University of Missouri System Strategic Planning

November 2012

Strategic Planning Timeline

June Workshop	October Workshop	November - February	March Workshop	April – June
• Develop draft strategy statements	• Establish situational awareness • Identify key "themes" and "levers" • Learn principles of ideation	• Make case for change • Build consensus • Finalize strategy statement, themes and levers	• Learn to identify, plan and measure activities that will support the strategy, theme and levers	• Plan activities • Engage activity owners • Develop final strategic plan

Output

• Draft strategy statements	• Draft themes and levers	• Finalized strategy statements, themes and levers	• Draft activities and metrics	• Final strategic plan with detailed activities and metrics

Developing system and campus strategies in a time of tremendous challenge and change

"We don't have a viable business model."

"Faculty members feel overloaded and deans are concerned that research productivity is declining."

"We are being forced to do more with fewer resources and at some point it does affect quality."

"We're going to hit a brick wall at some point."

Some challenges confronting the system:

1. Reduced state and federal funding
2. Limits on tuition increases
3. Changes in student demographics
4. The impact of technology on teaching and learning
5. Public accountability
6. The economic crisis
7. The demand for greater higher education access and increased number of degrees conferred
8. Skilled workforce demands

"We have survived the funding cuts by growing enrollment, but we're reaching capacity."

"With the shift to online learning, there are big questions…"

"What is the end to this? What will be cut next?"

"We need to fight to keep our formula funds."

"Our laboratories are in worse shape than the high school laboratories."

What is a strategy?

A strategy is a plan for organizing finite resources to achieve a specific objective

Strategy IS:

- Guiding principles that generate a pattern of decision making and action
- Clear trade-offs and choices
- Problem solving
- A hypothesis

Strategy is NOT:

- Operational effectiveness
- Mission, values, vision
- Goal setting
- Accommodating a multitude of conflicting demands and interests
- "Fuzzy"

A concise strategy statement has discrete building blocks

3 required components:	**OBJECTIVE**	**SCOPE**	**ADVANTAGE**
	❑ A single objective ❑ Measurable and specific ❑ Time bound ❑ Addresses key challenges	❑ Describes in detail which customer you are pursuing ❑ Describes in detail the product or service you are offering to the customer	❑ Describes the unique activities or assets that no other organization can claim
EFFECTIVE:	"Increase enrollment to 20,000 by 2020"	"Career-focused education for full-time undergraduates who are interested in STEM subjects"	"Internship programs with 40 partner employers in the St. Louis area"
INEFFECTIVE:	"Increase the number of qualified graduates"	"Aligned curriculum and student experience for undergraduates"	"World class instructors"

Source: Collis, David J., and Michael G. Rukstad. "Can You Say What Your Strategy Is?" *Harvard Business Review* (April 2008). Print.; Innosight analysis.

A strategy statement is not a mission statement

Hierarchy of organizational statements
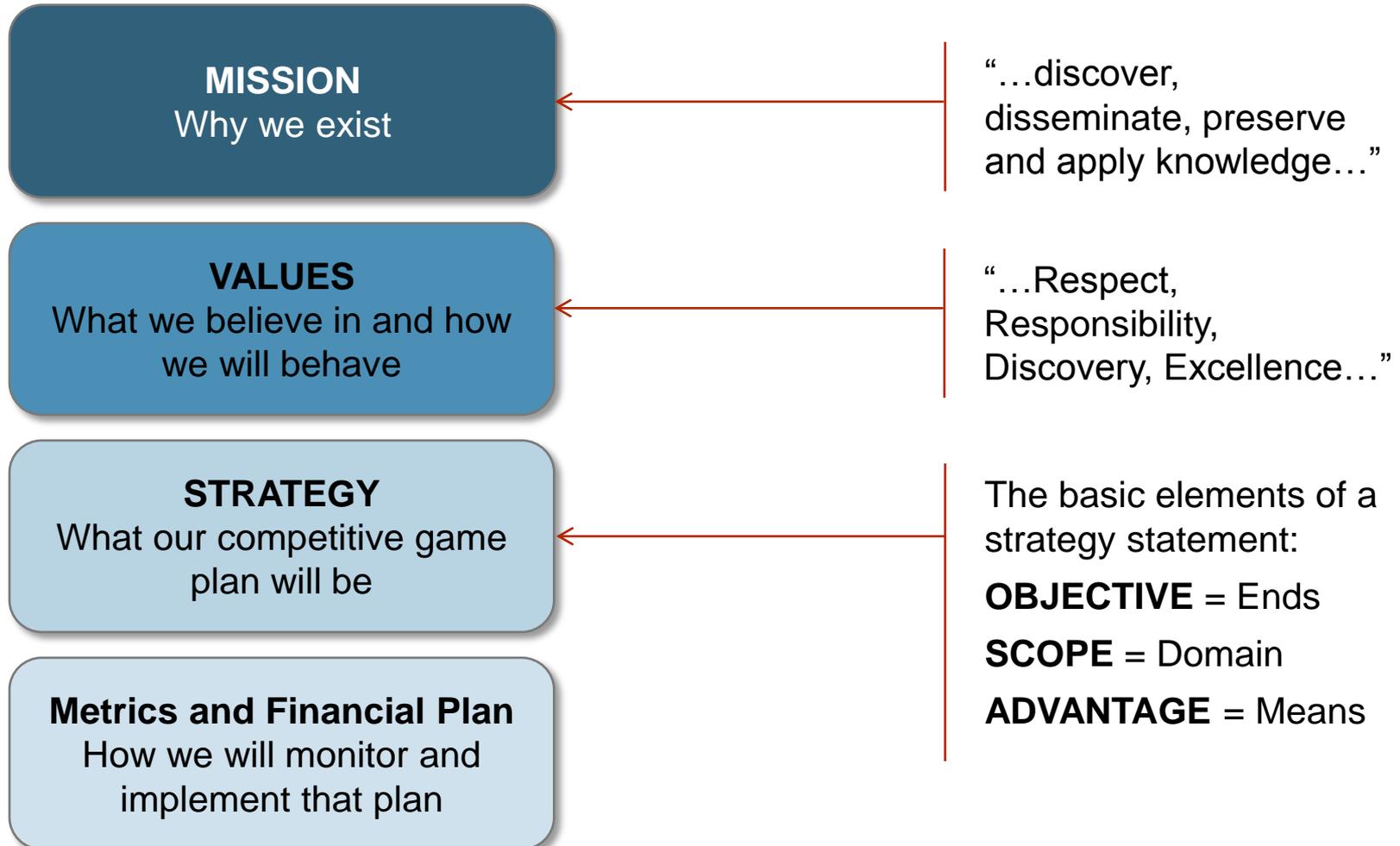
MISSION — Why we exist	"…discover, disseminate, preserve and apply knowledge…"
VALUES — What we believe in and how we will behave	"…Respect, Responsibility, Discovery, Excellence…"
STRATEGY — What our competitive game plan will be	The basic elements of a strategy statement: **OBJECTIVE** = Ends **SCOPE** = Domain **ADVANTAGE** = Means
Metrics and Financial Plan — How we will monitor and implement that plan	

