

WHY STRATEGIC PLANNING DOESN'T WORK

IF AMERICAN HIGHER EDUCATION has had an article of faith for the past thirty to forty years, it's been this: the most effective way to implement substantive change at a college or university is to engage in strategic planning. As a result, questioning the effectiveness of strategic planning often seems a bit like administrative heresy. But the fact remains that strategic planning doesn't work. At least, it doesn't work well enough to be worth all the time and money universities spend on it. We'll examine the evidence for why that's so later in this chapter. But for now, let me explain it by means of a story.

Shortly after the collapse of the Iron Curtain in the early 1990s, a university hired me to review its administrative processes and help its leaders determine why they were achieving so few of their long-term goals. They made it clear that they didn't really need help with change processes. They were happy with what they were doing in that regard since they considered the methods they were using as state of the art. What they wanted from me was some advice on how they could better implement their ideas, since there seemed to be a disconnect between the great ideas they developed and what they could eventually get to work. When I asked them to tell me about the planning process they were using and valued so highly, they proudly showed me an incredibly elaborate flowchart of committees and approval processes that regularly resulted in a highly detailed and visionary five-year plan. "A five-year plan?" I asked. "You do know that's partly what brought down the Soviet economy, don't you?" From the look of shock on their faces, I had a feeling that this consultancy was about to be short-lived. And that's precisely what occurred. Word seemed to get around quickly, and for the rest of the day, I was asked at every single meeting why I didn't understand strategic planning and then subjected to a lecture on its incredible value to colleges

and universities. I left the school the next day and was never invited back. But I still have a copy of that 1993 five-year plan, a masterpiece of detail for what an American university should do and how it should allocate its budget for the entire period from 1994 through 1999. Except there's just one thing missing—the word *Internet* never appears in all those hundreds of pages.

I'm not saying that it's never useful for colleges and universities to plan (quite the contrary), and I'm not even saying that strategic planning can't be helpful. But what I am saying is that strategic planning as a systematic process is of relatively limited use in helping colleges and universities produce the sort of transformative change they all say they're interested in and that it's rarely worth the millions of dollars they spend on it.

In this chapter, I explore why confidence in strategic planning is so misplaced and how the approaches to change leadership discussed in the previous chapter point the way toward a more effective solution. But we begin with a more fundamental question: When and why did higher education get involved in strategic planning in the first place?

A Brief Primer on Strategic Planning

Ironically, in 1994, the very year that the school that hired me for my ill-fated consultancy was scheduled to begin its next five-year plan, Henry Mintzberg, the Cleghorn Professor of Management Studies at McGill University, published *The Rise and Fall of Strategic Planning*. Mintzberg argued that strategic planning almost never achieves its objectives in any type of organization, including the corporations that had embraced it so enthusiastically, and it can actually be counterproductive in terms of helping an organization deal with drivers of change. Many of Mintzberg's reasons for opposing strategic planning are a bit different from those I discuss in this chapter, but his thesis is still relevant two decades after he wrote his book. It also includes a fascinating history of strategic planning, to which I'm indebted in preparing the summary that follows. (Other sources for the following include intranet.onec.go.th/world_ed/history.html, www.ssireview.org/blog/entry/the_strategic_plan_is_dead._long_live_strategy, and Zuckerman, 2012.)

Strategic planning, originally termed *strategic management*, developed after World War II when businesses sought to transfer the approaches that had proved successful in winning the war from the military to the corporate world. The goal was to enable a business to “capture” a segment of the economy by carefully designing a long-term plan rather than simply relying on advertising or unpredictable market forces. From the very first,

therefore, the concept of strategic planning arose from the most hierarchical types of organization imaginable: the military and corporate worlds. As John Jordan, clinical professor of supply and chain information systems at Penn State, notes,

To understand the contours of classic business strategy, it is helpful to discern its western military heritage: competitors are seen as enemies and the marketplace is typically a battleground. The similarities are more than rhetorical. Modern business strategy's kinship with military theory dates primarily to the mid-nineteenth century, when a cadre of graduates of the U.S. Military Academy at West Point came into positions of authority What are the key tenets of classic business strategy that emerged from these military origins? In its simplest form, an organization or military operation should resemble a pyramid: Power and intelligence are concentrated at the top and trickle down to the wide bottom of the hierarchy, where both power and intelligence are presumed to be minimal. The ultimate goal is the familiar "command and control," which necessitates getting subordinates to do what you want while preventing them from doing what you don't. (Jordan, 2012, 376)

That fundamentally hierarchical mind-set was carried over into higher education, which got its first taste of strategic planning in 1959 when the topic was discussed at a meeting of about two dozen academic leaders at MIT. (See www.psu.edu/president/pia/planning_research/reports/two_decades.pdf.) Representatives from that group continued to meet periodically for the next few years, eventually organizing formally as the Society for College and University Planning in 1965. (See www.scup.org/page/about.)

The critical moment in academic strategic planning didn't come until 1983 with the publication of *Academic Strategy* by George Keller, a professor of higher education studies at the University of Pennsylvania. (We'll hear more from George Keller in chapter 7.) In the years that followed, strategic planning was embedded more and more into standard administrative practice, eventually becoming a requirement of several regional accrediting bodies. For example, Standard 2 (Planning, Resource Allocation, and Institutional Renewal) of the Middle States Commission on Higher Education reads:

An institution conducts ongoing planning and resource allocation based on its mission and goals, develops objectives to achieve them, and utilizes the results of its assessment activities for institutional renewal. Implementation and subsequent evaluation of the success of

the strategic plan and resource allocation support the development and change necessary to improve and to maintain institutional quality. (<http://www.msche.org/?Nav1=About&Nav2=FAQ&Nav3=Question07>)

