



Dynamic Strategy

How the Best Institutions Stay Agile and
Hardwire Self Sustaining Goal Achievement

Higher Education Strategy Forum

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Executive Summary

Dynamic Strategy

The Imperative for Dynamic Strategy



As competitive boundaries shift and student preferences evolve, the traditional model of higher ed strategic planning that results in a static, “sits on the shelf” document every five years is no longer sufficient. Instead, sophisticated leadership teams are pursuing (and boards are insisting on) a more active and market-responsive approach that EAB is calling **Dynamic Strategy**. This new eight-part framework for guiding campus decisions requires rigorous scenario planning, principled differentiation from competitors, and the ability to revise priorities and reallocate resources quickly.

Strategy Formation

Foundational Activities Designed to Surface and Prioritize Competitive Imperatives

- 1 Build Dynamic External Market Scenarios**

Conventional strategic plans typically foreground internal and operational aspirations, ignoring the importance of market conditions and potential threats to institutional goals from the outside. Begin your *dynamic strategy* process with an honest and rigorous assessment of your institution’s competitive position, and agree on the assumptions and potential trip wires that would require reevaluating your strategy in the future.
- 2 Differentiate Your Student Value Proposition**

Interrogating how your recruitment messages differ from those of competitors should not be an afterthought left to marketing and branding professionals—it must be part of a cabinet-level effort to achieve strategic clarity. Ensure that both your institutional and program-specific value propositions are aligned with students’ true needs, difficult for others to copy, widely experienced, and provable to an increasingly skeptical audience.
- 3 Define 5-10 Year Vision and SMART Performance Targets**

Target-setting is difficult in any industry, but it is uniquely difficult in higher education given the complexity of its various goals, stakeholders, and mission. Without establishing measurable goals linked to your institutional ambitions, however, efforts to implement strategies are likely to stall. Agree on broad institutional targets that meet SMART criteria (Specific, Measurable, Achievable, Relevant, and Time-Bound).
- 4 Prioritize Strategic Imperatives**

Instead of settling for a list of topical “buckets” (such as “Student Success” or “Community Engagement”) to contain long lists of goals, objectives, and initiatives, prioritize a short list of *strategic imperatives* that (a) build on the distinctive value propositions established in activity two above and (b) will enable the institution to hit the long-term performance targets set by campus leadership.

Executive Summary (cont.)

Dynamic Strategy

Web Resource Center



Visit eab.com/DynamicStrategy to access a full suite of executive briefings, tools, templates, and case studies associated with our Dynamic Strategy research and services. These resources include a comprehensive metrics pick list mapped to common priorities, exemplar dashboard and strategy communications examples, critical readings and primers for strategic imperative working groups, campus feedback templates, unit-level assessment models, and guidance on building a budget model that aligns financial incentives with strategic goals. Contact your EAB Strategic Leader to learn more or speak with an expert on Dynamic Strategy.

Strategy Execution

Implementation-Focused Activities Designed to Ensure Timely Progress Toward Goals

5 Scope and Model Strategic Initiatives

Strategic initiatives are where upstream strategy formation pivots to planning and execution—these are the time and resource investments that, if successfully implemented, elevate the institution from current to aspirational performance. Leadership teams must establish clear measures of success for each initiative, anticipate potential obstacles to implementation, and ensure adequate resources are provided.

6 Align Budget Model with Strategic Priorities

The institution's annual budget is the most reliable determinant of its expressed priorities—where rhetoric comes into contact with the harsh realities of scarce time and resources. Ensure that the allocations and incentives in place align with strategic goals, that the central administration has a large enough investment fund to seed necessary innovation across campus, and that units have a "stop doing" list to match new ideas.

7 Embed Accountability into Unit Action Plans and Reporting

The most effectively constructed plans take high-level goals and break them down into controllable objectives to pursue that are relevant and applicable across units. Absent this exercise, siloed departments and entrepreneurial staff can diminish the impact of their efforts by pulling in too many different directions. Focus each unit on controllable *leading indicators* that, in the aggregate, will guarantee long-term institutional progress.

8 Create Strategy Explainers and Social Media Message Amplifiers

Don't stop at the publication of a plan on the president's webpage—instead, develop a communications campaign that spreads the key messages in your institutional strategy to both external and internal stakeholders and celebrates "wins" along the way—key milestones reached, progress toward performance targets, and external recognition for success. Convene an annual strategy update retreat to take stock of progress and make any needed adjustments to your goals, imperatives, or initiatives.



The New Imperative for Dynamic Strategy

Is Your Strategy Keeping Up with Today's Chain-Reaction Market Disruptions?

PREAMBLE



- 1** The pandemic has worsened destabilized industry fundamentals, shaken up competitive boundaries and student definitions of value, and introduced prolonged operational uncertainties. Most of the assumptions behind existing five-year strategic plans no longer hold.
- 2** Traditional, static plans that “sit on the shelf” won’t suffice in this environment. Instead, leadership teams are pursuing (and boards are insisting on) *Dynamic Strategy*: rigorous scenario planning, differentiation to match evolving student expectations, and the ability to revise priorities and reallocate resources as quickly as the market changes.
- 3** Institutions should assess the rigor and adaptability of their strategy and strategy execution capabilities; successfully embracing *Dynamic Strategy* confers external advantages in competing for students and managing risk, and internal cultural advantages in winning buy-in for strategy.

The New Imperative for Dynamic Strategy

Accelerating Market Forces Require a New Approach to Planning

In the Wake of COVID-19, Most Institutions Are Revisiting Strategic Plans Mid-Cycle

Because most higher education institutions work on five-year strategic planning cycles, in any given year, 20 percent are starting their next plan: empaneling committees, getting input across campus about new strategic initiatives, drafting and redrafting the wording of the final public document. What's different now is that nearly every institution—even those whose plans are years from expiring—seems to be urgently revisiting strategy in the wake of COVID-19.

The pandemic accelerated the decline of industry fundamentals, changed student perceptions, and strained finances in ways requiring unpostponable reassessment of positioning and priorities.

Is Your Strategy Keeping Up with Pandemic-Fueled Market Force “Chain Reactions”?

Chain Reaction #1: Enrollment Declines → Hyper-Competition for Market Share

COVID-19 exacerbated ten consecutive years of flat or declining enrollments and college participation rates, bringing unprecedented competition across geographic markets, student segments, and credential types and no more “easy,” new opportunities in adult/professional programs to offset undergraduate enrollment shortfalls. The new reality for most is *hyper-competition*—growth must come from winning market share, and survival from defending it—and differentiating from community colleges moving up market, selective institutions expanding enrollments down market, and nontraditional adult learner alternatives. Strategy teams are reassessing multiyear enrollment forecasts and assessing strengths and vulnerabilities in the emerging era of competition across selectivity bands.



1) National Student Clearinghouse, Current Term Enrollment estimates as of May 24, 2023.

The New Imperative for Dynamic Strategy (cont.)

Accelerating Market Forces Require a New Approach to Planning

Chain Reaction #2: Prolonged Campus Shutdowns → Revolutions in Student Expectations

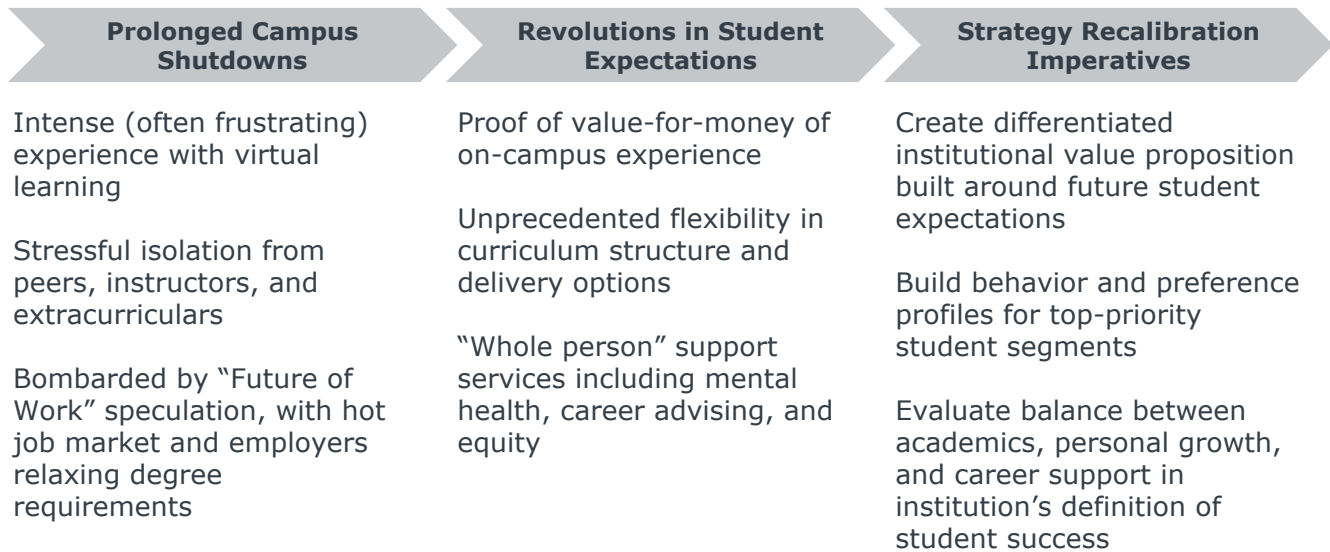
COVID-19 became a hinge moment in student expectations, forcing higher education to address long-standing critiques about the value of a college degree and the essentials of an on-campus experience. Prolonged campus shutdowns and a white-hot labor market are ushering in revolutions in student expectations. The *post-pandemic student of the future* will expect clearer answers to tough questions:

Why should I pay full-freight tuition when so many employers are relaxing requirements for degrees in the wake of COVID-related talent shortages?

Why can't the institution be more flexible about the structure and delivery options for coursework?

What's special enough about an on-campus experience for me to go into debt?

How can the institution support mental health and advance career exploration?



The New Imperative for Dynamic Strategy (cont.)