Source: Collis, David J., and Michael G. Rukstad. "Can You Say What Your Strategy Is?" *Harvard Business Review* (April 2008). Print.; Innosight and University of Missouri analysis.

A critical test: The strategy should explain how a campus will leverage its unique strengths to overcome challenges

STRATEGY

Mission and Vision

Barriers

Current State

What specific barriers does your campus face?
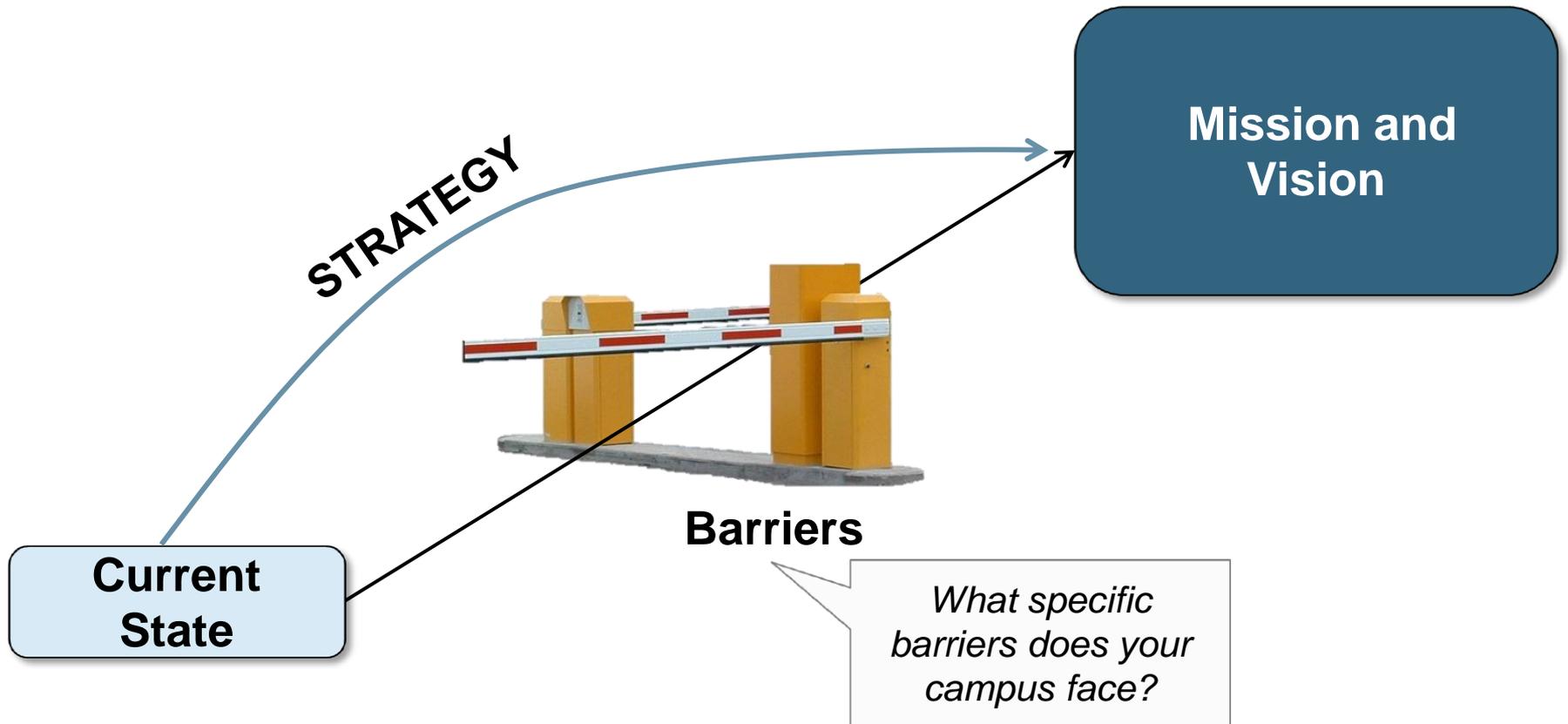
Another key test for a strategy statement is to make sure it can be stated simply

Sample Statement

"Our campus will reduce its dependency on state funding 20% by 2020 by offering a no-frills, efficient education to undergraduate and graduate students who are looking for value in their educational experience, cutting non-core expenses while increasing year-round academic programming."

