AN *INSIDE HIGHER ED* SPECIAL REPORT

Smart, Succinct and Agile:

Strategic Planning in an Age of Uncertainty

INSIDE HIGHER ED

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Executive Summary

Challenges to higher education mount ever higher. The global financial crisis, which left institutions trapped in a vise between rising costs, shrunken endowments and curtailed public funding, has given way to a new period of rapidly changing student demographics, intense public scrutiny and disconcerting political unpredictability—plus still-rising costs, a worrying reliance on wealthy donors and, for public universities, uncertain state appropriations.

At the same time, colleges and universities find themselves thrust into competing roles, often without funds to pay for clashing priorities. Some are asked to serve as economic engines revitalizing neighborhoods or entire regions. Others are investing heavily in student services, information technology and online course delivery as they seek to reach new and diverse groups of students, retain more of the students they enroll or fend off competitors. Still others are stepping in to take on key responsibilities that are far from the core higher education enterprise, such as supporting local school districts or owning hospital chains—either because those responsibilities present opportunities or because no one else is filling gaping vacuums in communities. And many colleges are struggling to make their budgets work just to support existing education and research programs.

The choices colleges make in this world of escalating demands and limited resources inevitably cost them time and money. So sound strategic planning is critical for all types of institutions—public and private, rich and poor, community college and research university. But many leaders seem to approach strategic planning as a requirement to be met, a box to be ticked off or an exhaustive wish list of all constituents' hopes and dreams. This approach frequently results in documents that are bland and predictable.

Most such plans are doomed to fade into irrelevance and become a strategic planning cliché: they will gather dust on a shelf. Worse, they will represent missed

opportunities for colleges and universities to use a powerful tool to help them make hard choices and set new courses in a fast-changing world.

Although no plan is perfect, one seeking to be all things to all people is likely to serve as nothing to anyone. A successful plan, on the contrary, can help rally a college's many constituencies around a set of shared values while charting a future toward clear goals. It is realistic about an institution's identity while steering it toward a better tomorrow.

This is not to say colleges must hew to a certain planning process or specific plan format. Given the vast differences among colleges and universities, it would be foolish to expect a single set of planning ideas to translate into success across higher education.

Nonetheless, higher ed leaders can draw upon a trove of wisdom and experience to develop the right planning processes for their institutions at any given moment in time. This report details the latest trends in strategic planning and best practices leaders can choose from to build a meaningful process able to motivate key constituencies. It includes a high-level look at planning models, case studies of colleges and universities that have overcome planning challenges, and key considerations for leaders embarking on a planning process. It also explores the different purposes planning can serve, from legitimizing leaders' efforts to galvanizing fund-raising to helping a campus find its way in a confusing world.

This report aims to serve as both an introduction and in-depth resource for administrators, trustees and others at colleges and universities embarking on a strategic planning process. Among the key issues discussed are when to do a plan, who should or should not be involved, the relationship between plans and new presidents, the need to connect strategic plans to financial realities, how to keep the campus and internal constituencies engaged, the role of equity and diversity, the role rankings play, and how plans have changed over four decades. ■

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KEY CONSIDERATION

WHO HAS A SEAT AT THE PLANNING TABLE?

The people involved can make or break planning processes. Choosing the right mix of faculty members, staff members, students, local residents, alumni, donors and even trustees will determine how the strategic plan takes shape and whether constituencies buy in to it.

A best practice is to make sure every group with an interest in a college is represented and heard from in some way, according to experts. This ensures planners hear a diverse set of ideas and keeps them from ignoring anyone's perspective. It also helps rally constituencies behind a plan, even if that plan is controversial—if hard decisions have to be made, leaders can point to an inclusive process and make a better case for how they arrived at their choices.

Finding representatives from each group isn't always a challenge, as leaders can make use of existing governance structures to choose representatives for a planning process. Officers from the Faculty Senate might be asked to sit on a strategic planning steering committee, for example. Student government leaders might be included on a work group focused on improving the quality of student life on campus, and other organizations, like alumni associations, can be tapped as necessary.

But those with formal leadership roles aren't the only ones to consider. Planners must think more deeply about the individuals given a seat at the table, their level of expertise, how much respect they command on campus and how they are likely to affect the planning process. A professor greatly admired on campus for her research or teaching might normally avoid faculty governance commitments, but she could be ideal for the role. Her participation alone would send a signal about the importance of the process and add legitimacy to it.