Accelerating Market Forces Require a New Approach to Planning

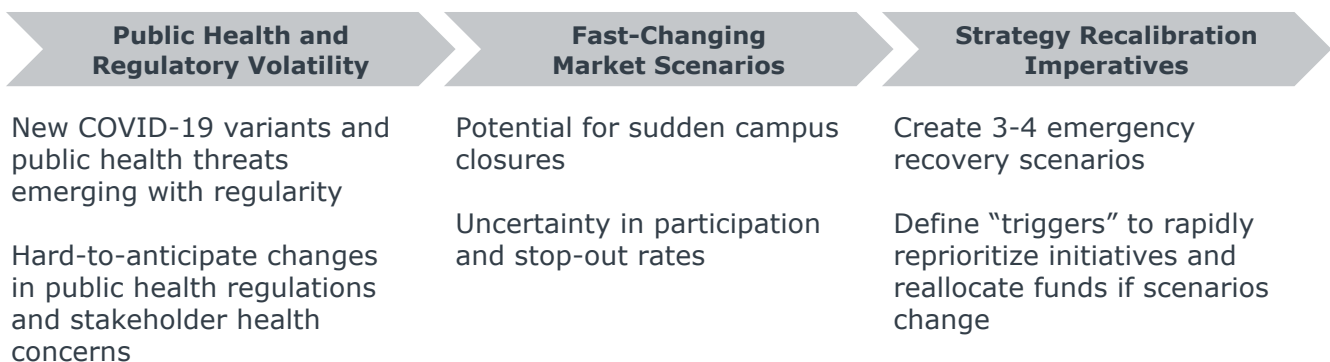
Chain Reaction #3: Pressure on Margins → Strategic Initiative Consolidation

With most universities trending tuition-dependent, margins can't withstand prolonged year-over-year enrollment and pricing shortfalls, making it difficult to fund long strategic wish lists or sustain the habit of "launch now, figure out how to pay for it later." Institutions are revisiting strategy to rightsize the number and scope of initiatives, concentrating resources on a smaller number of big priorities, and devising budget model mechanisms to reallocate funds.



Chain Reaction #4: Public Health and Regulatory Volatility → Fast-Changing Market Scenarios

COVID-19's rapid spread, and the uncoordinated responses by state governments and individual institutions underscored the need to strengthen what (for most institutions) is the under-developed muscle of scenario thinking. Schools must be able to pivot rapidly—opening or closing on a fortnight's notice or less, aggressively pursuing enrollment and faculty recruiting advantages if circumstances break well, paring back when they don't, and toggling between on-campus classes / work and virtual learning / telecommuting. Instead of building plans around a single set of assumptions that more than likely will evolve, strategy teams are defining a range of possible futures, prorating their likelihood based on best-available information, and (critically) defining objective triggers for rapidly changing course.



The New Imperative for Dynamic Strategy (cont.)

Accelerating Market Forces Require a New Approach to Planning

Self-Assessment: How Dynamic Is Your Current Strategic Plan?

EAB believes that most institutions will not be well served by relying predominantly on traditional, static, five-year strategic plans. Instead, most will want to revisit strategy to reflect COVID-fueled pressures and establish processes that “hardwire” responsiveness to sudden external change. Try this self-assessment, alone or as a group, at your next strategy team meeting to gauge your confidence about whether your strategy is pandemic-proofed and adaptable enough to keep up with today’s marketplace.

How Confident Are Your Strategy’s Foundational Assumptions, Given COVID-Driven Disruptions?

Not Confident Somewhat Confident Highly Confident

1. We revalidated multiyear enrollment and net tuition revenue (NTR) forecasts reflecting COVID-driven college participation declines	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. We understand how the pandemic changed ROI and engagement drives of target student segments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. We compellingly and succinctly articulate differentiators vs. competitors based on students’ emerging return-on-investment (ROI) drivers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. We know where to improve virtual learning and schedule flexibility to meet post-COVID student expectations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. We know where to improve mental health and wellness services to meet post-COVID student expectations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. We regularly assess the priority, number, and scope of strategic initiatives, reallocating funds from lower- to higher-impact activity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Our budget model generates adequate funds for strategic investment and incentivizes units to advance institutional priorities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. We have defined 3-4 future market scenarios, with explicit “triggers” defined for pivoting priorities, reallocating funds, and changing processes when scenarios shift	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The New Imperative for Dynamic Strategy (cont.)

Accelerating Market Forces Require a New Approach to Planning

Use EAB to Build a Dynamic Planning Culture

Higher education is pivoting from traditional five-year planning—an infrequent, onetime effort superficially involving many stakeholders as an ad hoc job—to strategy and strategic planning to what EAB calls *Dynamic Strategy*—strategy as an all-the-time capability, with a comparatively smaller number of engaged and informed experts monitoring changes in the external environment for rapid response to new opportunities and risks. Many are establishing their first-ever *Office of Strategic Planning* to accelerate the effort.

That’s the ambition, anyway. But in practice, few institutions are confident in the maturity of their strategy team’s roles and activities, for fear of reliving past misadventures where the effort involved in strategic planning proved far out of line with value added.

EAB’s partners asked us: How are best-in-class institutions making strategy and strategic planning effective and manageable? How do they sustain strategy-doing as an all-the-time capability without unrealistic amounts of leadership bandwidth and frontline business expertise?

The good news: best-in-class institutions show that dynamic strategy is doable and transformational, with the right tools, processes, and leadership education. EAB is hard at work distilling their lessons into replicable, high-impact DIY resources and facilitated activities.

Wherever you are in the strategic planning cycle: beginning to draft a new plan and hoping to constructively engage the campus so the final document doesn’t “sit on the shelf,” recalibrating strategy from a position of strength to opportunistically pursue opportunity, or reacting to board demands or market shocks, EAB will help improve the rigor, reduce the effort, and amplify stakeholder buy-in.



Don't Let Writing Your Strategic Plan Crowd Out Strategy

Why Strategy Formation Is Different from Writing the Strategic Plan, and Why It Matters

INTRODUCTION



- 1** Ironically, one of the biggest barriers to enacting transformational strategy can be writing the strategic plan itself—the beautifully produced, elegantly written public document that capstones months of feedback-gathering and committee effort.
- 2** Conventional strategic plans are neither true “strategy” (*defining where to compete and how to succeed*) nor effective “plans” (*multiyear cost and change management roadmaps*). Instead, written plans serve a public relations function, affirming institutional values and building awareness among students, faculty, and donors for major new initiatives.
- 3** Institutions committed to *dynamic planning*—staying responsive to market uncertainties—are careful not to invest too much of their strategy team’s capacity writing and rewriting the plan document at the expense of the analysis and debate that go into strategy formation. Likewise, they don’t over-rely on the written plan as a catalyst for changing unit behaviors, reserving time to align budget models and annual unit planning toward strategic goals.

Don't Let Writing the Strategic Plan Crowd Out Strategy





Clarifying Terminology and Intention

Why "Strategy" Is Different from the "Strategic Plan," and Why It Matters

In conversation, educators use the terms "Strategy," "Strategic Planning," and "Strategic Plan" inexactly and interchangeably. A president who says she's in the middle of her strategic plan might be drafting a presentation for boards or accreditors, working on multiyear budgets, revising enrollment forecasts, or overseeing program prioritization.

These terms are not equivalent, however, and their distinctions go far beyond semantics. **Strategy formation, strategic planning,** and writing the **strategic plan** are separate activities, with different analytical inputs and output deliverables. Blur their boundaries, and you're at risk of misallocating strategy team effort and producing ineffectual plans that don't translate to action—the dreaded "plan that sits on the shelf." Let's spend a moment defining what the terms should mean.

Defining Commonly Misapplied Strategic Planning Terms

			
Mission	Strategy	Strategic Planning	Strategic Plan
The reason the institution exists—the people we benefit and the good we do	Roadmap laying out where to compete and how to succeed	Detailed project plans translating strategic intent into action	Public document presenting upbeat goals to prospective students, boards, and donors
Emotional Logic	Economic Logic	Economic Logic	Emotional Logic
Why do we do what we do; why we come to work	Which customers to serve (and not), through which academic offerings and support services	Multiyear budgets, delivery milestones, and accountability measures	Affirms institutional values and traditions by highlighting next-decade initiatives
Aspirational and timeless—doesn't refer to current market conditions Doesn't need to be unique; many institutions have similar-sounding missions	Need not be aspirational but must be distinctive Explains how we are <i>unlike</i> others and how comparative advantages will enable us to outperform competitors	Prosaic, visible, trackable, and consequential to frontline units Highly institution-specific and granular, to the point they might not make sense to outsiders	Aspirational, but contemporary—reflects decade ahead Need for "consensus language" leads to anodyne goals that sound identical to competitors Not the right forum for explaining complex priority choices or resource trade-offs

Grounding Strategy in Market Realities

Why the Traditional Plan Often Avoids Difficult but Important Questions

Applying these definitions, we can see why the inputs and outputs of strategy formation and writing a strategic plan are different and why the process of writing a conventional plan usually doesn't result in effective strategy.