Potential Simplified Description(s)

- We will turn to simplified programming and year-round schedules to provide efficient, high-value education to students

- We will reduce our need for state funds by providing low-cost, high-value education to a wide variety of students

Red = Objective; Blue = Scope; Green = Advantage

It may help to clarify specific areas of the strategy statement with backup detail

Sample Statement

"Our campus will reduce its dependency on state funding 20% by 2020 by offering a no-frills, efficient education to undergraduate and graduate students who are looking for value in their educational experience, cutting non-core expenses while increasing year-round academic programming."

Sample Backup Detail

Detail

Reduce dependency on state funding	*The campus will not decouple funding from other operations, but seeks to define endowments, gifts, and tuition as the principal source of revenue in place of volatile appropriations*
No-frills, efficient education	*The campus will focus on core instruction and teaching capabilities selectively choosing to avoid numerous, cost heavy amenities offered by many other campuses. The campus will work to determine which resources are crucial to education and phase out the items found to be superfluous or non-value adding*
Undergraduate and graduate students looking for value	*Serve students with top-quality education, and focus recruiting efforts on students that would be likely to succeed in an environment without things like Division 1 sports, gourmet cafeteria options, or vibrant student life activities*

Red = Objective; Blue = Scope; Green = Advantage

In June 2012 campus teams created draft strategy statements

Approximately 40 campus and system leaders met to discuss:

Leading to development of:

The components of strategy

The future of higher education

Stakeholders and jobs to be done

Strengths, goals and boundaries

Declining public funding

A draft strategy statement for each campus

UM System Draft Strategy Statement

The UM System will collaborate with the campuses in achieving, by 2018, mutually agreed upon, best-in-class, financial and core-mission outcomes by:

1. Leveraging university resources effectively and efficiently,
2. Developing and applying leading practices and metrics, and
3. Advocating for higher education and the university.

UM System Draft Strategy Statement – DETAIL

The UM System will collaborate with the campuses…	System administration will work with the campuses to ensure the campuses achieve their strategies, recognizing that system administration's success is dependent on the success of the campuses. System administration will both lead and provide support to the campuses.
…in achieving, by 2018, mutually agreed upon…	System administration will work with the campuses to identify appropriate targets: successful outcomes will be defined together by the campuses and system administration.
…best-in-class financial and core-mission outcomes by:	The campuses, in collaboration with system administration, will identify specific, strategic areas of opportunity where the campuses can become the very best in the world. These areas of opportunity may be financial (e.g. leader in cost efficiency) or related to the core mission of the campuses (i.e. education, research, economic development). These strategic areas of opportunity will be described in the campus strategic plans, and system administration and campus leaders will be accountable for the achievement of the targeted outcomes.

UM System Draft Strategy Statement – DETAIL (cont'd)

1. Leveraging university resources effectively and efficiently…	**In general, system administration will deploy system resources (financial, human, or other) where they are likely to have the greatest impact in the least amount of time, weighing long-term sustainability against short-term impact. System administration will encourage campuses to do the same with campus resources, and will advise campuses on effective resource use.**
2. Developing and applying leading metrics and practices…	**System administration, in collaboration with the campuses, will identify, develop and diffuse best practices across the campuses. System administration will monitor the campuses' progress toward strategic objectives and hold campus leaders accountable for performance. In addition, system administration will identify new activities it can take on to gain economies of scale or scope across campuses and improve quality or efficiency.**
3. Advocating for higher education and the university.	**System administration will actively advocate, within the state and globally, for higher education generally and the university specifically. When the system advocates successfully for higher education, the campuses are more likely to achieve their strategic objectives, through enhanced reputation and increased access to resources.**

Three primary objectives for the October 2012 workshop

1   **Establish shared situational awareness**

2   **Identify the key themes and levers that support each campus' strategy**

3   **Learn principles of innovation that will prepare you to shape the future of your campus**

The October workshop set a foundation for the next four months of activity

Each campus sent 8-16 "change agents" to the October workshop totaling…

50 participants

Each campus developed 20-40 distinct ideas for change totaling…

100+ ideas

The October workshop set a foundation for the next four months of activity

Objectives of the October Workshop were met

1. Achieve **shared situational awareness** to instill a need for change ✓

2. Identify **themes and levers** to be discussed on each campus ✓

3. Empower campus leaders with **principles of innovation** ✓

In addition, each campus team identified opportunities for system involvement and cross-campus collaboration