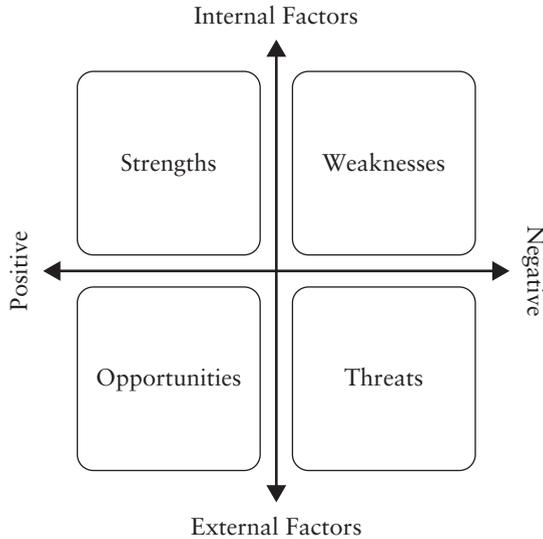
Other groups, like the Southern Association of Colleges and Schools, while they didn't specifically require institutions to draft a strategic plan, developed standards that were far easier to meet if the college or university had such a document prepared:

The institution engages in ongoing, integrated, and institution-wide research-based planning and evaluation processes that (1) incorporate a systematic review of institutional mission, goals, and outcomes; (2) result in continuing improvement in institutional quality; and (3) demonstrate the institution is effectively accomplishing its mission. (SACS Commission on Colleges Core Requirement 2.5, <http://www.sacscoc.org/pdf/2012PrinciplesOfAccreditation.pdf>)

Notice that although the words *strategic plan* appear nowhere in this requirement, the very phrasing practically serves as a definition of what a strategic plan is in higher education. For this reason, by the early twenty-first century, very few academic institutions lacked a formal strategic plan (usually displayed prominently on the institution's website), and many schools had entire offices devoted to the frequent updating of the strategic plan and to documenting its progress.

The reason that so much staffing seemed necessary is that strategic planning, as it had developed in American industry, was a good deal more complex than the mere setting of long-term goals. It frequently began with a SWOT (strengths, weaknesses, opportunities, and threats) analysis, a systematic examination of internal strengths and weaknesses and external opportunities and threats. (See figure 5.1.) SWOT analysis might be done as informally as a series of brainstorming sessions or as elaborately as an exhaustive market study, consideration of demographic trends, financial scrutiny of competitors, and forecasts of emerging trends in the field and in global society that might affect the business. This process provided the basis for an organization's vision statement, a concise synopsis of where the company wanted to be in a reasonable period—usually five, ten, or twenty years. The company would then proceed to conduct gap analysis, the comparison between actual performance and potential performance. What, in other words, could the company possibly do in order to fulfill the vision that was outlined? How far away from the desired level of performance was it now, and what would it take to get where the company needed to go?

Figure 5.1 SWOT Analysis



The strategic plan itself was then often drafted on a series of levels. The level 1 strategic plan, or strategic visioning, was usually conducted at the level of the CEO and board of directors: Where would the company be positioned relative to its competitors in the industry? What new direction would it be taking overall? The level 2 strategic plan, or strategic implementation, was usually prepared at the vice presidential level. How would the strategic vision become a reality over time? How would each area contribute to that overall effort, and what resources would be needed to do so? The level 3 strategic plan, or tactical planning, was developed at the individual unit level. It tended to focus on a shorter period of time and to address the practical steps that would need to be taken immediately in order to meet the goals set at the level above it. What, in other words, should the annual targets be for each unit as the plan becomes a reality? What options are available in case any unit misses its target? True to its roots in linear thinking and hierarchical organizations, strategic planning was a process that flowed from the top of the organizational chart downward, becoming more specific and detailed the lower one went through each successive level.

In order to measure the company's progress against the rest of the industry, most businesses adopted benchmarks (goals to aim for, usually derived from best practices elsewhere in the industry) or key performance

indicators (KPIs, specific targets signifying a quality standard has been reached, such as a 95 percent approval rate or a 99.9 percent reliability rate for electronic components). The advantage of using benchmarks and KPIs was twofold. First, it gave upper levels of management what was (or at least appeared to be) hard data on whether the desired level of progress was being made. Second, it prevented the company from focusing its attention too exclusively inside the organization by requiring systematic examination of what its competitors were doing and whether there might be additional opportunities or threats lurking further down the road.

That entire process should sound quite familiar to anyone who's ever participated in a strategic planning process at a college or university. Much of the same terminology—*SWOT analysis*, *tactical planning*, *benchmarks*—was taken verbatim from the hierarchical corporate environment and imposed on a distributed academic culture. Other aspects were sometimes slightly modified—benchmarks were often recast as assessment metrics, and KPIs usually were described as targets set by offices of institutional effectiveness—but the heart of the practice remained the same. For a college or university, just as for a military unit or Fortune 500 company, strategic planning became an elaborate multilevel exercise in goal setting, data collection, and systemic progress toward a highly desirable goal.

What could possibly go wrong?

The Limitations of Strategic Planning in Higher Education

The answer is: everything. For one thing, we already know from our discussion of organizational culture that a system developed within distinctly hierarchical organizations (the military and corporate environments) will basically be an invasive species in higher education's distributed ecosystem. It runs counter to the way universities really work and the way faculty members like to think, with almost inevitable resistance arising at every stage in the process. For another thing, it ignores the fact that strategic planning has been far from a universal success even in business. The complex machinery of strategic planning simply isn't nimble enough to keep pace with a rapidly changing marketplace, and that rate of change continually accelerates:

This kind of top-down, once-a-year process of codifying strategies may have worked well (though it often didn't) when the environment was calmer, when you sold the same people every year, when life was more predictable. It was assumed, not always wrongly, that important changes in the marketplace would become apparent to top

management in time to be incorporated into the next plan; customer loyalty and a generally moderate level of competition ensured that there would be time to adapt before any damage was done to the organization's competitiveness. If the ongoing process of correcting for mistakes was slow, so were the shifts in the marketplace itself. (Wall and Wall, 1995, 21–22)

But even beyond these considerations, we can point to eight ways in which strategic planning can't possibly live up to its hype, at least when it comes to bringing about effective, transformative change in higher education.