Strategy Is Externally Focused, Inherently Competitive and Adaptive

Effective strategy must answer an existential question that straddles external market forces and internal attributes: "*Why would a student choose us over competitors?*" Accordingly, strategy formation starts by developing rigorous, unsentimental assumptions about the external market in which the institution must try to outperform rivals:

- *What are the magnitude and rate of change of industry fundamentals? Are funding, enrollments, etc. likely to improve or deteriorate?*
- *How are future student value drivers evolving?*
- *Are existing competitors and new entrants gaining share by meeting student needs in new ways?*

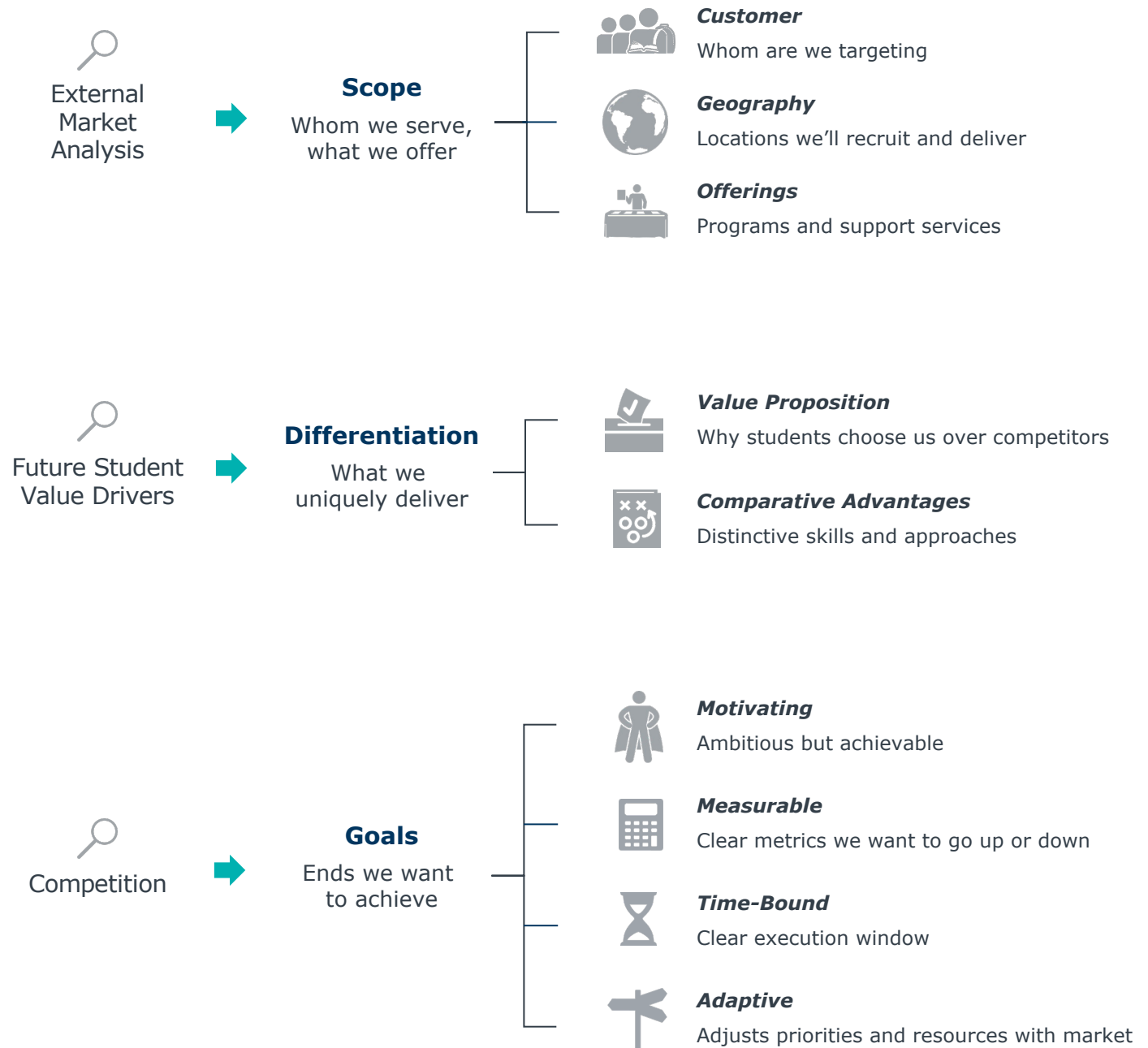
Only after making these foundational assumptions about the external market should strategy teams conduct analyses that are internally focused:

- *What is it about whom we serve and what we do that is distinctive from competitors?*
- *Do these differentiators matter to future students?*
- *What comparative advantages must we cultivate to achieve consistently superior performance?*

The Goal: Achieving Strategic Clarity

Strategy Process Should Necessitate Concrete Choices and Trade-Offs

By the end of strategy formation debate, institutions should strive for “clarity”: specific, well-reasoned choices about the foundational components of Scope, Differentiation, and Objectives. Many of these choices can be emotionally difficult, requiring reevaluation of the uniqueness or viability of traditional activities.



The Reality: Traditional Plans Fall Short

Inclusive, Long-Range Visioning Tends to Produce Anodyne Results

Strategic Plans Tend to Be Internally Focused, High-Level, and Static

It's not our purpose here to argue that writing the strategic plan is unimportant or undeserving of time and talent. Most institutions should produce the best new plan possible every five years or so, as a branding, recruiting, and fundraising tool and (more important) an occasion for hearing the voice of stakeholder groups across campus about the health and direction of the institution.

Our point is that the traditional processes and cultural considerations in writing the strategic plan tend to dilute, rather than sharpen, strategic clarity. In the usual paradigm, institutions empanel strategy teams every five years to draft the next plan, devoting much of their available time to soliciting input from campus stakeholders, with many iterations and re-edits to maximize buy-in for consensus language expressing the institution's character. This hyper-inclusivity is entirely understandable in higher education, especially when many stakeholders have more experience writing than in strategic planning and are more attuned to what's going on inside the institution's four walls than across the industry.

Though beneficial for collegiality, this insular framework tends to produce habits of mind that work against the rigor and responsiveness of best-in-class strategy.

Because Traditional Strategic Plans Are:

Episodic

Major effort every 5-10 years

Inwardly Focused

On institutional traditions and past performance

High-Level

Lowest common denominator declarations of educational values

Representational

Want to reflect suggestions of every constituency consulted

Focused on Ends, Not Means

Describes vision without detailing cost, org changes, or process changes



They Produce Strategy That Is:

Static

Rarely updated as market conditions change

Incremental

Strives "to do same things but better" rather than inflect competitive position

Undifferentiated

Can't distinguish from what competitors say about themselves

Unprioritized

"Initiative creep" wish lists that the institution can't fully fund

Hard to Set in Motion

Frontline staff lack tools, expertise, and incentives to implement strategy

Making the Most of Scarce Cabinet Time

Focus Effort on Building Dynamic Strategy Capabilities

Balancing Your Team's Efforts Between Strategy, Strategic Planning, and Strategy Communications

Equating the strategic plan with strategy formation and strategic planning distracts from establishing the foundations of dynamic strategy and leaves the institution susceptible to plans that sit on the shelf, viewed by the campus as not producing value commensurate to the effort of its writing.

The lesson those who've made the leap to dynamic planning can teach the rest of us is to reappropriate time over-invested in plan-writing to the more important sets of activities in strategy and strategic planning. Furthermore, they suggest that the strategic plan document is but one component in a suite of complementary strategy communications tools for improving understanding and buy-in for strategic priorities and equipping students, faculty, and staff to be effective brand managers.

The next several stages in our dynamic strategy framework will examine high-value activities for strategy teams in each of these areas.



Building Dynamic External Market Scenarios

Making Assumptions About External Industry Forces Explicit and Adaptable

PART

1



1 Effective strategy must address challenges posed by the entire higher education industry, such as declining college-going rates, student preferences, funding and pricing trends, and competition, all of which have been upended in the pandemic.

2 Conventional strategic planning tends to fast-forward to introspective questions about “how to make ourselves better” before rigorously considering external opportunities and threats and rarely revisits assumptions underlying strategic bets as conditions change. As a result, plan documents don’t drive decision-making, because they don’t reflect reality mere months after they’re produced.

3 Before developing strategy, leadership should spend one to two days building **Dynamic External Market Scenarios** featuring explicit assumptions about the magnitude and rate of approach of key market forces, developed through four complementary activities:

- **Market Force Dashboard:** Visualization of approximately eight critical market forces, with assumption about their trendlines over the next five years and signposts for spotting unexpected deviations requiring strategy pivots
- **Future Visioning Workshops:** Informed speculation about how uncertain but potentially transformative technology and social changes might affect industry
- **SWOTs Priority Matrix:** Triaged opportunities and threats into “must-address” and “selectively pursue” levels of urgency, to focus strategy and avoid priority creep
- **Scenario Change Reprioritization Plans:** Descriptions of alternative medium-term paths the market might take, with pre-litigated shifts in strategic priorities and operations

Together, the elements of the Dynamic External Market Scenarios enable rigor and agility—the ability to make informed strategy pivots quickly, without having to redo the planning process from scratch.

Institutional Introspection No Longer Sufficient

Clear View of External Market Conditions Key to Launching Strategic Vision

With So Much Uncertainty, You'd Rather Be Fast than Right

Policy makers, CEOs, and investors are constantly scrambling for the latest intelligence and future forecasting tools to place bets—if it were easy to predict consumer behavior and macroeconomic trends, we would be living in a very different world.

If you're a university leader trying to navigate the many consequential uncertainties facing higher ed, you're probably reaching the same realization coming to as many of your peers: that traditional, five-year strategic plans don't provide a strong framework for detecting market shifts and pivoting resources as market conditions change. Long insulated in a slow-moving industry, where careful assumptions would likely stay valid for a decade, higher education is starting to place a premium on agility, embracing the private industry adage "I'd rather be fast than right..."

Universities Need a Clear View of the External Market to Stay Agile, but Strategy Teams Often Look Inward First

Strategy intrinsically combines an external view of industry trends and competition, as well as internal views on sources of unique value and comparative advantage. It explains how, given what we assume to be true about the market, the institution can deliver a unique value proposition enabling access to students, research funding, first-generation student success, community engagement, or any other priority mission goal.

While analyzing hundreds of university strategic plans and participating in scores of partner planning retreats, EAB has observed the tendency of strategy teams to skip fact-finding and debate about the external market, and instead leap to introspective questions about "how we can be better." This is understandable, given that conversation tends to concentrate on what people feel most comfortable discussing:

- **Facts about the market are harder to get than opinions about the institution:** Institutional leaders generally, and academics in particular, likely know more about what's going on inside the four walls of the institution than across the industry.
- **Higher education still getting used to culture of market share competition:** Growing tuition-dependency amid declining enrollments requires awareness of competitor strategy and student comparison-shopping that's unfamiliar and unappealing.
- **Concern that challenging market trends are demotivating:** In many parts of the higher education ecosystem, fundamentals are deteriorating, and future disruptions are perceived to threaten hallowed parts of campus culture. The scale of implied change can be daunting. Wanting to accentuate the positive, strategy teams sometimes don't leave enough time for robust, candid debate about the implications of difficult trends.