Next steps to develop important parts of the final Strategic Plans

Strategic Plan

Complete before March Workshop

March Workshop

| Strategy Statement | Themes | Levers | Projects |

Strategy definitions

Key themes

Prioritized levers

Specific project plans

↓

Owners and deadlines

↓

Metrics and financials

Project metrics will help achieve and re-inform the strategy statement
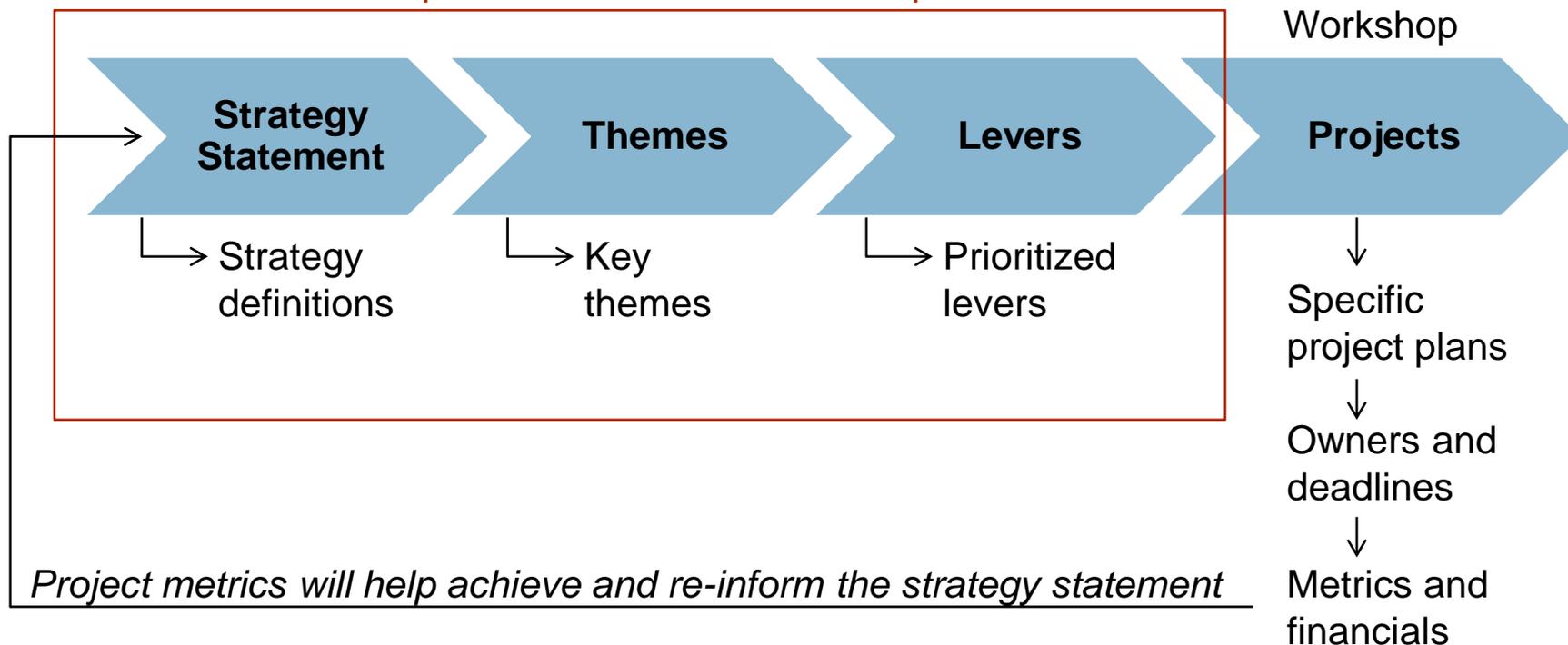
Campuses will submit their final Strategic Plans to the system in June 2013 that include a high level description of projects and their associated metrics, owners, deadlines and related financial plans.

The objective over time is to move from the strategy statement closer toward specific actions

Strategy Statement

Theme

Transform the Offering

Increase Funding from External Sources

Lever

Reduce required time on campus

Change graduation requirements

…

Increase access to grants

Develop new programs with corporate sponsorship

...

Project

Focus of March 2013 workshop

Less Specific — **Specificity** — *More Specific*
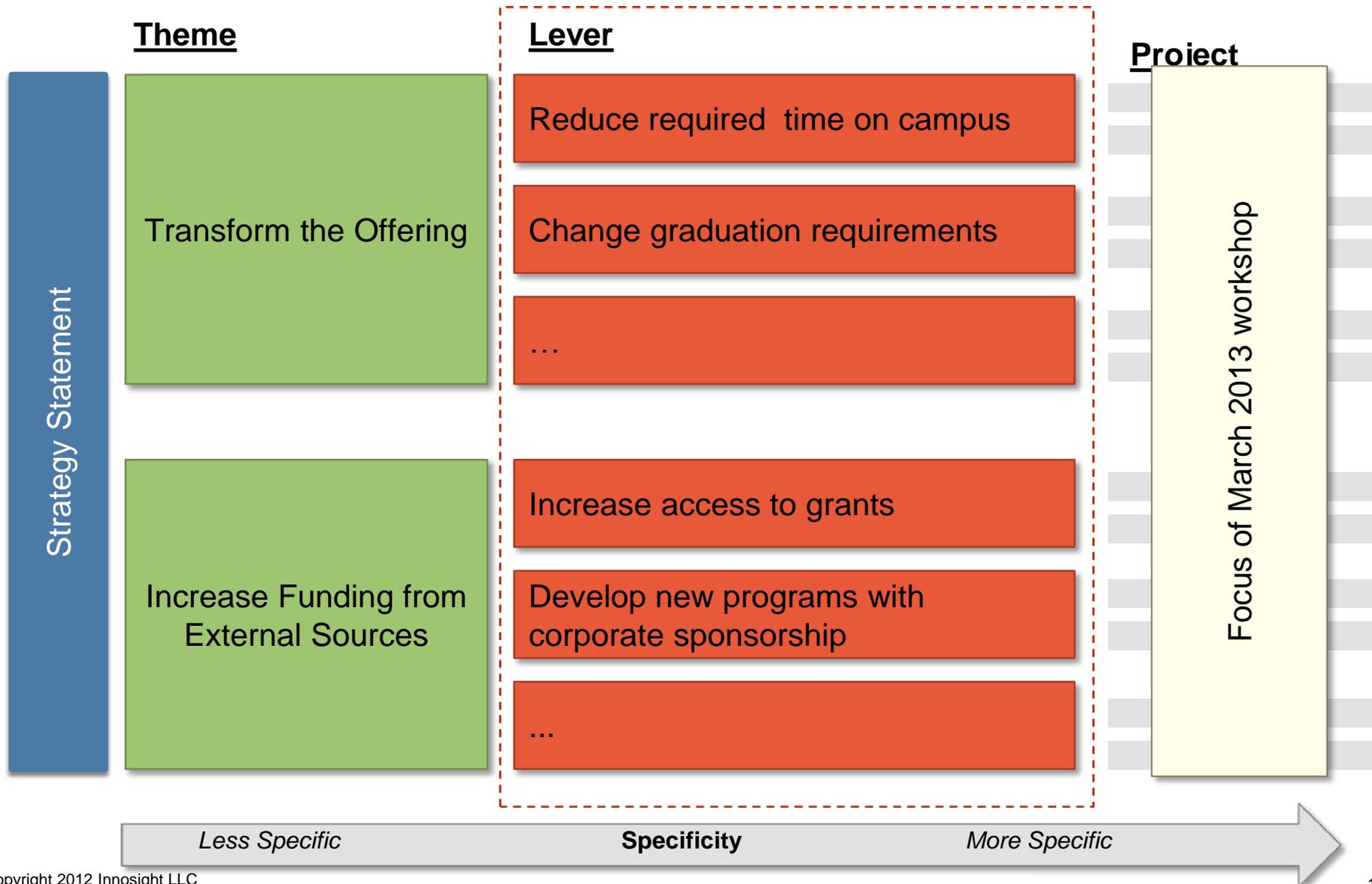
Themes, generated from the strategy statement, are areas of exploration for which actionable levers can be defined

