

Practitioners' Guide

Strategic Planning for Educational Advancement: The *Whys* of Strategic Planning for Educational Advancement

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Thomas Bakewell works as a management consultant. He has years of experience consulting with higher education, the corporate world and not-for-profits (NFPs). He has conducted over 50 major engagements for higher education boards, presidents and NFPs nationwide in the areas of strategy, advancement, finance, full-scale organizational transformation, good corporate governance, and organizational effectiveness. He is active with leading board retreats, strategic planning, and speaking engagements. Prior to consulting, Tom held a number of senior management, finance and legal positions in both the nonprofit and for-profit world.

Editor's Note: *This is the second installment of a multipart practitioners' guide focused on strategic planning, organizational development, and legal issues. It will feature practical advice and powerful insights for implementing advancement programs that are organized, productive, and legal—and that generate top results. Thomas Bakerwell, an organizational development specialist skilled in leadership, planning, and the law, will address these unique components of higher education advancement that make a vital difference.*

Introduction

What does it mean when the President or the Chair of the board or the head of your capital campaign says, "We need a strategic plan" or "We need a new strategy" or asks, "Why isn't our strategy working?" Imagine, as recently happened to a talented friend of mine, that you are the new VP for Advancement with a fine university and have just been called to the President's office to find the President with the Chairman of the board and they hit you with that exact conversation.

What are they really asking and how do you respond? Those comments and questions could literally represent any number of topics or issues ranging from simple clarification on key points about an important capital campaign, to genuine concerns about key operational or organizational issues facing the university, to profound questions about the future of the organization, to someone having their job on the line.

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In my friend's case, a top new Chairman of the board was setting the stage for making his first moves at challenging the status quo in a number of vital areas including advancement. Fortunately, this VP had spotted these issues during her interview process, and surfaced them candidly and confidently with the President. She and the President were well prepared for the conversation, though it came far sooner than either expected, and they subsequently had to accelerate a number of their plans.

Why Strategy Really Does Matter

Strategy is as serious as a heart attack. I repeat: *strategy is as serious as a heart attack!* And a heart attack can be an interesting metaphor for thinking about the importance of strategy and strategic planning.

When it comes to a heart attack one likely has not thought about or prepared for it ...

- Whether it is the tyranny of the urgent, or simply other priorities, good strategy and top strategic thinking often gets neglected. A great strategy is a work in process. Today, successful "key" strategies must be developed or renewed every few years. Many colleges and universities think of strategy in terms of decades if they seriously address strategy at all.

When a heart attack strikes it gets all of our attention ...

- Good strategy and strategic planning done right can demand most of our attention for intense periods. Colleges and universities often have long histories and rich traditions that have served them well. We do things "this

way" because it is efficient (in our eyes at least), comfortable, and always worked before. Conversely, the world changes and markets can change suddenly, dramatically, precipitously, overnight; the polarities of tradition and change can lead directly to dramatic collisions, and that can send one scrambling for developing a new or renewed strategy in record time. It can require large blocks of priority time carved out at inopportune times, like at critical times in the academic year.

When a heart attack strikes it can be messy, painful, and debilitating ...

- Real strategy work, strategic planning, and strategic change often requires giving birth to something new and not rearranging something old, and it can mean the reallocation or elimination of resources in answering the age-old question of "Who gets how much and why?" Change is painful and almost all change creates resistance, with very distinct and predictable resistance patterns. Colleges and universities today are facing a myriad of "strategic issues" that when addressed even with the best strategic approaches hold the prospect for being messy, painful, and debilitating. For example, ask yourself if your organization's strategy and strategic plan have seriously addressed the current topics and true costs of deep tuition discounting, deferred maintenance, and declining traditional sources of revenue such as state/federal funding for financial aid and high tuition price increases.

When people survive a heart attack they often change their lifestyle and take up healthy new habits including regular check-ups and physicals ...

- A thorough new strategy and strategic plan can help an organization eliminate old behaviors and take on healthy new ones. Sometimes only minor adjustments are needed to improve the organization, and other times radical change is elected. Making regular strategy work part of your organization's life is certainly a great habit.