Little Advice on How to Plan

As Mintzberg himself noted in *The Rise and Fall of Strategic Planning* (1994), the entire cumbersome process of strategic planning can tell us quite a lot about how to structure and monitor the planning process, but it's not designed to tell us anything at all about how we're actually supposed to come up with the ideas for our plan. If the CEO and governing board aren't creative enough to get the strategic visioning right, if the vice presidents aren't imaginative enough to get the strategic implementation right, or if those in the trenches aren't insightful enough to get the tactical planning right, then having the most elegant process in the world isn't going to result in a workable plan. In fact, the more closely you examine it, the more the entire concept of strategic planning comes to resemble that Sidney Harris cartoon in which two scientists are examining a complex equation on a chalkboard with the phrase "then a miracle occurs" scrawled across the middle (www.sciencecartoonsplus.com/pages/gallery.php). The caption of that cartoon applies in the case of strategic planning as well: "I think you should be more explicit here in step 2." The problem is that when it comes to strategic planning, step 2 (the actual creation of the plan) is never really spelled out.

Overly Generic Mission Statements

If the mission and vision statements of an institution are so generic that they provide relatively little guidance for the planning process, the whole exercise starts to look like a quest in which you have no idea at all what you're questing for. I'll come back to the problem of vague mission statements later in this chapter, but for now, suffice it to say that certain

mission statements are almost necessarily generic. If a university truly has a comprehensive mission, then by definition, its mission must be to do a lot of (sometimes unrelated) things on a lot of different levels in a lot of different ways. Finding the least common denominator in all that often results in a mission statement that contains merely empty verbiage, and that certainly doesn't provide a great deal of guidance when it comes to planning.

Limited Options

Planning necessarily limits options. For example, if you plan to get married and raise a family, then implementing that plan means that you can't also remain single and childless. Planning is about making choices, and those choices depend on the best estimate you can make now about what your future needs and interests are likely to be. But not all drivers of change are predictable. New technologies will emerge, new markets will arise, new problems will occur, and highly desirable new opportunities will develop. If you plan too generally, you run the risk of not having a plan at all. If you plan too specifically, you can end up limiting your options so that you don't have the agility to respond to a rapidly changing environment. So it's rather naive to think that strategic planning is an effective way to prepare for the future. It's more likely to be a very expensive gamble that one scenario of what will happen is more probable than any other.

Mission Creep

Strategic planning almost inevitably leads to mission creep. Since the entire goal of strategic planning is to develop a logically determined and carefully considered road map to the future, the process of developing that road map causes managers to ask, "Where do we want to go in the next five, ten, or twenty years?" And the answer to that question is almost never going to be, "Right where we are right now," even though certain leaders may claim at the beginning of the process that such an answer is possible. When the institution's attention is always focused on what's stronger, bigger, larger, and better, strategic plans become expansion plans. They encourage institutions to expand into new territories or programs, seek out new markets, and do something they're not already doing. In short, they promote mission creep.

Mission creep is particularly severe in higher education because although the organizational culture within an institution is distributed,

the organizational culture of the higher education system is as hierarchical as it comes. For example, if a two-year college wants to become stronger, bigger, larger, and better, almost certainly it will plan on one day becoming a four-year college. And if a four-year college wants to become stronger, bigger, larger, and better, in all likelihood, the plan will move the institution toward university status. And so on. Strategic planning encourages each institution to become something it's not, even when its strengths and successes lie in what it already is. Although almost all academic strategic plans claim to proceed from the mission statement, they end up to causing that institution to creep beyond its stated mission.

The Planning Fallacy

Strategic planning encourages institutions to succumb to the planning fallacy—the tendency to underestimate the time and resources needed to complete a task and to overestimate their likelihood of success. We encounter the planning fallacy in students all the time. They often budget the amount of time they need to complete a paper by assuming that everything is going to work out exactly as they hope: resources will be available when they need them, and unexpected obstacles won't emerge. Then, when their computer crashes, their car has a flat tire, or the library can't provide a resource through interlibrary loan, they want the deadline for the assignment extended because, they say, these problems were “unforeseeable.” We sometimes mock their lack of foresight and experience, but then go on to engage in the same type of wishful thinking ourselves when it comes to strategic planning. The management of time and resources is an area in which it actually pays to be pessimistic: it will almost always cost more and take longer to achieve an ambitious goal than we initially believe. But no one wants to write a strategic plan that makes it look as though the university will take an extremely long time to accomplish relatively little. And so no matter how careful the strategic planners are, they continue to succumb to the planning fallacy (Kruger and Evans, 2004; Buehler, Griffin, and Ross, 1994; Sanna, Parks, Chang, and Carter, 2005).

The Need to Measure the Measurable

Benchmarks and KPIs cause us to value only what we can measure. A metric is, by definition, something that we can quantify, weigh, categorize, or at least determine whether it has occurred. People tend to overvalue metrics throughout the strategic planning process because of the fallacy of

mathematical precision—the belief that simply because a phenomenon is quantified (especially if it is quantified down to two or more decimal places), it is much more reliable than phenomena we can't quantify. But colleges and universities also have to respond to intangibles. Some hot new programs maintain strong enrollments year after year; others prove to be a fad. Sometimes the mood of donors seems to be optimistic and generous; at other times, everyone we meet appears pessimistic and convinced that we're heading in the wrong direction. Moreover, even if something is measurable, it may not be measurable with the precision needed to allow effective decision making. Many social trends are quite subtle in their development. Unless you're asking the right questions on your prospective student surveys or in your focus groups, you're not going to get useful information. As but one example, the rapid shift in attitudes about gay marriage and marriage equality remained all but undetectable until public opinion had already begun to change. Many polls couldn't predict the trend because they hadn't foreseen it well enough to ask people about it. Something similar can occur in the data collected for strategic plans: we're unlikely to know which academic programs the next generation of students will want and that industry will need twenty years from now because we can't predict every trend well enough to ask about it. The result is that the metrics we use to judge the effectiveness of a strategic plan don't necessarily measure the most important things; they simply measure the most measurable things.