Four Exercises to Build Market-Sensing Muscles

Do-It-Yourself Guides and EAB-Facilitated Workshops

We believe that, prior to engaging the inwardly focused steps in strategy formation, strategy teams should devote the equivalent of one to two days building the foundations for *Dynamic Market Scenarios*, a onetime effort that will enable fact-based assessment of market shifts and fast strategy pivots later on. Best-in-class external market models combine four complementary activities:

Elements of Dynamic External Market Scenarios

Explicit assumptions about external forces...

Market Force Dashboard

Explicit five-year assumptions for 8-10 key forces

Signposts to spot unexpected deviations



Future Visioning Workshops

Imagining impact of uncertain but potentially transformational technology and social disruptions

Implications for business model



...inform internal strategy focus and resource allocation contingencies

SWOTs Priority Matrix

Strengths, Weaknesses, Opportunities, Threats

Triaged by leverage and ability to influence



Scenario-Based Reprioritization Plans

Alternative pandemic recovery scenarios

Start-Cut-Adapt action items on strategic initiatives and operations

Making Assumptions About the Future Explicit

Market Force Dashboards and Future Visioning Exercises

Market Force Dashboard

To foster a shared, objective view of ongoing industry trends, establish and socialize a *Market Force Dashboard*, recording best-available data for the 8-10 factors most relevant to availability of target students and key funding sources.

Dashboards also display explicit assumptions about each factor's magnitude and rate of change over the next two to five years: Do we believe they are likely to improve, worsen, or stay the same? Finally, Dashboards define "signposts" for each factor, indicating a change in trendlines significant enough to warrant revisiting strategic positioning and priorities. Generally, deviations of +/- 20 percent from original assumptions are reasonable trip-wire ranges.

Assign responsibility to the Strategic Planning Director (or equivalent) for working with Institutional Research to update the dashboard one to two times per year, or as frequently as new data becomes available. Review the dashboard at least quarterly with the strategy team or cabinet, evaluating which forces are changing enough to warrant revisiting strategic priorities.

Beyond precision and transparency, market dashboards have second-order cultural benefits, helping to promote a consistent, consensus narrative about secular trends that stands up amid leadership turnover and disciplinary rivalry.

While each institution may configure dashboards differently based on size, public vs. private status, selectivity, research goals, etc., some of the most common elements tracked are outlined on the following page. Access an editable dashboard workbook by visiting EAB's Dynamic Strategy Resource Center at eab.com/dynamicstrategy.

Market Force Dashboard (Illustrative)

Short, Easy-to-Interpret Analysis of Assumptions Around 8-10 External Forces

	Assumption What do we believe about the market over the next 5 years?	Signpost Where is reality diverging from our prior expectations?	Strategy Pivot Do we need to change priorities or move resources?
Undergraduate Demographics*	Decline of 3% in in-state 18-year-olds by 2025** Four-year college participation rate steady at 62%	College participation rate drops to 55% Participation in transfer pathways +28% YoY 	Accelerate Transfer Destination Initiatives <ul style="list-style-type: none"> Transfer pathways from all majors Create transfer portal Financial aid for transfers
Student Program Demand	Top 5 majors will enroll 68% of students by 2025		
Student Delivery Preference	Students will achieve 10% of credit hours in online/remote formats		
Adult Learner Market	Online master's flat in most disciplines Short-format program demand up 50% by 2025	Major local employer announces digital badge initiative 	Launch Alternative Credential Pilot Program <ul style="list-style-type: none"> Badging for Cybersecurity Identify regional partner
Net Tuition	Flat NT per student through 2025 Discount rate = 23%		
Public Policy	State graduation performance funding to put \$20M at risk by 2025		
Competition and New Entrants	State flagship enrollments grow 2% by 2025		
Public Funding	Federal funding flat through 2025 State funding down 5% by 2025		

*Break out high-priority student segments (e.g., international students), disciplines, or program type

**Define assumptions using objective metric and fixed time whenever possible

***Use visual symbols or color-coding to highlight deviations of +/- 25% from assumptions

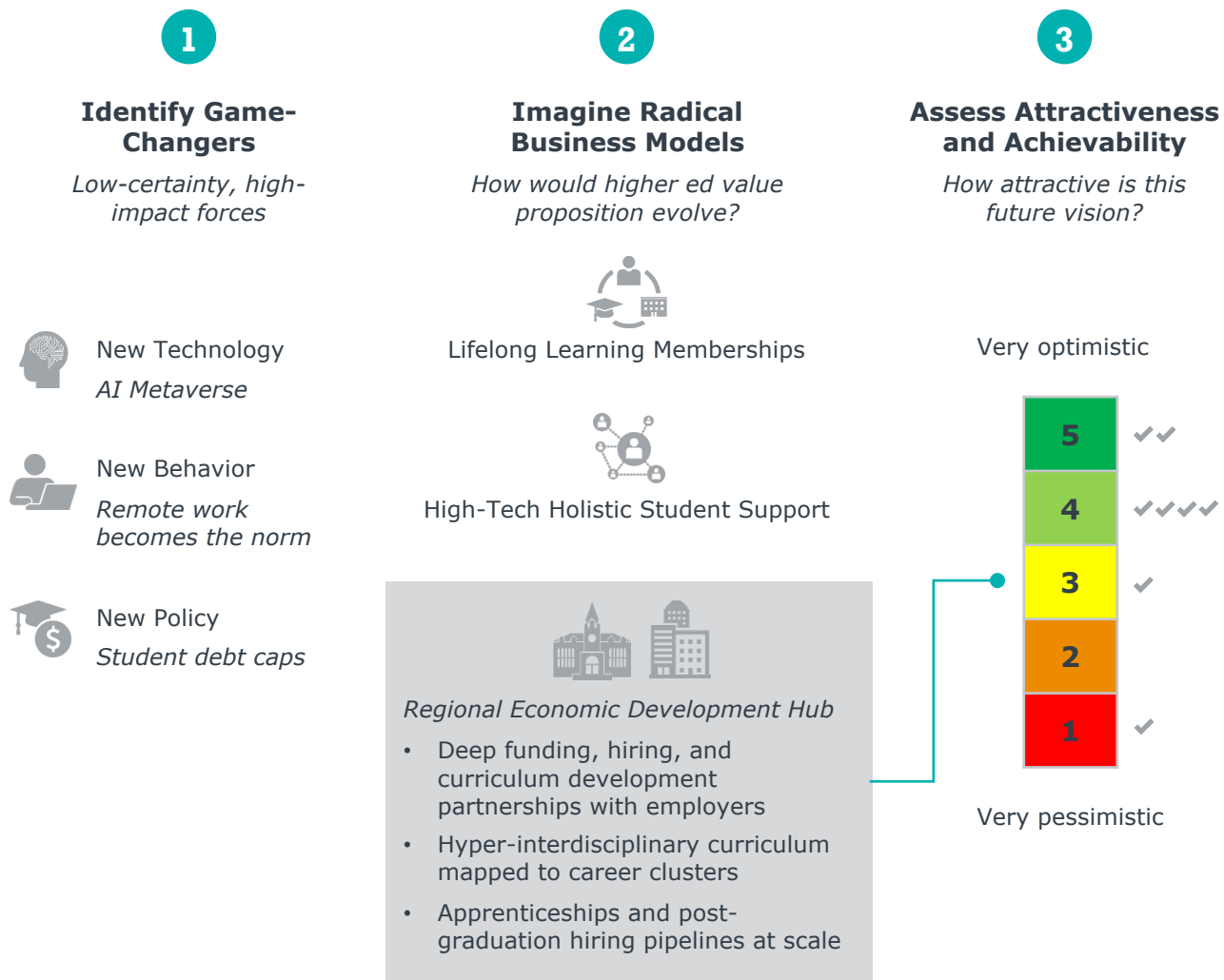
Making Assumptions About the Future Explicit (cont.)

Market Force Dashboards and Future Visioning Exercises

Future Visioning Workshops

While Market Force Dashboards are essential for tracking trendlines, they can be a lagging indicator, not warning of potential market disruptions far enough ahead of time to reposition strategy. As a forward-looking complement, strategy teams should conduct *Future Visioning Workshops* to imagine how higher education would change under less certain but potentially transformational technological or social disruptions.

Future Visioning Workshops don't try to develop the most accurate predictions possible about higher education ten years on; instead, they're a guard against incrementalism encouraging participants to go beyond perceived constraints and identify big opportunities.



Making Assumptions About the Future Explicit (cont.)

SWOTs Priority Matrix and Scenario Change Reprioritization Plans

SWOTs Priority Matrix

Together, the Market Force Dashboard and Future Visioning Exercises blend objective monitoring of the direction and rate of approach of existing trends, with insight into unproven but potentially consequential technology and social disruptions. Once these bookend external assumptions are in place, the strategy team can apply them inward through the SWOTs Priority Matrix, triaging the opportunities and threats that strategy must address.

Most institutions are familiar with SWOTs—the exercise where participants divide into four groups to brainstorm the institution’s Strengths and Weaknesses, given external Opportunities and Threats. Reserve 50 percent of the allotted time (typically one to two hours) for small-group brainstorming, then 25 percent for reporting back to the entire group.

The final 25 percent is for debating and assigning SWOTs into a Priority Matrix, based on Impact (the relative importance of the SWOTs item) and Steering Potential (institutional ability to influence trendlines). There’s no need (or time) to fully answer the questions teed up by matrix, but they should inform allocation of strategy team efforts downstream—does our ultimate strategy and strategic planning have believable answers?



Making Assumptions About the Future Explicit (cont.)

SWOTs Priority Matrix and Scenario Change Reprioritization Plans

Scenario Change Reprioritization Plans

A final foundational activity is to develop 3 to 4 alternative, high-level scenarios describing paths the external market might take over the next 3 to 5 years should key uncertainties play out differently, itemizing initiatives to Start, Cut, or Adapt in response. A handful of larger research universities with mature strategic planning processes were doing this prior to the COVID-19 pandemic; today, regional public and private institutions are following suit for pandemic recovery planning.

As with **Future Visioning Workshops**, the goal of **Scenario Change Reprioritization Plans** isn't to make elegantly detailed forecasts but instead to think systematically about market inflection points and the responses they require. Start, Cut, Adapt lists help overcome cultural barriers to action ("stay the course syndrome" and sunk-cost fallacies especially) and save leadership time by pre-litigating some decisions rather than revisiting them from the beginning.