"You strategically figure out who are the influential people on campus," says Sanaghan, a strategic planning consultant. "Who are the smart people who speak truth to power? A lot of them have official titles. A lot of them don't."

Everyone participating in committees and work groups needs to be thinking about the institution first, not his or her own particular interests, says John Stevens, a consultant whose firm, Stevens Strategy, specializes in strategic change. That doesn't mean they should all be predisposed to toe the company line, however.

"We spend a lot of time with the president and her senior team thinking about who is

going to be on the steering committee, who is going to be on the work groups, how they will work together," Stevens says. "We make sure we have some critics that will serve on the various work groups and steering committees so their ideas get brought forward and dealt with."

The need for inclusion has many planning experts recommending a process led by a steering committee made up of several dozen key stakeholders. Often, they recommend the committee be co-chaired by a faculty member and high-level administrator, covering both the academic and operational side of the institution. Picking an administrator familiar with the financial side of the institution, such as a chief financial officer, can make sure the committee remembers that money is an important factor.

Whether to include students is sometimes controversial. Miller, of Campus Labs, advocates for student participation.

"If you're not listening to your consumer, which is what they are, you are going to struggle in terms of having a strategic future that includes them," Miller says. Not having students on committees means a collection of older people sits around wasting time discussing what they think students think, he adds. In Miller's view, it's better to simply ask the students directly.

Another controversial question is how closely trustees should be involved in a planning process. Boards are clearly the ones with the authority to approve a plan or vote it down once it's drafted. It's also widely accepted practice for presidents to keep trustees appraised as the strategic planning process progresses. Yet some planners disagree about whether several trustees should sit on planning committees.

On the one hand, trustees who are on planning committees can help a president convince the larger Board of Trustees that the process is progressing in the right direction. They can support the president's role as intermediary between a college's operations and its board, which can be important at a time when trustee activism is rising.

Trustees can also provide firsthand insight and resources that wouldn't otherwise be immediately available to planning committees. If an idea comes up that is exciting but a stretch financially, trustees might be willing to commit to raising money toward it, for instance. If the board previously turned down an idea that's being debated again, a trustee might be able to directly explain the board's reasoning.

On the other hand, planners worry about faculty members, staff members and students grandstanding or holding their tongues in front of trustees. Concern also runs high that trustees will be tempted to exceed their authority by dictating details about the planning process, and that they will want to drive a faster strategic planning process than is possible in an environment where shared governance is respected.

WHO HAS A SEAT AT THE PLANNING TABLE?

CONTINUED

Many trustees maintain that a balance is possible between being active and respecting boundaries.

"I think we are surprised when people say things to us like, 'You are a trustee, should I behave myself in front of you?'" says Susan L. Washburn, chair of the Board of Trustees at Franklin & Marshall College. "I don't think we view ourselves in that way, but I understand that others do."

Franklin & Marshall's board is engaged in its strategic planning, Washburn says. It regularly touches base with an existing plan from 2012-13, and its members were anticipating being involved in forming a new strategic plan—although exactly how they will be involved was still an open question as of fall 2018.

"I think the days of board members not taking responsibility for planning are over," Washburn says.

In a way, the Franklin & Marshall board exerted an influence on the college's future strategic plan as it was conducting a recent presidential search. When the college needed to hire a new president after Daniel R. Porterfield left to lead the Aspen Institute in 2018, Franklin & Marshall's board took strategic planning into consideration. Instead of calling for an entirely new direction, it discussed building upon the college's existing plan and its commitment to high-ability, low-income students, Washburn says. The board made that decision clear to presidential candidates.

A board can be more highly involved in planning if other constituencies trust it, Washburn says. Consensus building and trust are important, but they don't mean trustees avoid hard choices that are necessary. Rather, trustees need to respect a planning process preventing decisions from being made arbitrarily.

"If you are a board that does not hold trust with your other constituencies, then of course people are going to say no," Washburn says.

Trustees can provide perspective guarding against colleges' natural tendency toward naming too many priorities. Prioritizing everything a college is already doing will leave it doing nothing differently after strategic planning is completed, says Rob Connelly, a trustee and former board chair at Sinclair Community College in Dayton, Ohio.

"Plans typically fall apart for a couple reasons," Connelly says. "One, everybody gets their handprint on it and then you've got this big book and it means nothing. The other is people just do it, and then they move back to their day-to-day."