“What gets measured gets done” (Osborne and Gaebler, 1992, 146). But many strategic planning processes track far too many metrics. Collecting data on them all occupies time and resources that institutions could devote to more important activities—such as actually meeting the goals of the plan. A good rule of thumb is that it's better to have fewer metrics that are actually meaningful than more metrics simply because you know the data are readily available.

Since many of the things we'd really like to know about higher education—such as the impact programs will have on the quality of students' lives twenty or thirty years after they graduate, the way in which society benefits because a university decides to expand one program while phasing out another, or even how someone who never graduates from a school is happier and more fulfilled by having gone there—are so hard to quantify that schools ignore them entirely. Worse, we often cherry-pick the data to make whatever case we wish. If raw

numbers prove the point we want to make, we use raw numbers. If the raw numbers look bad but percentages look better, we use percentages. If percentages look bad but rates of change look better, we report the delta. If the delta looks bad, we rely on anecdotal evidence. As a result, although we often claim to be engaging in data-driven decision making, the dirty secret of higher education is that much of strategic planning involves decision-driven data making.

Perhaps the strangest aspect of most strategic planning metrics is that they don't even document everything they claim to be documenting. The goal of using metrics in strategic planning is, after all, to illustrate the effect the school has on the people who work and study there. For this reason, although input metrics, such as a student's high school GPA and standardized test scores, are frequently important for things like national rankings (which reflect how selective a school is), most strategic planning processes claim to be tracking output metrics, that is, the "value added" to the student's life because of the educational experience at that institution. Common output metrics include such factors as retention rates, graduation rates, and job placement rates. But the problem with this approach is that in higher education, the output metrics correlate heavily with input metrics. For example, if you want to be able to predict a school's freshman-to-sophomore retention rate, six-year graduation rate, and one-year-after-graduation job placement rate, where would you look? The most sensible thing to look at is the median high school GPA and standardized test scores of the school's incoming class. Those data are better predictors of the institution's output metrics than any initiative it takes as the result of a strategic planning process. Schools with certain entrance requirements tend to have certain graduation rates (Wiesenfeld, 2014). Whatever you do to change that result is likely to have a modest effect at best. Of course, if you want to have a dramatic effect on the output metrics tracked by most strategic plans, there's an easy way to do it: refuse admission to anyone who doesn't have stellar grades and test scores in high school. But that approach runs counter to most institutions' desire to provide students with expanded access to higher education and, quite frankly, their need for tuition income. And so they go on chasing their tails, tracing metrics that are predetermined, overinterpreted, and used simply because they happen to be available (Pollard, Williams, Williams, Bertram, and Buzzeo, 2013).

Shallow SWOT Analysis

SWOT analysis really doesn't tell much about the environment in which you're operating. It's like doing a surface scan of a territory that tends

to miss the sinkholes, veins of gold, and untapped springs that lie just beneath that surface. Like benchmarks and KPIs, SWOT analysis prefers to deal with factors that can be quantified or pigeonholed. It assesses the assessable; it doesn't unearth the buried. Moreover, obtaining reliable information about external threats is extremely difficult. Other institutions aren't going to share their plans or proprietary information with a school it regards as a competitor, so much of what's included in the typical SWOT analysis is little better than a guess. Finally, SWOT analysis doesn't really help prioritize the issues that you're facing. Every weakness and threat is usually given equal space on the list, with the result that ten or twelve trivial problems might end up distracting attention from the one real challenge that ought to be addressed immediately. To paraphrase David Osborne and Ted Gaebler from earlier in this chapter, always make sure you really want what you measure because what you measure is what you'll get.

Platonicity, Reification, and the Lorenz Butterfly Effect

Perhaps most destructive, strategic planning leaves institutions vulnerable to the triple threat of Platonicity, reification, and the Lorenz butterfly effect (see Buller, 2013, for a discussion of these concepts). Nassim Taleb coined the term *Platonicity* in *The Black Swan* (2010) to describe our tendency to confuse models and ideal scenarios for reality when there can never be a model with enough detail to account for every contingency.

Reification is a similar idea: it relates to the fallacy of assuming that our mental constructs or descriptions of reality are the same as reality itself. They're not; it's perfectly possible for us to develop ideas that can't be found in the physical world (such as a perfect cell phone or the square root of negative pi). And the Lorenz butterfly effect refers to the notion, first suggested by the mathematician Edward Lorenz, that it's impossible to identify every causal factor in a complex chain of events. It could always be the case, to use Lorenz's own example, that the way a butterfly flaps its wings on a March day in Beijing could ultimately have an effect on hurricane patterns in the Atlantic later that summer. Collectively these three ideas tell us that we can plan all we want, but those plans may ultimately have very little resemblance to what's actually going to happen.

Fitting the Culture

If strategic planning is to have any chance of working at all, it needs to operate within the sort of hierarchical organization that developed this approach. But although colleges and universities regularly create

organization charts that make it look as though they're designed in clear chain-of-command structures, the reality is far messier. Do faculty members, we might ask, actually "report" to chairs and deans? Well, yes and no. In matters that are clearly administrative, such as the allocation of institutional budgets and the assignment of space, they certainly do. But in curricular matters regarding course content and standards, faculty maintain that independent contractor status we talked about in chapter 1. And other areas of faculty work are even more difficult to describe in terms of who is reporting to whom. There are probably very few universities that don't have a policy specifying that the dean and chair have the responsibility of deciding who teaches what and when. But there are probably equally few universities that don't also acknowledge that in actual practice, most faculty members decide what they're going to teach and when their courses are going to be scheduled. Universities simply don't work the way in which the chain of command is depicted on paper.