Best-Case Scenario: A Passing Storm

With the pandemic largely behind us, higher ed will revert largely to a pre-COVID competitive environment

Scenario #1



New Labor Market

Context

- Employers engage in voracious hiring for hot skills, bypassing BAs
- College participation drops as students opt for microcredentials
- Spike in adult learner demand for reskilling

Reprioritization Plan

Start: Employer curriculum and hiring partnerships

Stop: Online master's program launch

Adapt: Career services

Scenario #2



Exploding Academic Calendar

Context

- Waves of COVID-19 variants cause frequent closures
- Students, faculty, and staff expect on-demand remote options
- Pressure to accommodate internships and leaves of absence

Reprioritization Plan

Start: Nontraditional calendars for high-demand majors

Stop: Traditional summer and intersession programs

Adapt: "Digital Divide" equity support services

Scenario #3



Rapid Consolidation

Context

- Online mega-universities and community colleges attract price-conscious students
- State system consolidation
- Private institution mergers and closures

Reprioritization Plan

Start: Identifying potential merger partners

Stop: Construction projects

Adapt: Explore outsourcing noncore administrative functions

The Payoff

Faster Time to Response, Greater Leadership Team Buy-In

Investing time up front building the elements of Dynamic External Market Scenarios pays off many times over later on. The explicit, hardwired assumptions with pivot signposts in the Market Force Dashboard save time identifying when course corrections are needed. Triaged SWOTs priorities ensure the strategy team is focused on addressing the most important opportunities and threats, resisting laundry-list planning. Scenario-Based Reprioritization Plans accelerate decision-making about where to reallocate resources when conditions change. For many, the rigor and time savings enabled by the complementary processes are worth the effort.

Another equally valuable benefit of maintaining an explicit, adaptable lens on external forces is leadership buy-in. Many institutions tell EAB that the process of building the scenarios created an unprecedented single view of the market shared among academic and business leaders, essential for speeding consensus-based decisioning in the fast-changing pandemic reopening. Likewise, the models are valuable leadership development and onboarding tools. They encapsulate the institution’s beliefs about the competitive environment and the logic behind existing strategy choices about where to compete (and not), greatly reducing the time and effort needed to educate early-career leaders or onboard newcomers to cabinet or dean roles.



Dynamic Strategy Self-Assessment

How Confident Are Your Strategy’s Foundational Assumptions, Given COVID-Driven Disruptions?

	Not Confident	Somewhat Confident	Highly Confident
1. We have metrics and explicit medium-term assumptions for key external market forces	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Academic and business leaders understand our metrics for external market forces and agree on our assumptions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. We define “signposts” that identify deviation from assumptions requiring strategy adjustment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. We assess the impact of technology, social, and policy disruptions on our competitive position	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. We triage SWOTs into “Focus Here” and “Selectively Invest” tiers to avoid priority creep	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. We have ~3 medium-term future scenarios and identify initiatives to <i>Start, Stop, and Adapt</i> when new scenarios emerge	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



Differentiating Your Student Value Proposition

Mapping Institutional Strengths to Student Benefits, in Students' Language

PART

2



- 1** Many higher education strategic plans are inwardly focused and undifferentiated, asserting high-level aspirations that are obliquely linked to students' top-of-mind needs and hard to distinguish from peer claims. Strategy teams shouldn't count on plan-writing alone to answer the essential, too-often-overlooked question of differentiation: *Why would a student choose us over competitors?*
- 2** The technique of *Student Value Proposition Mapping* corrects this "product-first" bias by reframing institutional programs, services, and perceived strengths in terms of practical and social/emotional benefits to students, described in students' language. This approach guards against the tendency to mistake excellence—what the institution does well or has invested in—with relevance to target student groups.
- 3** Done right, Student Value Proposition Mapping results in an approach to differentiation that is *Relevant* (what we do matters to identified student groups), *Distinctive* (we have unique approaches or assets that deliver benefits at higher quality or lower price than competitors), *Widely Experienced* (the vast majority of our students participate), and *Provable* (in outcomes data or testimonials).
- 4** Stress-testing differentiation with current students, early-career faculty, and frontline staff is a win-win opportunity for strategy teams to make stakeholders feel meaningfully engaged, while advancing (not diluting) strategic focus. Younger perspectives on institutional differentiators frequently discover untapped strengths and neglected weaknesses hidden to senior leaders biased by traditions and sunk-cost investments.

Urgency and Opportunity Abound

An Unprecedented Moment in the Need for and Advantage of Differentiation

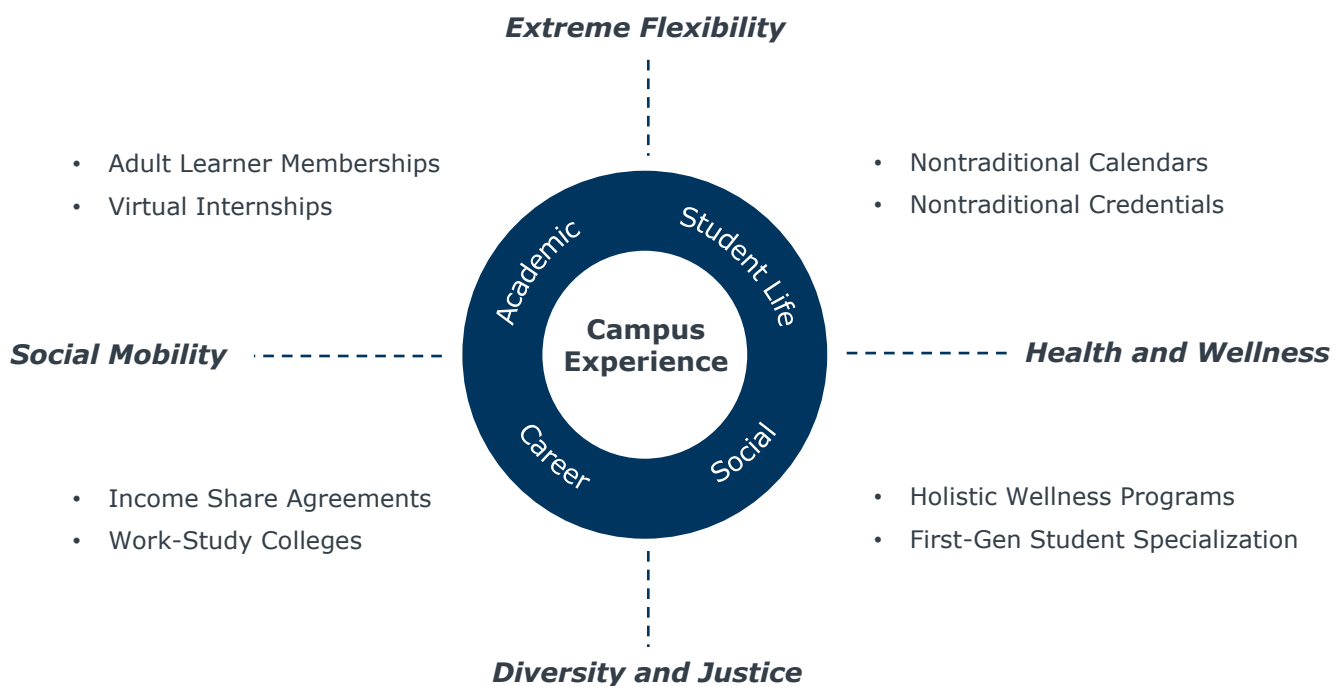
For most of the last century, higher education strategic plans emphasized “excellence” more than “differentiation,” and rightly so. University missions contained powerful differentiators such as de facto geographic monopolies, big state subsidies closely aligned with labor market needs, and (for privates) strong social and religious affiliations. Students’ expectations and their ability to travel and pay were relatively circumscribed, so the rewards and options for differentiating were comparatively low.

Secular trends, accelerated by COVID-19, are profoundly changing all that by dramatically accelerating the race for enrollment market share. Traditional competitive boundaries are blurring, as selective institutions expand down market and talent-strapped industries begin to promote nontraditional pathways to employment and advancement for high schoolers and mid-career workers. The urgency to answer differentiation’s ultimate question: “*Why would a student choose us over someone else?*” has never been higher, especially for regional institutions.

At the same time, higher ed’s sudden exposure to virtual learning and remote work has upended perceptions of the four-year residential campus experience. Across the selectivity spectrum, students are asking for more flexible options in instructional delivery and academic calendars. Mental health, diversity, and inclusion are becoming aspects of student success equal in importance to academic achievement. Student needs are becoming more specific and more varied than ever before, dramatically enlarging the competitive space in which institutions can stake out a distinctive value proposition.

This is at once exciting and daunting for strategy teams: exciting for the opportunities to innovate and differentiate, and daunting because pursuing them requires change to deeply ingrained practices.

Diversifying Needs Enlarge Range of Differentiation Strategies







Toward a Differentiated Student Value Proposition

Traditional Strategic Plans Insufficient for Competitive Clarity

Let's start by defining terms. In the post-pandemic market, EAB believes every institution needs a **Differentiated Student Value Proposition (SVP)**, by which we mean:

Unique benefits the institution provides that motivate students to enroll, complete, or stay active as alumni—the reason students choose the institutions over competitors

Differentiated SVPs Meet Four Criteria:

-  **They're relevant:** SVPs promise benefits that are valued by an identified student group, expressed in the student's own language
-  **They're difficult to replicate:** SVPs explain the institution's unique approach for delivering benefits at higher quality or lower cost than competitors, through better (and hard to copy) processes, policies, or community attributes
-  **They're widely experienced:** Most, if not all students participate and receive the benefits of the SVP, which is integrated into the core experience
-  **They're provable:** SVPs make benefits concrete through data, social-proof testimonials, and external recognition

Using these criteria, it's clear that what a differentiated SVP needs isn't what's found in the typical strategic plan. These beautifully produced documents can often be institutional "selfies." They reaffirm values and traditions, showcase areas of excellence and achievement, and tout new initiatives that will help the institutions do even better in the future. Nearly every line of every page is about why the *institution* is great, leaving the burden on students to connect how these attributes translate to a better life or advantage relative to competitors.