Sample Strategy Statement

> "**Our campus will reduce its dependency on state funding 20% by 2020** by offering a no-frills, efficient education to undergraduate and graduate students who are looking for value in their educational experience, cutting non-core expenses while increasing year-round academic programming."

Less Specific

Specificity

More Specific

Sample Themes

Reduce Costs	Adjust the Offering	Adjust Resource Availability
Increase Revenues	Reduce Dependency on State Funding	Develop New Processes

Levers

Reduce required time		Target recruiting for
requirements	services	high graduation rates
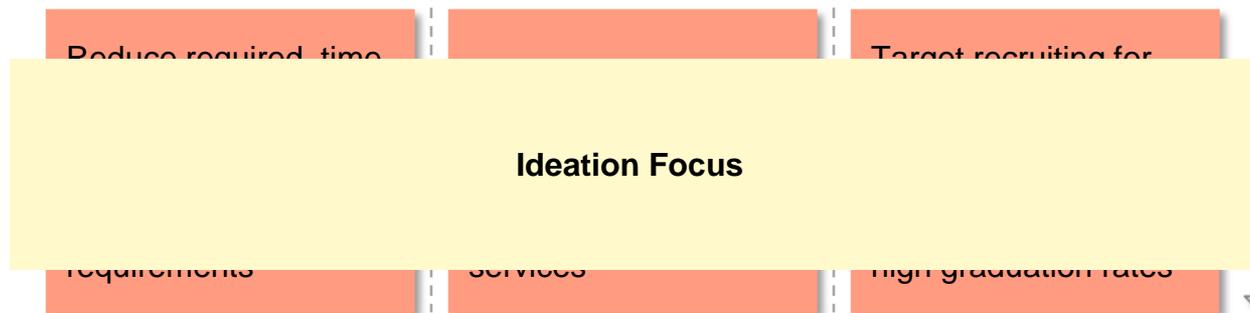
Ideation Focus

The focus of ideation is to develop a robust set of levers and activities for further prioritization

Sample Strategy Statement

Sample Themes

Prioritized subset of themes from the strategy statement for lever development

Sample Levers

A number of levers related to each theme

Sample Projects

Strategy Statement		
Deprioritized Themes		
Transform the Offering	Develop / Change Resources	Change the Customer Mix
Reduce required time on campus	Recruit top faculty	Target recruiting for specific students
Change graduation requirements	Expand placement services	Expand programs with high graduation rates
Change general education structure	Build relationships with employers	Market key programs

Less Specific

Specificity

More Specific

Focus of March 2013 workshop

Before prioritizing levers, campuses will need to apply a filter to determine whether each lever is aligned with the strategy

LEVER

Aligned with strategy?

YES

Prioritize Further

1) Prioritize according to attractiveness and feasibility
2) Implement as appropriate