As a result, shadow hierarchies are common at many institutions in an effort to make the strategic planning process work. These shadow hierarchies are pyramid-shaped reporting structures that mimic the chain-of-command structures in the military and corporate worlds. For instance, an office of strategic planning or institutional research may be created, often at the vice presidential level or reporting directly to the president. Within that office, units dedicated to institutional effectiveness, outcomes assessment, data management, internal auditing, and report generation are developed. This shadow hierarchy overlays the more distributed academic side of the institution, with the latter dedicated to teaching and research and the former dedicated to documenting the quality of that teaching and research and planning how the institution should conduct its teaching and research in the future. Inevitably this shadow hierarchy begins to seep into the academic side of the institution. Faculty members are instructed to design their syllabi so that they contain assessable outcomes. They're told to rewrite their final exams so that these tests embed questions designed for assessment. And faculty time is shifted from teaching, research, and service to data collection and reporting in order to provide all the information the shadow hierarchy requires. In the end, rather than spending resources to achieve a worthwhile goal, the institution devotes more and more of its resources to documenting how it's achieving a goal, regardless of whether that goal is worthwhile.

If that were not bad enough, all the other problems that strategic planning has in corporate environments get magnified many times in higher education. After all, if the marketplace for business is changing rapidly,

the marketplace for education is changing at warp speed. Students, the primary stakeholders at educational institutions, stay for a relatively short time—usually between two and six years—and then are replaced with other students with their own distinct interests, challenges, and needs. Chairs, deans, and provosts also have rapid turnover. At some schools, department chairs rotate every two years; at most colleges and universities, an administrative tenure of five years is considered typical for deans and vice presidents. Ten- to twenty-year plans thus become meaningless in an environment when both the leadership and consumer base is so fluid. As a result, many new presidents arrive at an institution, spend one to three years developing a new strategic plan, devote a year or so to pursuing it, and then are replaced by the next president, who starts the strategic planning process all over again. There's nothing particularly strategic in that.

The Lack of Mission in Mission Statements

The mission statements of colleges and universities tend to be extremely vague. Sometimes generality is unavoidable, as in the cases of the comprehensive institutions I mentioned earlier. But sometimes that generality exists for no apparent reason. Many mission statements are so long that no one can possibly remember them, confuse mission (who we are right now) with vision (who we aspire to be), or use language that is superficially impressive but does not really say very much. Compare, for example, the mission statements of Duke University (three paragraphs, 304 words, www.trustees.duke.edu/governing/mission.php), the University of Notre Dame (seven paragraphs, 523 words, www.nd.edu/about/mission-statement/), and Williams College (nine paragraphs, 597 words, archives.williams.edu/mission-and-purposes-2007.php). The length of these documents detracts from their clarity.

As another way of illustrating how overly generic mission statements provide little guidance or no guidance about what makes that school distinctive from its peers, let's conduct a brief thought experiment. Here are five actual mission statements drawn from the websites of different colleges or universities. (I'll reveal later in this chapter which schools are represented in this exercise. For now, the name of each school has been suppressed.) Read the mission statements and then answer the questions that follow.

- “The mission of [institution A] is to serve the community, the nation, and the world by discovering, communicating, and preserving knowledge and understanding in a spirit of free inquiry, and by educating and preparing students to discharge the offices of life

with usefulness and reputation. We do this through a partnership of students and teachers in a unified community known as a university-college.”

- “[Institution B] provides access to higher education opportunities that enable students to develop knowledge and skills necessary to achieve their professional goals, improve the productivity of their organizations and provide leadership and service to their communities.”
- “The distinctive mission of [institution C] is to serve society as a center of higher learning, providing long-term societal benefits through transmitting advanced knowledge, discovering new knowledge, and functioning as an active working repository of organized knowledge. That obligation, more specifically, includes undergraduate education, graduate and professional education, research, and other kinds of public service, which are shaped and bounded by the central pervasive mission of discovering and advancing knowledge.”
- “[Institution D’s] mission is to educate and nurture students, to create knowledge, and to provide service to our community and beyond. Committed to excellence and proud of the diversity of our University family, we strive to develop future leaders of our nation and the world.”
- “[Institution E] is a dynamic and responsive institution of higher education committed to improving and enriching individual lives and society through comprehensive, high quality and accessible learning opportunities that allow students to contribute and compete in a diverse and global community.”

As you answer the following questions, try not to look ahead but rather decide how you’d respond to each question before proceeding to the next.

1. What do you learn from each mission statement that would distinguish that institution from any other college or university? How does it present its role in higher education as better than or different from that of any other postsecondary school?
2. Which of these mission statements belongs to a(n):
 - a. Community college?
 - b. Major multicampus university system?
 - c. For-profit university with a significant commitment to online education?

- d. Ivy League institution?
 - e. Research university that regularly appears in *US News & World Report's* “top 50 best colleges” list?
3. Which of these mission statements belongs to:
- a. Brown University?
 - b. Miami University?
 - c. Craven Community College?
 - d. University of California?
 - e. University of Phoenix?

When I conduct this exercise at administrative workshops, virtually no one can identify anything at all distinctive about the mission statements in response to question 1. Indeed, about the only thing there is to notice in this regard is the reference made about access to higher education opportunities in institution B's mission statement. People's answers to questions 2 and 3 are usually no better than, and often worse than, random chance. In fact, it is not uncommon for everyone in the room to get every section of the last three questions wrong. (To avoid prolonging the suspense, here are the answers. Institution A is Brown University, an Ivy League institution: www.brown.edu/about/mission. Institution B is the University of Phoenix, a for-profit university with a significant commitment to online education: www.phoenix.edu/about_us/about_university_of_phoenix/mission_and_purpose.html. Institution C is the University of California, a major multicampus university system: www.universityofcalifornia.edu/aboutuc/missionstatement.html. Institution D is the University of Miami, a research university that regularly appears in *US News & World Report's* “Top 50 Best Colleges” list: www.miami.edu/index.php/about_us/leadership/mission_statement/. And University E is Craven Community College: www.cravencc.edu/about/missionstatement.cfm.)