Toward a Differentiated Student Value Proposition

Traditional Strategic Plans Insufficient for Competitive Clarity

No matter how finely articulated or thoroughly vetted with stakeholders, strategic plans that are inwardly focused are fated to repeat three common, avoidable differentiation killers.

What Strategic Plans Emphasize →  ← **What SVPs Require**

Excellence and Tradition →  ← **Relevance to Students**



Mistaking Excellence for Relevance

Just because you're good at something or have done it for a long time doesn't guarantee it's valued by students

Continuous Improvement →  ← **Distinctiveness**



Assuming What's New for You Is Differentiating to Outsiders

Strategic initiatives that feel audacious and culture-changing to internal stakeholders might not stand out to students

Aspirational Language →  ← **Provability**



Virtuousness to the Point of Sameness

Wanting to affirm values while avoiding blowback from any corner of campus, plans invoked the same set of laudable strategic pillars (teaching quality, community engagement, student success) using the same pool of adjectives (innovative, inclusive, student-centric). SVPs that stop at aspirational slogans almost certainly won't stand out.



"I met with several other presidents I know to compare strategic plan drafts and see what we could learn from each other. Every plan said the same things, down to the words in our branding. If you covered up the logos, you couldn't tell whose plan was whose."

President, Regional Public Institution



Student Value Proposition Maps

Reframing Institutional Action in Terms of Practical and Emotional Benefits

A powerful corrective to the detrimental inward focus of strategic plans is *Student Value Proposition Mapping*, a technique from a discipline rapidly gaining prominence in private industry called design thinking. Your Business, Design, and Behavioral Economics faculty will likely have heard of it, if they're not teaching it already.¹

SVP Mapping doesn't seek to reinvent higher education from the ground up. Rather, it's an exercise in radical empathy, asking strategy teams to look past a "product-first" mindset and step into students' shoes, thoughtfully connecting academic programs and support services to students' true motivations.

Developing Student Personas: From Practical Needs to Social Status and Emotions

SVP Mapping starts by developing student personas: detailed, human portraits of students you hope to attract. Participants break into groups to brainstorm aspects of the student's life and psychology. What does she spend time on? Where does she come from? How does she think higher education will make her life better? What are her hopes and fears when enrolling in and paying for college?

Student motivations are divided into three categories—**Needs**: What the student is trying to accomplish in college or life; **Gains**: Positive outcomes and benefits to *maximize*; and **Pains**: Negative outcomes, risks, barriers to *minimize*.

The active ingredient of persona development is getting leadership to internalize the behavioral economics insight that students see benefits not just in the practical and functional but in the social and emotional as well. SVPs don't stop at **Functional Needs** (e.g., earning a credential—"I am eligible to become a nurse"). They perform important **Social Needs** (Looking good to others, elevated status—"I'm the first one in my family to go into a STEM field") and **Emotional Needs** (feeling good about oneself—"I am a good person because my training helps others"). Strategy teams often tell EAB that their biggest eye-opener in this process is getting academic and administrative leaders to see that, for many student groups, social and emotional jobs are just as important, if not more so, than functional jobs.

“

“The hardest job I had as a new president was getting faculty, trustees, and alumni donors to admit that the students we want, or once had, probably aren't the ones we're going to serve in the future. That changes how we describe ourselves to the community.”

President, Regional Private Institution

”

After brainstorming, persona-building concludes with a prioritization session, where the group ranks **Needs** from important to insignificant, **Gains** from essential to "nice to have," and **Pains** from extreme to moderate, for a consensus theory of what target students value most.

1) Many prominent academic authors and consultancies specialize in various design thinking approaches, from Clay Christensen's *Jobs to Be Done* framework to IDEO's design thinking practice in the technology industry. EAB's purpose here isn't to endorse a particular methodology or lexicon but to argue for the value of SVP Mapping's general student-centric focus and explain some of its basic concepts.

Student Value Proposition Maps (cont.)

Reframing Institutional Action in Terms of Practical and Emotional Benefits

How Many Different Student Segments Should We Develop Personas For?

Every institution will want to develop student personas for core undergraduate segments—now and in the future—to safeguard market share. Depending on staff bandwidth, many repeat the exercise for high-priority sub-segments such as underrepresented minority students, international students, adult learners, etc.

It's important to recognize that a particular segment that isn't a significant portion of overall headcount at the moment could be much larger moving forward (many institutions are specializing in particular demographics, students with learning differences, etc.). Strategy teams should allocate their available time for developing personas between today's biggest student segments (to defend enrollment market share) and future high-growth segments.

Next, Recast Institutional Capabilities as Gain Creators and Pain Relievers

With the student persona's theory of *Needs, Gains, and Pains* in place, build a complementary profile of the institution, describing core activities in three mirror-image categories: **Programs/Services:** Academic offerings and student support services, **Gain Creators:** How programs/services create practical, social and emotional benefits, and **Pain Relievers:** How programs/services alleviate bad outcomes, risks, and barriers.

After brainstorming, prioritize the importance of programs and services from core to peripheral, and gain creators and pain relievers from essential to "nice to have."

"Fit" Between Student Personas and Institutional Capabilities Gauges the Relevance of Your Value Proposition

The payoff step puts the student persona's *Needs, Gains, and Pains* side by side against the institution's *Programs/Services, Gain Creators, and Pain Relievers*. Strategy teams go through institutional capabilities one by one, validating where they relate to an important student job, essential gain, or extreme pain.

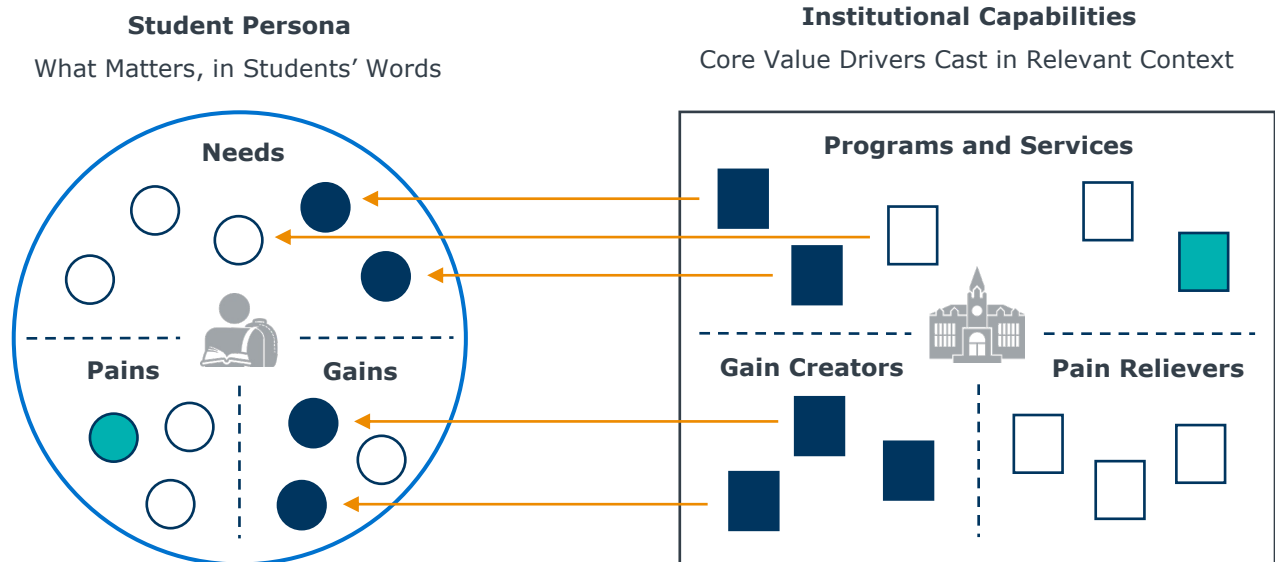
High fit: Where important institutional activities clearly map to important student motivations—these are the tentpoles for a compelling SVP.

Weak fit: Where an institutional capability doesn't obviously map to a student need or where an important student need isn't addressed by an existing institutional capability, the SVP is misaligned or outdated.

Student Value Proposition Maps (cont.)

Reframing Institutional Action in Terms of Practical and Emotional Benefits

SVP Mapping Relates What We Do to What Students Value



Establishing "Fit" in Our SVP (Illustrative)

- Our nursing and public health programs have best-in-region placement rates and high starting salaries for graduates—addressing students' concerns about ROI
- Our student and faculty diversity, along with our significant international student population (15 percent of undergrads), prepares students to navigate the modern workforce much better than competitors
- Our annual student financial counseling workshops help to alleviate common concerns and misconceptions about debt, financial aid, and money management

Why It's Worth Strategy Team Time Looking for Value Proposition Fit

- ✓ Makes link between institutional capabilities and student benefits explicit
- ✓ Validates those strengths and traditions are relevant to students
- ✓ Highlights that social and emotional needs may be more important than functional jobs
- ✓ Identifies unmet needs for innovation or remediation

Beyond Relevance to Distinctiveness and Provability

How Can We Demonstrate Distinctiveness to the Market?

SVP Mapping is an efficient and engaging technique for validating relevance, ensuring confidence that offerings and activities truly matter to students. But SVP Mapping doesn't guarantee defensibility, audience engagement, or provability, the other elements of a differentiated SVP. To accomplish this, strategy teams need to develop hypotheses about their main differentiators and stress-test them with students, faculty, and staff.

For each area of high fit between student needs and institutional capabilities, define your differentiator—your unique approach or asset that produces student benefits at higher quality or lower cost than competitors—then brainstorm potential evidence for supporting your claims.

The pass/fail bar is getting more specific than the undifferentiated claims about generic goals that make typical strategic plans so ineffectual as to be not worth doing. If you're trying to *adjective* or *catchphrase* your way to differentiation ("student-centric," "committed to excellence"), you're not telling students or internal stakeholders why you're special or how to communicate it.

