Principal Analyst at Serious Insights. Rasmus, the author of *Listening to the Future* and *Management by Design*, is a strategist and industry analyst who helps clients put their future in context. Rasmus uses scenarios to analyze trends in society, technology, economics and politics in order to discover implications used to develop and refine products, services and experiences.

Rasmus's thoughts about the future of work have appeared recently in *African Business Review*, *Chief Learning Officer Magazine*, *Fast Company*, *Talent Management*, *KMWorld*, *iPhone Life*, *PopMatters* and on the *Harvard Business Review* blog. Rasmus is an internationally recognized speaker. He has addressed audiences at Enterprise 2.0, CeBIT, KMWorld, Educause, Future Trends and many other conferences.

Prior to starting his own consulting practice, Rasmus was the Director of Business Insights at Microsoft and a Vice President and Research Director at Forrester Research.

Rasmus attended the University of California at Santa Cruz and received a certificate in Intelligent Systems Engineering from the University of California at Irvine. He is the former Visiting Liberal Arts Fellow at Bellevue College in Bellevue, WA. Rasmus is currently a member of the Faculty Academy at Pinchot University in Seattle, WA.