I mention these five colleges and universities not to pick on them—all five are excellent schools that are widely regarded as leaders among their peers—but rather to indicate the extent of the problem. From mission statements like these, you get absolutely no sense that the schools are leaders among their peers, much less why they've achieved that status. Since one of the commonplaces of strategic planning processes is that the plan must flow logically from the mission statement, documents like these make that progression all but impossible. One good exercise at a strategic planning retreat would be to include your own school's mission statement in that mix. Can anyone recognize your institution's own mission among these other generic statements? Then, as a follow-up exercise, go through

the mission statement and cross out anything that would apply to most, if not all, other colleges and universities. In particular, be sure to eliminate any phrasing that mentions:

- The importance of teaching, research (including making discoveries or discovering new ideas or knowledge), and service
- The quality of the faculty
- A dedication to students (“We care about the students,” “Students come first,” and so on)
- The excellence of the curriculum
- The idea that you’re a community, family, or partnership
- Your school’s strong commitment to helping students reach their goals or dreams
- The diversity of your community
- Preparation of students for life in a global economy or environment

The fact is that every institution of higher education believes those things about itself (even if you might disagree). None of those factors make a school unique or even distinctive. What the phrases above really describe is not the mission of a particular college or university but the mission of any college or university. It’s no wonder that so many strategic planning processes simply promote mission drift.

If you haven’t taken the time to figure out who you are and why that’s important, the only future identity you’re likely to aspire to is to be exactly like someone else.

Better Approaches to Strategic Change

Undoubtedly some readers will reject the central theme of this chapter: that strategic planning in higher education does not and cannot live up to its promises. They will cite genuine achievements and changes that have occurred because of strategic planning initiatives they’ve participated in. I won’t deny that those achievements exist. My point isn’t that strategic planning can’t create any benefits at all but that it doesn’t do so consistently or efficiently and thus is far less strategic than its title would have us believe. To put it most succinctly, strategic planning in higher education produces results, but those results are rarely worth the time and expense involved.

If governing boards and legislatures are truly interested in decreasing the cost of attending college and improving efficiencies throughout higher education, here’s a good place to begin: rather than creating additional

reporting requirements that force colleges and universities to document the degree to which they're achieving their goals, require instead that the same amount of money and effort be invested in pedagogy and research. Those are the real "products" of higher education, and we can't improve their quality simply by increasing the number of ways we document that quality. And if you're still not convinced that strategic planning is not the most effective way to bring about constructive change in higher education, conduct the following thought experiment. If you've been involved in higher education for more than a decade, ask yourself whether you've ever heard a board chair, president, or chancellor say, "The one thing I'm sure of is that *this* strategic plan isn't going to be one of those that just sits on a shelf somewhere." And didn't that very same plan (or at least most of it) end up sitting on the shelf somewhere anyway? When strategic plans are implemented in higher education at all, they help shape a year or two at most. After that, situations change, stakeholders change, administrators change, and the long-term strategic value of the plan diminishes to nothing.

So if we want to lead change more strategically, we need better alternatives—processes that really work with the type of organizational culture in higher education. Fortunately those alternatives exist. Let's consider two excellent alternatives that flow logically from the type of change leadership I discussed in chapter 4: scenario planning and the strategic compass.

Scenario Planning

Scenario planning is an approach to thinking about the future that's much more flexible than strategic planning. For one thing, it seeks to produce not a single strategic plan, but an entire set of possible contingencies that can continue to provide guidance as the situation evolves. Scenario planning begins with the same sort of STEEPLED analysis considered in chapter 3. Take each of the drivers of change that are part of a STEEPLED analysis, choose a reasonable point in the future (no longer than ten years out, with a window of three to five years yielding the most fruitful results), and ask the following questions.

- What is the worst-case scenario of what our world will look like at that time? How might this driver change our environment in a way that is most destructive to our interests?
- What is the most-likely-case scenario? Given the direction in which higher education appears to be moving, what effect will this driver probably have on our environment?

- What is the best-case scenario? How might this driver change our environment in a way that is most beneficial for our interests?

For instance, a university might decide that its worst-case scenario in terms of enrollment trends (one of the demographic drivers) in five years would be either a loss of 35 percent of its current enrollment or an increase of more than 50 percent. Losing more than a third of the student body would make the current budget unsustainable; layoffs would be likely, and programs would need to close. Increasing enrollment more than 50 percent would create unbearable strains on infrastructure. Even an increase of 25 to 30 percent would stretch certain resources thin, at least in the short term. The most-likely-case scenario is growth that averages about 3 percent a year over the next five years, and the best-case scenario is growth that averages between 8 percent and 10 percent per year over that period. With roughly 8 percent growth, the school could expand in a systematic and carefully managed manner.

With these scenarios in mind, the school can make reasonable plans for each contingency. The result is much more productive than a brainstorming session in which people share whatever thoughts they happened to have at the moment. With specific scenarios, mathematical models can be developed, and the leadership team can examine case studies of other schools that have undergone similar changes. Then, when all the different scenarios are identified with as much precision as possible, they're assembled in various combinations and permutations in order to determine which even more complex scenarios might occur.

For example, suppose we were to face our best-case scenario in terms of enrollment, but our worst-case scenario in terms of governmental support (one of the legislative drivers) and our most-likely-case scenario in terms of the region's economy (one of the economic drivers)? What steps could we take if enrollment dropped, but the economy was even better than expected and support from the legislature remained strong? The advantage of this approach is that although we can never account for every possible contingency, it frees us from ignoring the possibility (in fact, the near certainty) that the environment in which our institution will be operating in five to ten years will be dramatically different from its environment today. We can then begin to act on the basis of the scenario that best reflects the different drivers of change as they occur. The other scenarios provide contingency plans to adopt if matters become better or worse than expected.