Be Brave Enough to Stress-Test Your Differentiators: *Are They Specific and Provable?*

Undifferentiated Claims Standard strategic plan language	Specific Institutional Differentiators Approaches or assets that allow the institution to deliver unique benefits	Potential Support Outcomes data, social proof, external recognition
Our students go on to great careers	Because we map liberal arts to high-growth fields, our BA graduates have options in IT, business, and health care	BA graduates' starting salaries 25 percent greater than average
We're student-centric	We have innovative peer academic and mental health counseling	YouTube channel with 500+ curated student testimonials
We're inclusive	Our inclusivity focus isn't just overall representation of racial and ethnic demographics; it's affordability for first-generation students	<i>New York Times</i> article profiling financial aid education services

Three Varieties of Evidence to Support Claims

Proving Differentiation to an Increasingly Savvy Audience

Most higher ed leaders know that defining quality and cost-effectiveness in ways that satisfy faculty, legislators, and students is nigh impossible. Presidents agree only that the College Scorecard treats everyone roughly and that classics faculty would eagerly volunteer service obligation time to figure out the infernal circle to which *U.S. News* and *Times Higher Ed* rankings belong.

With no universal metrics, how can institutions prove differentiation? EAB of course has no definitive answers, but that doesn't free strategy teams from the need to signal differentiators to the market in concrete, credible ways. In reviewing hundreds of college and university strategic plans, these are the best (or *least bad*) approaches we commend to your attention:

Outcomes Data: Train the market to understand your metrics for gain-creators and pain-relievers

Within the College Scorecard or *Times Higher Ed* rubric, carve out sub-metrics that support your unique frame of student benefits, and track them yourself. One institution's Online Education Health Sciences unit determined that "upward mobility in my field" and "people respect me" were two key gain-creators for their nursing program. A social media retweet campaign when students passed milestone exams allowed them to support these claims by saying "1,000+ friends and potential employers know that you're on the market."

Social Proof: Seek a large volume of convincing testimonials crowdsourced via digital media

Student testimonials are the gold standard of social proof. Most institutions already feature testimonials from a handful of high-achieving alumni and students with compelling stories. Continue spotlighting these testimonials, but also take advantage of opportunities in the TikTok era to amass an inventory of testimonials large and varied enough that prospects can recognize SVP messages from enough people who look like them.

External Recognition: Co-brand with regional employers and social entrepreneurs

Can the institution formalize strong relationships with employers and shared values with prominent NGOs to build brand recognition as premier proving grounds for student professional and personal aspirations?

Surfacing Gaps Across Campus Constituencies

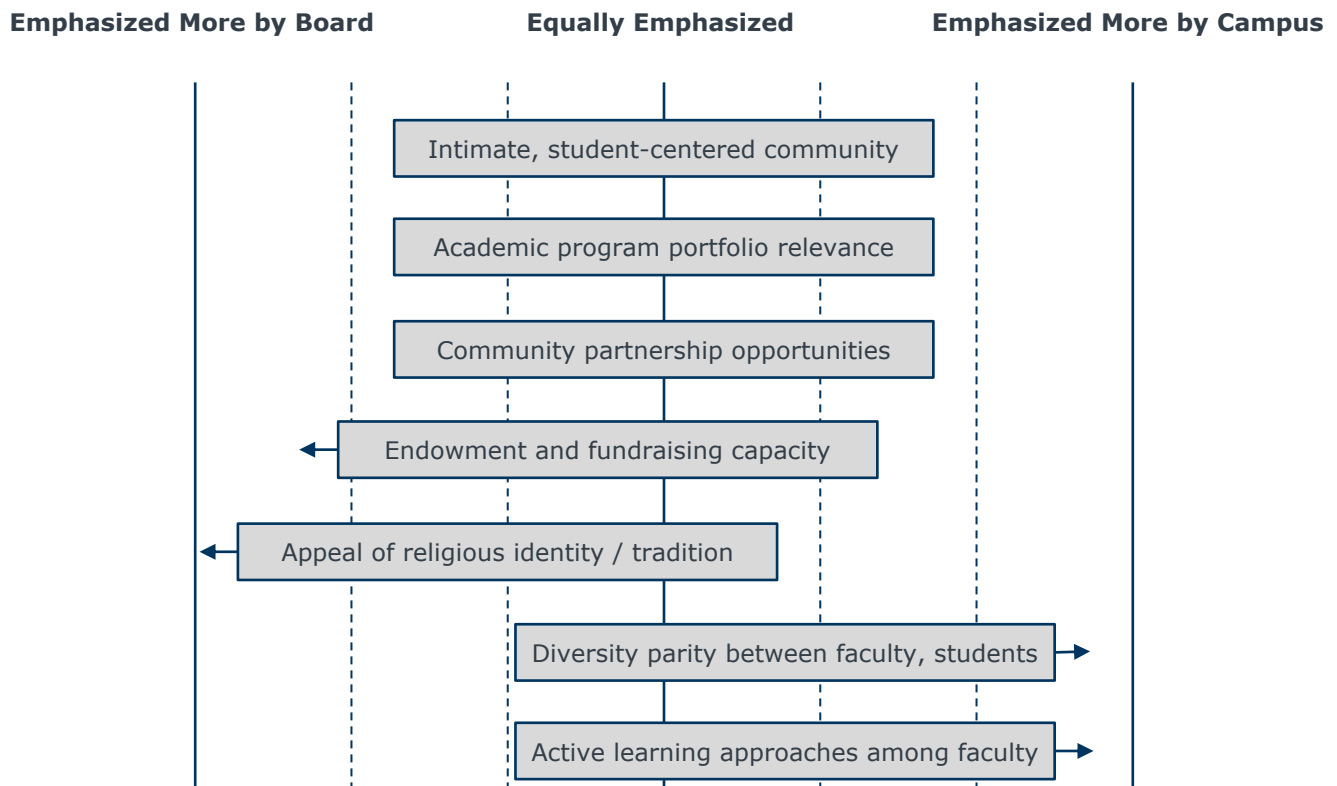
Boards, Cabinets, Faculty, Staff, and Students May Differ in Revealing Ways

Stress-Testing Your Differentiators: A prime opportunity to make campus stakeholders feel heard while advancing strategy

One of the most common questions strategy teams ask EAB is how best to involve the broader campus in strategy formation, i.e., listening in good faith to voices across campus without unproductively prolonging or diluting decision-making. Later sections in this report will address this important issue in depth. The recommendation here is that testing SVP design and differentiation is a tremendous opportunity for engaging students, early-career faculty, and frontline staff—time that’s bounded, good-faith, and productive.

Senior leaders and long-standing trustees are frankly not always the best barometers of SVPs. Biased by the effort and sunk-costs of current activities, they overestimate the number and uniqueness of institutional differentiators. In contrast, current students, early-career faculty, and frontline staff have counter-perspectives that are invaluable in stress-testing and sharpening assumptions about what’s special (and not) about the value proposition.

Several EAB partners have run SVP exercises concurrently among senior leaders and the broader campus, through focus groups or online surveys, comparing the results from “the Center” with “Front Lines.” In every case, they enjoyed triple wins: exposure of blind spots where senior SVP beliefs had drifted from current student experience, new gain-creators in student language, and buy-in from a broad range of stakeholders who felt listened to in the formative stages of planning. EAB’s advice to strategy teams: do fewer performative town halls and more SVP design input-seeking exercises.



Making Slogans More Complex and Concrete

A Model for Messaging Differentiation Claims

Does Your Institution Have Clarity and Awareness of Key SVP Differentiators?

At the end of SVP mapping and differentiator stress tests, strategy teams are in a much better position to increase the clarity of strategic messages and awareness of them across campus.

You should be able to clearly articulate the important aspects of your SVP using the template below, that one college called their "Differentiator Mad Lib."

Differentiator Mad Lib

"Our _____ helps _____ who want
program / service target student persona
to _____ by _____. We will
student need/gain/pain institutional gain creator or pain reliever
demonstrate our value by _____."
differentiator support

Crystallizing the link between student motivations and institutional activities and strengths helps the entire campus understand and amplify key SVP messages within their units and out to the market through personal and professional networks.

Persona-Building and Value Proposition Mapping Can Help Human Resources Weather the "Great Resignation" and Advancement Appeal to Donors

Like many industries, higher education is struggling to recruit and retain talent amid the "Great Resignation," or perhaps "Great Reshuffling," where employees are voluntarily leaving jobs en masse, due to the combination of economic freedom arising from stimulus payments, new options for remote work, and abiding safety concerns related to COVID-19. Many college and university HR leaders are beginning initiatives to differentiate their employment value proposition, competing for faculty and staff not just on wages but more clearly selling the emotional and social benefits of being part of the institution's community. The techniques of persona development and SVP Mapping are just as applicable and insight-generating for employees as they are for students.

Many top advancement shops are using value proposition design techniques to sharpen their appeal with different donor groups. Donor value proposition mapping can distill what the best gift officers do instinctively to tailor their approach for recent alums, wealthy alums, and foundations, for more relevance, distinctiveness, and consistency in fundraising themes.

Visit EAB's Dynamic Strategy Resource Center to Access These Resources

eab.com/DynamicStrategy



Defining a 5-10 Year Vision and SMART Performance Targets

Overcoming Cultural Barriers to Developing and Deploying Strategic Metrics

PART

3



1 SMART Target-Setting—translating high-level strategic vision into explicit objectives with time-bound measures for progress and goal-attainment—is uniquely difficult in higher education. Caution about failing to meet “Moon Shot” goals, lack of consensus about relevant metrics, and difficulty adjusting long-term targets in the face of market volatility are common barriers.

2 However, the benefits of target-setting on engagement morale and productivity are so promising that it’s worth it for institutions to look for approaches to harness goals’ potential, while minimizing cultural risks. EAB research suggests four “hacks” strategy teams can employ:

Overcoming Cultural Barriers to SMART Targets

Define Strategic Bet Risk Tolerance

Keep to Metrics That Match Your Strategic Vision Profile

Provide a Pre-validated KPI Pick List for Teams to Choose From

Uncouple Consistent Long-Term Targets from Flexible Intermediate Milestones

3 Setting these parameters for “upstream” targets is essential for “downstream” execution when scoping strategic initiative and cascading institutional priorities to unit annual plans. For data-driven institutions, SMART targets are also foundational for performance management systems.

Translating Target-Setting Theory into Practice

SMART Targets Challenging to Adopt in Higher Education Context

After defining a differentiated *Student Value Proposition* explaining why students, granting agencies, donors, and staff would choose the institution over competitors, the next step in strategy clarification is visioning and target-setting.