Connelly is also the president and CEO of the Henny Penny Corp., an Ohio-based manufacturer of food-service equipment. He believes strategic planning is a powerful tool, noting that the practice is widely accepted in the business world.

He's not particularly worried about a well-run board hijacking a strategic planning process at a college. A college's board and president

should be tightly aligned, he says. The most important thing is that a board support a planning process that can make a big impact.

Sinclair Community College recently completed a roughly six-month planning process culminating in its board approving a new strategic plan in June 2018. Trustees made an imprint on that plan without sitting in on every committee meeting, according to Connelly, whose term as board chair also ended in June. He was more involved than some other trustees because of his interest in strategic planning, but ultimately the plan was done by the college, he says. It wasn't imposed by the board.

"This was driven by the president and his cabinet and their groups," Connelly says. "I believe it's a process where you're getting the organization to look at itself and then to look at the community and react to what would be best for the community."

Sinclair designed a process to gather a high level of input from the external community, according to Steven L. Johnson, the community college's president and CEO. In January, the college invited to a board retreat elected officials, community leaders, business leaders, civic leaders, faculty members and staff members. They explored where Dayton's economy was headed, how its community was changing and what challenges and opportunities it faced. They examined how Sinclair could be better aligned with those trends. Then Sinclair held follow-up meetings with faculty groups, student groups and community leaders.

The process yielded 500 different ideas, which leaders whittled down to a top 10. They also drew up three primary strategic priorities: alignment with southwestern Ohio and its economy; growth in student numbers and student success; and equity by enrolling a student body reflecting the region's diversity and by eliminating achievement gaps. The new plan is intended to last three to five years.

Different stakeholders need to feel a bond so they can work together, Johnson says.

"We're in agreement about what we should be doing, why and for whom," he says. "If that was up for grabs, it could be ugly." ■

HOW PLANS HAVE CHANGED

In the late 1970s, the Rhode Island School of Design was struggling and seeking a way to move forward in the coming decades. John Stevens, who was a vice president at the institution at the time, started work on his first strategic plan.

The plan, called RISD 2000, covered the next two decades of the institution's life and laid out a goal of growing from enrollment in the mid-1,000s to 2,000 students.

"It was all about how you improve programming, become more effective and efficient, and get economies of scale by getting to 2,000 students," says Stevens.

Today, Stevens is the founder and president of his own consulting firm specializing in managing strategic changes at colleges, universities and schools. He and his firm have done about 40 strategic plans for a variety of institutions, most of them small to midsize institutions.

RISD did make it to 2,000 students, he notes—the school reports a total enrollment of nearly 2,500 today. But Stevens learned from his first plan, conducted at a time when strategic planning was first breaking into higher education.

"The president, the senior staff and the trustees were flabbergasted in a very positive way by it," Stevens says. "What I found was that the faculty and some staff felt left out. I didn't engage them in the process as I should have."

Therefore, it took a while to convince different constituencies on campus to support the plan trustees had backed, according to Stevens. When planning today, he makes sure to have strong systems in place to build engagement across campuses so that faculty members, staff members, administrators and trustees all feel ownership of the plans produced.

Many institutions still make the same mistakes Stevens did four decades ago.

"They don't effectively account for leadership from the president and the board and engagement from the full campus community," Stevens says. "If you don't do both of those things, it will often not work. If there is no leadership, then the institution will kind of just go off in all kinds of directions and the process will never get completed. And if you have just direction and no engagement, there's no ownership of the process in the end."

The Rhode Island School of Design has been through multiple presidents since the RISD 2000 plan was put in place—its current president, Rosanne Somerson, was appointed in 2015 after serving as interim president for more than a year. The institution was

coming off of a 2012-to-2017 strategic plan and expected to finalize a new strategic plan in early 2019.

Its library still has a copy of the typewritten RISD 2000 plan, however. A look at the plan, emblazoned with the handwritten date of 1981, is remarkable because it reveals planning practices that have and have not changed—and how some of the key challenges colleges and universities face today are the same ones they grappled with 40 years ago.

The plan begins with a five-page introduction arguing for the school of design enrolling 2,000 students by 2000, increasing housing for students, renovating facilities and also noting an academic affairs reorganization. It then includes 38 pages breaking down data and projections on the student market, RISD budget, capital needs and program needs, plus a special report on a computer system being installed complete with tape drive, disc drive and several cathode-ray-tube video terminals.