Scenario planning allows schools to plan in a way that doesn't paint them into a corner. There might be a decision, for example, to begin

converting more temporary faculty lines to tenure track because it seems likely that the economy is improving, the school is growing, and the need for tenured faculty members to boost the institution's research portfolio appears to be trending upward. But because the institution has also studied worst-case scenarios and the problems that could arise if retrenchment is needed at a school with a high percentage of tenured faculty, it may choose to move more cautiously in this direction than it might have done if it had given in to the unbridled enthusiasm that often accompanies the initial phases of strategic planning (an extreme form of the planning fallacy).

The Strategic Compass

The second major alternative to strategic planning, the strategic compass, is particularly useful in highly dynamic environments like higher education. The value of a strategic compass is that although it points the institution in a general direction, it doesn't do so in the overly detailed and costly manner of most strategic plans. It asks, "Since what our environment will be like in the future is inherently ambiguous, how can we best position ourselves so that we'll be prepared to take advantage of unexpected opportunities when they arise, to remain resilient in the face of unanticipated challenges, and to adapt in a way that will keep us relevant in the years to come?" One way of answering this question is to break it into four steps.

STEP 1: WHAT DO WE DO BEST? Setting a strategic compass begins with appreciative inquiry, the systematic exploration of where your institution's strengths lie. Although the process of appreciative inquiry is far more involved than I depict it here (see, e.g., Cockell and McArthur-Blair, 2012, and Kelly, 2013), its central premise may be stated as follows: find out what you do best and then do more of it. That bit of common sense is a good antidote against mission drift. It directs attention to our strengths and keeps us from overlooking the fact that we wouldn't have come this far if we weren't doing something right.

STEP 2: WHAT DO OUR STRENGTHS TELL US ABOUT WHO WE REALLY ARE? If we examine what a school does well and what it does poorly, we get a pretty good indication of what the mission of that school really is as opposed to what its public statements may claim it is. In other words, a college may see itself as well on its way toward becoming a major research university but discover, when it takes an objective look at its strengths

and weaknesses, that it's not as close to that goal as it had thought. Perhaps what it does best is provide educational opportunities to students who wouldn't otherwise have had them and what it does worst is retain graduate students. Rather than chase after research grants that it may not get anyway, its best option may be to develop more programs for first-generation college students with only modest academic records, provide flexible scheduling for working adults who are able to take only a course or two at a time, and expand its evening program for place-bound residents with few educational options. While its four- and six-year graduation rates may still pale in comparison to those of many other schools, its success in helping students eventually graduate (even if they end up transferring after a few years and graduating elsewhere) is a valid and important mission. So instead of becoming a second-rate research university, it may decide instead to become a first-rate source of educational opportunities to the very people who need them the most.

It's always better to be excellent at something you know you can do well than to try to be only adequate at something that someone else will always do better.

The result of setting the institution's strategic compass might be the development not of a mission statement but of an identity statement: a concise description of the institution's core values, strengths, and distinction—for example:

- “We provide educational opportunities to motivated undergraduates who might not otherwise have them and offer graduate programs in select applied areas that are critical to our region.”
- “We are a multicampus comprehensive university that is committed to providing a broad range of educational opportunities so that no resident in our service area need travel more than twenty-five miles to receive a college degree.”
- “We are an international research university that recruits only world-class students who have their choice of numerous educational options. We then develop the skills of these highly select students through demanding academic programs, while expanding global knowledge by means of research programs in the arts and sciences.”

- “We are devoted to developing the whole person—mind, body, and spirit—of undergraduate students through course work, residence life, leadership opportunities, and community service.”
- “We prepare the educators and leaders of tomorrow.”

STEP 3: WHAT DOES THIS IDENTITY TELL US ABOUT WHERE WE SHOULD DIRECT OUR RESOURCES? By focusing our attention on who we are, how we have achieved our success, and which strengths distinguish us from others, we gain a clearer sense of what our priorities must be. A clear sense of our identity frees us to devote our time, energy, and other resources toward positive change (improvement) rather than change for the sake of change (plans we pursue simply because we would feel stagnant if we weren't trying to change something). For example, if we discover that we've made a difference in the world by accepting students who couldn't get into highly selective schools and providing them with the skills they need to achieve their goals, we don't automatically assume that our next step should be to become more selective in our admissions “since that's what the prestigious schools do.” Rather, we should direct even more resources to fulfilling that core mission, marketing our success in such a way that our message reaches those who may not otherwise hear it, and further distinguishing ourselves from our peers by embracing our identity and achievements. Using our resources in this way helps us follow our strategic compass. It makes the whole institution stronger so that we're in a position to take full advantage of opportunities when they arise and be resilient when setbacks occur.

STEP 4. HOW DO WE DEVELOP A CULTURE OF INNOVATION THAT EXTENDS BUT DOESN'T ALTER THIS IDENTITY? At this point, I can easily imagine someone asking, “But if all we ever do is shore up strengths and wait for the next opportunity or problem, are we really leading change at all? Aren't we just preserving the status quo, reacting to whatever happens, and allowing others to determine our destiny?” What makes a strategic compass truly valuable is the final step in the process: using everything learned so far to create a culture of innovation. In the previous chapter, we saw how Edgar Schein's learning culture theory, coupled with the creative leadership approach developed by Gerard Puccio, Marie Mance, Mary Murdock, and others, placed an emphasis on developing a certain type of environment rather than pursuing a certain type of goal. That's what change leaders do in higher education: they build a culture; they don't just articulate a vision. As Peter Eckel, Barbara Hill, Madeleine Green,

and Bill Mallon stated in their 1999 report, *On Change*, “Institutional change leaders work within a culture while challenging its comfort zone to change the culture” (p. 7).