NO

Eliminate from Consideration

1) Deprioritize the lever for the time being
2) Revisit as strategies and/or circumstances change
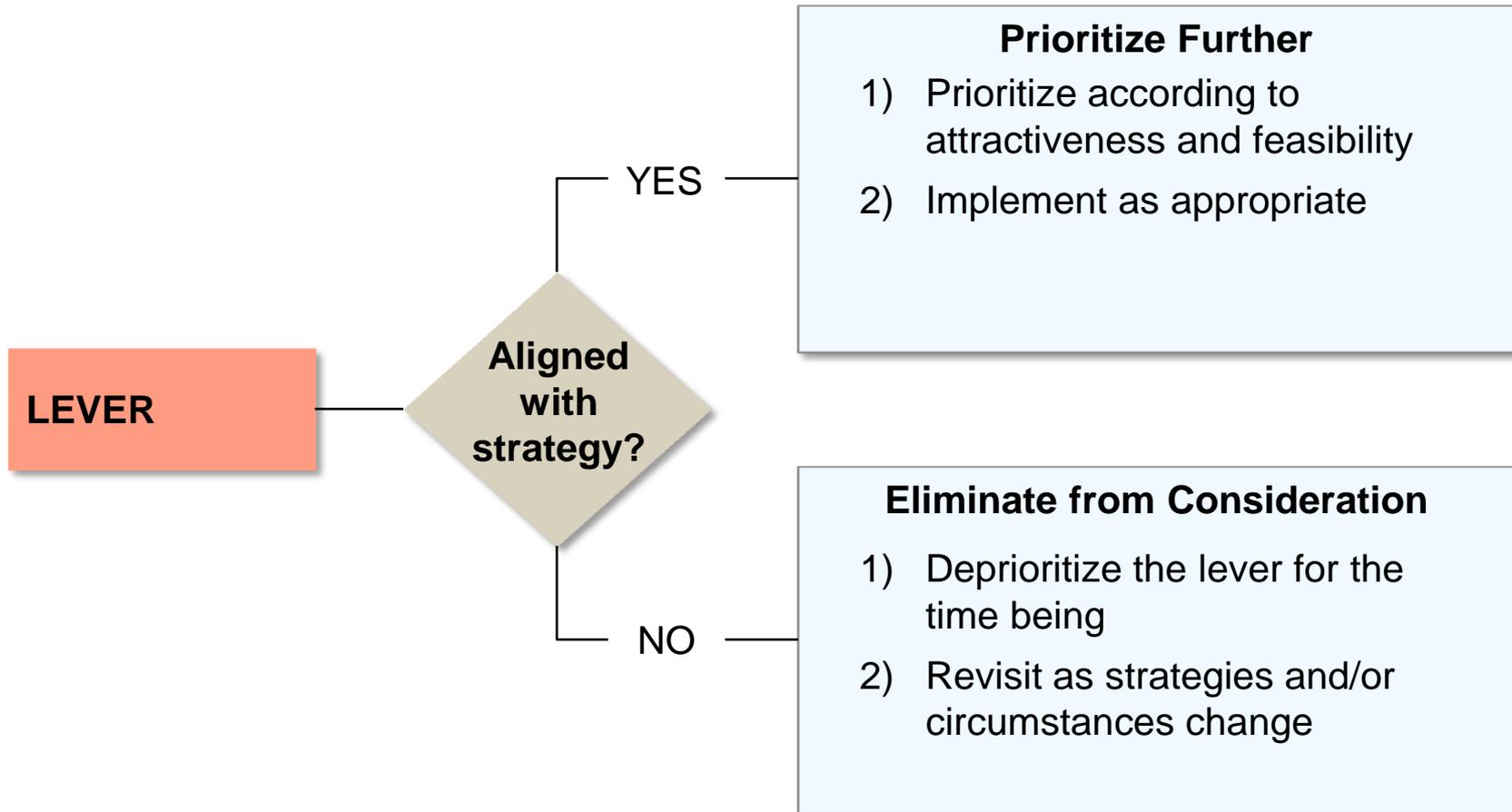
Avoid the temptation to implement attractive and feasible levers that do not align with the strategy

Sample Strategy Statement

"**Our campus will reduce its dependency on state funding 20% by 2020** by offering a no-frills, efficient education to undergraduate and graduate students who are looking for value in their educational experience, cutting non-core expenses while increasing year-round academic programming."

Invest Recent $50M Gift in New Student Common Building

Aligned with strategy?