Why So Few Really Get Strategy and Strategic Planning Just Right

In its simplest definition, good strategy is simply the management of change. Ideally, it covers much more, like articulating the organization's vision, adapting to circumstances, and fulfilling a compelling mission.

I have long believed that the best strategies and strategic plans come from three key starting points: developing the right team, asking the right questions, and having a great process. Great strategies emerge from having the right team in place, having clear roles assigned to the team, and working through a great process.

And what are the right questions? It depends a lot on your organization, but here are some key questions as food for thought.

"What is the best strategy for our organization?" The best strategy is the one that fits and that brings the most compelling results for your organization. To be effective it will focus on the whole system and provide focus and direction for all members of the organization. It pays rich dividends to spend some serious thought early in the process thinking through the "best strategy" for us, along with the related topic of what is the "best approach to strategic planning" for us.

"Who should lead the strategic

planning process for our college or university?" How about this: "Should the advancement team or lead advancement executive drive the university-wide strategic planning process?" Isn't it common knowledge that there is no problem that advancement and more fund raising can't solve? Educational advancement is inextricably linked to the college or university as part of the whole system. Traditionally, the President's office in concert with the Chief Academic Officer or the academic leadership usually leads strategic planning. The case can be made more and more today that given the key positioning and growing responsibilities of the advancement team and lead advancement executive, along with their overall strong awareness of programs and people, it could be a natural evolution for advancement to take a leading role in strategic planning university-wide. While I know of a handful of circumstances where advancement has led the charge in strategic planning, and I know of many situations where behind the scenes the key player for a great new strategy emerging was the lead advancement officer, I have not noted any real trend in this area of advancement leading university-wide strategic planning.

Perhaps the most compelling question is "When is a new strategy needed?" A new strategy is needed:

- When strategy does not fit competitive realities;
- When performance is much less than potential.¹

And "When is the time right to consider a new strategy?" The time is right to consider a new strategy when:

- There is a new CEO;

- Major internal changes are at hand;
- Major external changes are at hand;
- There are some key dilemmas to be worked out;
- The organization is focused internally instead of on customers or competitors (yes, I have taken the rash liberty for one who works with higher education clients of suggesting students are customers and collegial colleagues just might be competitors);
- There is some compelling external influence, such as regulatory matters, accrediting bodies, bankers, boards;
- A traditional operating model is failing.

How would the colleges and universities you are close to stack up on the need or timing for a new strategy? And how would the college or university you work for stack up on the need or timing for a new strategy?

Harking back to my earlier definition that “good strategy is simply the management of change,” and pondering the points listed above on the need and timing of a new strategy, you may discern why I observe that so few colleges and universities really do get strategy and strategic planning just right. Many colleges and universities are tradition-bound organizations that are highly resistant to change. They simply do not want to change. For many appropriate and positive reasons change comes slowly in higher education. The reality and strong evidence is that the required rate of change in higher education is accelerating rapidly.

I follow what Thomas Huxley said about education as it relates to progress and change: “Perhaps the most valuable result of all education is the ability to make yourself do the thing you have to do, when it ought to be done, whether you like it or not.”

Tips for Getting Strategy and Strategic Planning Just Right

There are a handful of tips I have found that are key to getting strategy and strategic planning just right with colleges and universities.

- *Leadership that focuses on truthfulness and clarity:* Many fine colleges and universities have gone through extensive strategy and strategic planning processes without ever surfacing the “truthfulness and clarity” of their most critical issues. Typical examples or critical issues often ignored in strategy today include “Our deep discounting is out of control and we have no plan to fix it,” or “Our specific denominational donor and admissions pool is declining precipitously,” or “Our cost structure as a whole has made us very noncompetitive when all other factors are considered.” As Peter Drucker said, “Leadership is a foul weather job.”² Tough challenges call for more truthfulness and clarity than ever.
- *Have a great process, but limit the time and processing:* In strategic planning simplify the process as much as possible and strive to keep the processing time lines short. Higher education is terrific at process, which is what you might expect from a profession that primarily works in the world of ideas. Conversely, great strategy and strategic planning generally require far reaching action in almost every area of the organization.
- *Focus on clearly identifying your critical issues:* The best strategy and strategic planning I have seen came from strong leaders crafting a process which brought out the truth with clarity. This was achieved by a rapid and intense process that fully engaged and called on all the organization’s intellectual capital, and then had a process or approach for

culling out the handful of critical issues that were vital to the future of the college or university.