As an example, consider the case of a hypothetical institution that concludes step 2 with the first identity statement we considered: “We provide educational opportunities to motivated undergraduates who might not otherwise have them and offer graduate programs in select applied areas that are critical to our region.” Such a statement provides not only a description of where the school is right now but also a sense of where it can go in the future if it’s willing to be creative enough. It can partner with local government officials, donors, and industries to build programs to meet the greatest needs of local residents. It can redirect scholarship funding from being primarily merit based to being primarily need based, with priority given to students who have overcome adversity or demonstrated their determination to succeed against the odds. It can use this awareness of its identity to redesign its entire marketing campaign (“A Great Place for Second Acts” and “We’re Looking for B Students Who Have the Drive to Become A Students”) and promote this message aggressively throughout its service area. It can begin honoring famous people who, after struggling in high school, finally came into their own during college. It can rename its athletic teams the Diamonds in the Rough and use the resulting publicity to underscore the school’s academic mission. In short, by being creative about who they are rather than envious about who they wish they were, the stakeholders of the institution can help the school become truly distinctive.

Stephen Wall and Shannon Wall (1995) describe the benefits that result from this approach of what they refer to as strategic foresight:

When strategic leaders capitalize on the wealth of information and knowledge that is accumulated by front-line strategists, they develop *strategic foresight*—the ability to discover unanticipated market trends and as yet unarticulated customer needs. Businesses with strategic foresight avoid the trap of developing strategies that are merely reactive, and are able to discover possibilities that may ultimately transform their companies and their industries. (19)

At a college or university, strategic foresight allows an institution to identify trends in how to best serve students’ needs and engage in the type of research that best suits their mission. Academic leaders with strategic foresight don’t assume they have all the answers; they know they won’t be able to spot each emerging trend from their vantage point. These leaders

have a healthy respect for what Wall and Wall call “the wealth of information and knowledge that is accumulated” throughout the institution. As they strive to be catalysts for positive change, they remain skeptical of any plan that might carry their schools too far away from the identity that has made them successful in the past.

Conclusion

A logical conclusion at this point would be, “If the corporate style of top-down strategic planning doesn’t work in higher education, then what we must need is a bottom-up process. Strategic planning should begin with the faculty. They’re the ones who know their fields the best and understand where academic disciplines are heading.” Unfortunately bottom-up strategic plans don’t have a particularly good track record either. Since every constituency wants its own ideas incorporated into the plan, any proposal that results is likely to try to contain something for everyone. As a result, bottom-up strategic plans tend to be watered down and bland, more of a mutual nonaggression pact than a compelling vision of the future. Academic consultant and former dean John Wiesenfeld calls bottom-up strategic plans “letters to Santa”: “They basically say, ‘We’ve been good, and so here are all the things we want’” (conversation with John Wiesenfeld, January 21, 2014). If you keep adding different colors to a pinwheel, all you see is a white blur once it starts to move.

The proper alternative to top-down strategic planning isn’t bottom-up strategic planning; it’s no strategic planning at all. Alternative approaches like scenario planning and the strategic compass are more flexible, cost-effective, and likely to produce lasting results. Many presidents, chancellors, and governing boards of universities will reject this conclusion and say, “But look at us! We engaged in a wonderful, broad-based strategic planning process, and it transformed our institution to a degree that wouldn’t have been possible any other way.” As we know, every rule has its exceptions, and any given college or university may decide that all the energy and resources it devoted to strategic planning was completely worthwhile. But if you’re an objective reviewer and you take a close look at the vast majority of “transformations” produced by traditional strategic planning, it becomes apparent that the rhetoric rarely matches the reality. In many cases, administrators do exactly what I did at the end of my ill-fated general education review in chapter 3: they simply declare victory and go home. They’ll use new language to describe programs that are basically unchanged from what they were before the strategic plan was ever developed. A new name might appear on a building. Modest

reorganization of colleges or departments may occur. But despite all the sound and fury, what real impact has been made on the quality of the education students receive or the nature of the research that faculty perform?

In his harsh but not entirely unjustified critique of the expanding administrative structure at American universities, Benjamin Ginsberg argues that strategic planning isn't genuine leadership at all; it's a facade designed to convey the impression that one is leading when actually very little meaningful work is being accomplished:

When they organize a planning process and later trumpet their new strategic plan, senior administrators are signaling to the faculty, to the trustees, and to the general community that they are in charge. The plan is an assertion of leadership and a claim to control university resources and priorities. This function of planning helps to explain why new presidents and sometimes new deans usually develop new strategic plans. We would not expect newly elected presidents of the United States simply to affirm their predecessors' inaugural addresses. In order to demonstrate leadership to the nation, they must present their own bold initiatives and vision for the future. For college leaders, the strategic plan serves this purpose. (Ginsberg, 2011, 48–49)

Rather than “shrinking the change” to make a major transition feel more comfortable to constituents (Heath and Heath, 2010; see chapter 2, this volume), many administrators exaggerate the significance of small changes in order to make themselves seem more effective as administrators. But an illusion of leadership won't be enough to address the genuine challenges that higher education faces in the twenty-first century. With increasing competition for students and the most renowned faculty, colleges and universities can't afford to engage in change processes that merely make their leaders feel as though they're accomplishing something. If approaches like scenario planning and the strategic compass replaced strategic planning and the resulting savings were redirected from administration into pedagogy, does anyone seriously doubt that the result would be an overall improvement in the quality of American higher education?

It's ironic that at the same time many leaders in the business world are becoming increasingly dubious about the value of strategic planning, many leaders in higher education continue to embrace it. It's now part of the standard operating procedures at most institutions, touted as a way of making each institution more distinctive. But as we've seen, any approach that merely encourages institutions to become stronger, bigger,

larger, and better leads inevitably to mission drift, producing institutions that are more, not less, like all of the others.

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