YES → **Prioritize Further**

NO → **Eliminate from Consideration**
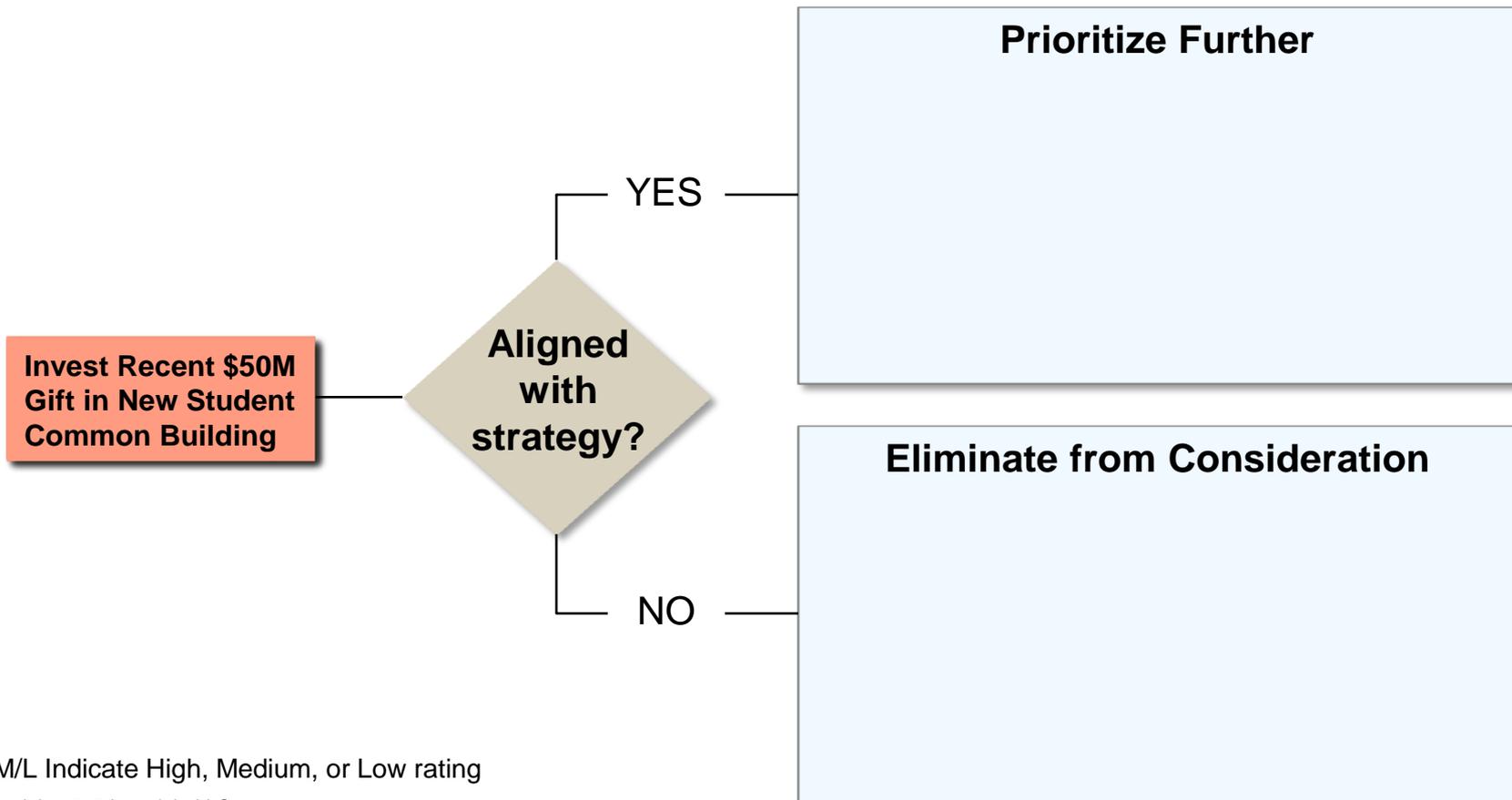
H/M/L Indicate High, Medium, or Low rating

The attractiveness and feasibility ratings have implications for actions in the future

Attractiveness

- How well does it align with the strategy?
- What is the potential impact?
- How well does it address jobs to be done?

	Low	Medium	High
High	**Begin Exploring–** *Invest limited time; focus on ways to make these levers feasible*	**Pursue–** *Push forward these levers in the near term, but first establish real paths to success*	**Pursue Now–** E*stablish excitement with 'quick wins' by pursuing these low-hanging fruits*
Medium	**Deprioritize–** *The value of pursuing lever doesn't compensate for the effort required*	**Put on hold–** *Deprioritize ideas in the short term, return to them as time and resources allow*	**Improve–** *Ideate ways of improving the value of this lever, otherwise hold for future consideration*
Low	**Avoid**	**Avoid**	**Deprioritize–** *Although highly feasible, efforts to pursue yield little or no reward*

(Attractiveness axis: Low / Medium / High; Feasibility axis: Low / Medium / High)

Feasibility

- How difficult will it be to accomplish?
- What is the likelihood of success?

Campuses will be planning and reporting on their progress using the checklist below

1 Build Support

- ☐ Recruit campus leaders to help promote change
- ☐ Meet with individual stakeholders to instill a common need for change
- ☐ Publicize alarming statistics and case examples around campus

To make the case for change the teams must reach out to campus leaders and stakeholders to involve them in this effort

2 Develop and prioritize levers

- ☐ Solicit lever ideas from stakeholders
- ☐ Organize levers and eliminate duplicates
- ☐ Determine which levers are in line with strategy statement
- ☐ Use prioritization matrix to identify attractive and feasible levers

In order to develop and prioritize levers, teams should first diverge and collect ideas then converge to identify the best ideas

3 Finalize strategy statements

- ☐ Refine strategy statement in light of newly prioritized levers
- ☐ Meet with campus leaders to come to consensus on strategy statement
- ☐ Make sure that your strategy is in line with the system's strategy

Regularly refine and clarify the strategy statement to align with the prioritized levers and the system's strategy statement

The October workshop highlighted opportunities for system involvement and cross-campus collaboration

Opportunities for system involvement

- System provided **measurements** and **information**

- System provided **funds** and **support**

Opportunities for cross-campus collaboration

- Cross-campus **shared services**

- Cross-campus **communication** and **cooperation**

Glossary of Key Terms

Term	Definition
Strategy	A strategy is a plan for organizing finite resources to achieve a specific objective
Strategy Statement	A concise (generally 35 words or less) phrase that captures an organization's strategy by incorporating three key elements: objective, scope, and advantage
Objective	The single precise objective that will drive the organization for the next five years; it is specific, measurable and time bound
Scope	A description of the customer or offering, geographic location and level of vertical integration
Advantage	The customer value proposition and the unique activities that allow the organization alone to deliver it
Theme	An area of focus related to the strategy statement that can be explored further to help implement the strategy (e.g. increase enrollment
Lever	One or more activities that support a theme (e.g. recruit STEM students)
Projects	The tasks assigned to specific teams/people to explore the value and process of implementing a specific lever or activity within a lever
Disruptive Innovation	An innovation that creates a new market by applying a different set of values, which ultimately (and unexpectedly) overtakes an existing market
Customer Value Proposition	The product, service, or combination of the two that helps more effectively, reliably, conveniently, or affordably solve an important problem or satisfy a job-to-be-done at a given price