RISD 2000 lacks the layers of vision statements, mission statements, strategic objectives, goals and metrics that have become the shared fabric of today's strategic planning documents. But in some ways, it is a more cleanly packaged document, narrating a path for the school of design to follow and providing pages of data to build the case for that path.

Data have changed substantially since the late 1970s and early 1980s, Stevens says. Outside sources of data have grown much more sophisticated, and institutions can draw on more support to help them predict enrollment, develop financial models, conduct market research and evaluate programs.

Such increasing complexity could be one reason why strategic plans' packaging has changed.

"If we were to use a document like this today, the campus community's eyes would glaze over," Stevens says of the plan from four decades ago. "One of the things we do with our clients is help them put together a fact book, which has all that demographic data that you can rely on, and when you're making presentations at the higher levels of the institution, you can bring up that information as supportive of the process."

Today, strategic plans—what an institution is going to do—are often separated from operational plans—how the institution is going to do it.

Take, for example, the Rhode Island School of Design's 2012-17 strategic plan. Under it, the university worked to hire 10 new faculty lines, says Hermano, vice president of integrated planning. But the plan summary didn't spell out the goal that specifically. Instead, it called for the institution to "strategically increase faculty in academic areas" and "ensure baseline teaching and operating resources—including additional full-time faculty—to support departmental and institutional strategic objectives."

"The external-facing, more public document

should have a set of very high-level metrics," Hermano says. "There is a set that's high level, and then there are more granular key performance indicators attached to each goal."

Such changes can be effective. Still, they bring their own challenges and elicit caution from experts. A summary document with just a few words to support each goal may be brief and compelling, but at some point brevity makes it hard to convince different constituencies that a plan is sound.

And many institutions struggle to balance accountability and flexibility in their operational planning.

"They'll set goals but they won't develop timelines, responsive parties, operating budgets, capital budgets and metrics for success," Stevens says. "If you don't realize you're living in a dynamic environment and you need to change the operational plan periodically, you're going to fail."

The higher ed landscape changed many times from 1980 to 2000, and then again from 2000 to 2018. Yet some passages from the RISD 2000 plan are notable for just how much they echo challenges institutions face today.

"RISD students must be given skills, experiences, and habits of mind which will enable them to compete effectively in the professional worlds of art and design," reads one passage that seems to mirror the discussion around career readiness percolating today.

"Any increase in a student population goes against demographic trends and projections," reads another passage, which could be pulled from a write-up of the current student population estimates. "We know that all institutions will not survive. We know, too, that smaller institutions are especially vulnerable."

Comparing the RISD plan to the plans of today also makes it clear just how much shorter time horizons are. The old plan's two-decades-into-the-future goal seems like forever in comparison to today's three- and five-year timelines.

Aside from the case of the Rhode Island School of Design, experts pick out some other developments that have taken shape in strategic planning, many over the last 10 or 20 years.

Today, plans tend to be less aspirational than they were two decades ago, says Christopher Morphew, dean of the Johns Hopkins School of Education.

"Most institutions were using them as these sort of aspirational documents," he says. "We're going to move to this Carnegie classification, or we're going to become a top-five university when we're No. 63 right now—sort of delusional aspirational documents."

Morphew co-authored research finding relatively fewer examples of such aspiration in North American research universities' recent strategic plans as compared to plans in Europe.

Strategic plans are also broader today than

they have been in the past, he says. Earlier, strategic plans would sometimes lay out specific targets, like graduating a certain number of students in specific programs.

"Now what you see more is, 'This is the kind of thing we're going to do, this is our strategy as a broader sort of metadocument,'" he says.

Anecdotally, experts say planning often focuses more directly on finances today than it did a decade or two ago. The stakes also seem higher.

The fixation on solving financial problems through revenue generation has grown, says McGuinness, senior fellow at the National Center for Higher Education Management Systems. So has a need for more innovation and a dedication to diversity and inclusion.

Not everyone agrees on whether the field has experienced fundamental changes, evolution or is simply putting a different wrapper on old practices.

"I don't detect anything that would say there is great evolution in the idea of strategic planning," says Jones, NCHEMS president emeritus. "There are not a lot of folks who do it well, but I don't think that it's a field that has technically or philosophically evolved very much."

At institutions with a long history of dysfunction, it remains incredibly difficult to convince people to work together effectively.

"Some institutions just want our help to get the process focused on data, rather than politics," Stevens says. "If you don't have good leadership from the institution, you haven't explained the governance structure, you're going to divert to political negotiations." ■

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