- *Refuse to accept a weak strategy:* In the absence of a strong clear strategy, personality tends to prevail and that often is the formula for failure.

Why Knowing Your “Critical Issues” is a Foundation to Achieving Fund-raising Success for Educational Advancement Today

The demands and pressures to have ever-growing success with the heart of

CASE A:

Actual profile and situation	Strategic planning “problem”	True “critical issues”
Fine northeast university ready to move up a notch with its first \$200 million campaign	Excellent strategic plan for doing record campaign but board of trustees was balking and resisting	Corporate leaders on board wanted operating efficiency fixed at university before they would commit to campaign

Case A: Results/Outcome: University integrated restructuring plan into strategic plan with key board member input. Campaign started nine months later than planned, and exceeded goals in record time.

CASE B:

Actual profile and situation	Strategic planning “problem”	True “critical issues”
Southern college with handful of potential megadonors	Key megadonors did not appropriately engage with or show strong support for new strategic plan	Mixed messages. College marketed itself as faithful to its historical evangelical faith traditions, and key megadonors were skeptical

Case B: Results/Outcome: College wrestled for nearly a year on key issues of identity related to its historical faith commitment. This faith commitment was reaffirmed, critical changes were made, and a powerful new strategic plan was implemented with full funding from the key megadonors.

CASE C:

Actual profile and situation	Strategic planning “problem”	True “critical issues”
Specialty college with great reputation and market	Widely accepted new strategic plan developed over two years was ineffective and going nowhere	New strategic plan had used a great process to engage the full community and created what was really a grand/broad vision of all the things the college could become. However, the plan failed to have clarity, priorities, or a realistic financial plan, so it was stuck with gridlock and inaction

Case C: Results/Outcome: College leadership took broad vision from strategic plan and created a new process to identify the critical issues and then established priorities and work plans that successfully moved the organization forward. Progress and great results were achieved in a number of key areas.

Figure 1: Real life case studies where critical issues made a difference

educational advancement, more dollars more often, continue unabated. Smart donors, whether individuals, foundations, or corporate officers look for congruence, truthfulness, clarity, and strong leadership in those causes and organizations they support. Experience has proven to me, and no doubt your experience has told you, that smart donors know a great strategy when they see it. And, they know when a college or university is dealing head on with its “critical issues” or not.

Has your college or university identified its most compelling “critical issues”? Is it addressing them head on? If not, ask yourself: why not?

In closing, Figure 1 shows three real-life case studies from my consulting experience where colleges and universities were ultimately able to achieve top success with strategic planning by identifying and attending to their “critical issues.” It is important to note that in each of these three cases, the true “critical issues” were only surfaced after a traditional strategic

planning process had been performed and found to be “missing something.” Intense follow-up work was needed to get to the heart of the matter. As you will likely detect, in each case the educational advancement team played a vital role in surfacing the true critical issues and then moving the entire organization forward with progress.

I offer a final quote as an encouragement for seeking out and taking on your organization’s most critical issues as a solid foundation to achieving fund-raising success: “But he who heard and did nothing is like a man who built a house on the earth without a foundation, against which the stream beat vehemently; and immediately it fell. And the ruin of that house was great” (Luke 6: 49).

References

1. W. C. Finnie (1994), *Hands-On Strategy*, Wiley, New York, pp. 15-16.
2. P. Drucker (1992), *Managing the Non-Profit Organization: Principles and Practices*, Harper Business, New York.