November 2012

Project Calendar: University of Missouri Activities

Monday	Tuesday	Wednesday	Thursday	Friday
			1	2
		Innosight follow-up review sessions with campuses →		
5	6	7	8	9
Meet with leaders on campus to build support around strategy statement →				
12	13	14	15	16 Campus Strategy Statements due to VP Krawitz
Solicit and collect ideas of new levers for change →				
19	20	21	22	23
Thanksgiving Break →				
26	27	28	29	30
Meet with leaders on campus to build support around strategy statement →				

Primary University activities

- Synthesize and refine workshop output

- Campus teams meet with Innosight to discuss output and next steps

- Continue to refine workshop output by following the action plan worksheet

- Submit revised strategy statement

- Meet with leaders on campus to raise awareness and build support around strategy statement

- Solicit and collect ideas of new levers for change

December 2012

Monday	Tuesday	Wednesday	Thursday	Friday
3	4	5	6 Review Campus Strategy Statements with Board	7
Solicit and collect ideas of new levers for change →				
10	11	12	13	14 *Progress reports due*
Meet with leaders on campus to build support around strategy statement →				
17	18	19	20	21
Solicit and collect ideas of new levers for change →				
24	25	26	27	28
Holiday Break →				
31				

Primary University activities

- Continue to refine workshop output by following the action plan worksheet

- Meet with leaders on campus to raise awareness and build support around strategy statement

- Solicit and collect ideas of new levers for change

- Submit progress report

January 2013

Monday	Tuesday	Wednesday	Thursday	Friday
	1	2	3	4
Holiday Break →				
7	8	9	10	11
Lead prioritization process to determine which levers are most attractive and feasible →				
14	15	16	17	18
Lead prioritization process to determine which levers are most attractive and feasible →				
21	22	23	24	25 *Progress reports due*
Lead prioritization process to determine which levers are most attractive and feasible →				
28	29	30	31	

Primary University activities

- Continue to refine workshop output by following the action plan worksheet

- Lead prioritization process to determine which levers are most attractive and feasible

- Submit progress report

February 2013

Project Calendar: University of Missouri Activities

Monday	Tuesday	Wednesday	Thursday	Friday
				1
4	5	6	7	8
Align strategy statement and levers iteratively →				
11	12	13	14	15
Come to a consensus on a revised strategy statement →				
18	19	20	21	22 *Progress reports due*
Innosight Conduct review sessions with campuses →				
25	26	27	28	
Finalize themes and levers →				

Primary University activities

- Continue to refine workshop output by following the action plan worksheet

- Align strategy statement and levers iteratively

- Come to a consensus on a revised strategy statement

- Submit progress report

- Conduct a call with Innosight to discuss plan, progress and questions

- Integrate feedback into high-level plans in preparation for final workshop

March 2013

Project Calendar: University of Missouri Activities

Monday	Tuesday	Wednesday	Thursday	Friday
				1
4	5	6 *Innosight Workshop (tentative date)*	7	8
Integrate feedback into high-level plans →			*Prioritize projects and initiatives* →	
11	12	13	14	15
Prioritize projects and initiatives →				
18	19	20	21	22 *Progress reports due*
Prioritize projects and initiatives →				
25	26	27	28	29
Spring Break →				

Primary University activities

- Integrate feedback into high-level plans in preparation for final workshop

- Receive training in translation of levers into initiatives

- Prioritize projects and initiatives

- Begin to develop plan to implement projects and initiatives

- Submit progress report

April 2013

Project Calendar: University of Missouri Activities

Monday	Tuesday	Wednesday	Thursday	Friday
1 *Board materials: Themes & Levers due to VP Krawitz*	2	3	4	5
8	9	10	11 *Board meeting: Presentation of Themes & Levers*	12
15	16	17	18	19
22	23	24	25	26
29	30			

Develop plan to implement projects and initiatives (Apr 1 →)

Develop plan to implement projects and initiatives (Apr 8 →)

Come to a consensus on priority projects (Apr 15 →)

Analyze financial impact of initiatives and prepare financial plan (Apr 22 →)

Primary University activities

- Submit finalized levers and themes to the System

- Develop plan to implement projects and initiatives

- Come to a consensus on priority projects

- Analyze financial impact of initiatives and prepare financial plan

Monday	Tuesday	Wednesday	Thursday	Friday
		1	2	3 *Progress reports due*
		Analyze financial impact of initiatives and prepare financial plan →→→		
6	7	8	9	10
Analyze financial impact of initiatives and prepare financial plan →→→				
13	14	15	16	17
Analyze financial impact of initiatives and prepare financial plan →→→				
20	21	22	23	24 *Progress reports due*
Finalize strategic plan →→→				
27	28	29	30	31
Finalize strategic plan →→→				

Primary University activities

- Submit progress report

- Analyze financial impact of initiatives and prepare financial plan

- Identify metrics

- Submit progress report

- Finalize strategic plan to include financial plan and to reflect the chosen metrics

June 2013

Project Calendar: University of Missouri Activities

Monday	Tuesday	Wednesday	Thursday	Friday
3 *Final plans due to VP Krawitz for Board mailing*	4	5	6	7
		Implement projects and initiatives →→→		
10	11	12	13 *Board meeting: Presentation of Strategic Plans*	14
		Implement projects and initiatives →→→		
17	18	19	20	21
		Implement projects and initiatives →→→		
24	25	26	27	28
		Implement projects and initiatives →→→		

Primary University activities

- Submit finalized strategic plan to the System

- Implement projects and initiatives

- Align with board and other campuses

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