Visioning is the qualitative exercise that asks how the institution's unique approach and attributes, if successfully deployed over time, improve students' lives, regional communities, and social problems. How is the world a better place because of us, in 5 to 10 years? Visioning exercises are intellectually stimulating and affirming, and strategy teams generally perform them energetically and inclusively, involving many campus stakeholders. Most presidents are adept at painting vivid, compelling visions to boards, potential donors, and EAB researchers.

At many institutions, however, target-setting is a different story. Target-setting attempts to express the strategic vision in terms of explicit objectives, with time-bound metrics for progress and goal-attainment. Target-setting ought to answer questions such as these: How much bigger or better do we want to get, by when? Are we aiming for an audacious "Moon Shot" or something more immediately attainable? How will we know if we've succeeded?

A consulting cottage industry about target-setting theory exists, generating library shelves of literature on methodologies like the *Balanced Scorecard*, *Hoshin Kanri*, and *Management by Objective*. Many goal-setting acronyms have gained name recognition, such as SMART targets (Specific, Measurable, Achievable, Relevant, Time-Bound), FAST (Frequent discussion, Ambitious, Specific, Transparent), and OKRs (Objectives and Key Results)—if you amassed all their letters, you'd be competitive in Wordle and invincible in Scrabble. We have included a bibliography of some of the best books and articles for those wanting to go deeper.

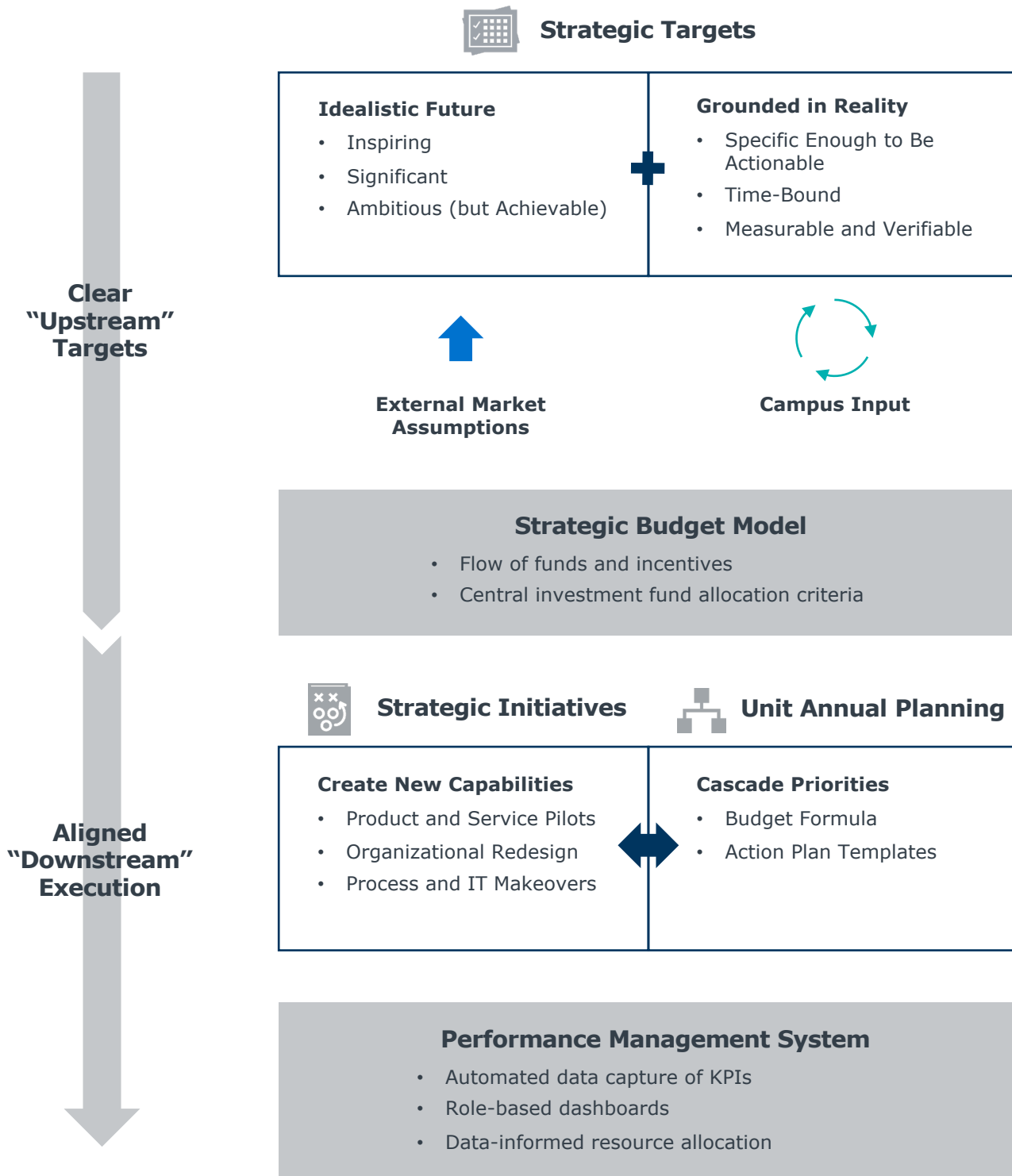
Though these approaches differ in points of emphasis, they agree broadly that effective targets combine inspiring elements appealing to the heart, with practical elements to focus the administrative mind. "Upstream" targets set parameters that are essential for "downstream" execution when scoping strategic initiatives and cascading institutional priorities to unit-level improvement plans. For highly data-driven institutions, upstream targets are an irreplaceable foundation for performance management systems.

A Framework for Target-Setting and Execution

Upstream Goal Development Steers Organizational and Operational Efforts

2,000 Pages of Target-Setting Literature in One Graphic

Effective Upstream Targets Are Essential for Downstream Alignment and Execution



Translating Target-Setting Theory into Practice (cont.)

SMART Targets Challenging to Adopt in Higher Education Context

Though the value of SMART targets would appear self-evident, EAB's work with partners shows how culturally complex answering target-setting questions—or even posing them publicly—can be. Some of the most commonly voiced concerns include:

"We Don't Want to Set Targets We Might Not Hit": Some presidents worry that no amount of contextualization with trustees, faculty, or alumni can de-stigmatize missed public targets, regardless of how much progress was accomplished in their pursuit.

"We Can't Mix Messages About the Need for Execution": Some presidents see cognitive dissonance between long-term visions and immediate challenges and worry that engaging too many stakeholders, for too long, about aspirational Moon Shots might downplay urgency for earthbound execution.

"We Don't Want to Lose Consensus on Broad Priorities over Disagreements About How to Measure Them": Diversity and Inclusion, Community Engagement, Student Centricity, Wellness—these are some of the increasingly common strategy "pillars" arising in university plans that don't come with well-established metrics. This presents strategy teams with three unenviable options:

- Campus debate on strategic KPIs that will certainly take up time and possibly reignite cultural divisions
- Centrally selected KPIs that risk the perception of targets being dictated top-down
- Strategy vision left undefined, open to widely different interpretations about what they mean and what constitutes progress







"Investing Time in Targets Feels Futile Because Things Change So Fast": Particularly while higher education fully reopens from the pandemic and the next normal emerges, some presidents can't justify asking busy staff to develop, much less commit to, strategic targets.

Translating Target-Setting Theory into Practice (cont.)

SMART Targets Challenging to Adopt in Higher Education Context

How Can We Harness SMART Targets' Benefits While Defusing Their Cultural Risks?

All the concerns and obstacles above are valid. Nonetheless, the weight of 500+ academic studies over the past 50 years and dozens of EAB partner testimonials are so encouraging about the potential for effective target-setting to inflect morale and productivity that it's unclear whether institutions can afford not to try them in some form.

Positive Things Happen When Organizations Set SMART Targets	Negative Tendencies Set In When Goals Stay Undefined
 Reducing the number of targets and assigning metrics moves individuals and teams from the 50th to 88th percentile of performance	 At organizations without targets, only 23% of managers and 7% of frontline employees understand strategic goals
 Applying SMART targets over 18 months increases chances of advancing to next performance quartile by 11.5%	 Only 21% of employees align individual efforts with institutional priorities without cascading targets
 Employees at organizations setting SMART targets are 3.6x more committed and 6.5x more likely to recommend as a great place to work	 Teams with "do your best" goals set excessively conservative annual plan targets, 66% lower than teams with explicit institutional targets

Sources: Pritchard, R. D., Harrell, M. M., DiazGranados, D., and Guzman, M. J. (2008). The productivity measurement and enhancement system: A meta-analysis. *Journal of Applied Psychology*, 93(3), 540–567; MIT Sloan Management Review, ["The Strategic Agility Project"](#); Latham & Locke, *A Theory of Goal Setting & Task Performance* (1990); *Goal Setting: A Motivational Technique That Works!* (1984).

In Search of "Hacks" to Bypass Barriers to Deploying SMART Targets

The good news is that there is a broad middle path—a set of hacks for strategy teams—that harnesses the potential of target-setting while defusing cultural obstacles. EAB recommends four approaches to this stage of strategy formation:

Cultural Barrier	→	Hacks for Deploying SMART Targets
<i>Fear of Missing Targets</i>	→	Define Strategic Bet Risk Tolerance
<i>Balancing Aspiration and Execution</i>	→	Keep to Metrics That Match Your Strategic Vision Profile
<i>No Consensus on KPIs</i>	→	Provide Pre-validated KPI Pick List for Teams
<i>Things Change Too Fast</i>	→	Uncouple Consistent Long-Term Targets from Flexible Intermediate Milestones

Defining Strategic Bet Risk Tolerance

Hack #1

Terms such as “Moon Shots,” “Stretch Targets,” and “BHAGs” appear frequently in strategy literature. They valorize setting goals so audacious that teams have no idea how to achieve them with current resources and practices, thus requiring game-changing innovation. You’re likely familiar with Hall of Fame examples such as President Kennedy’s directive to NASA that coined the phrase “Moon Shot,” Apple’s goal of personal computers on every desk, or Southwest Airlines competing with the automobile by challenging staff to figure out how to turn around flights in under 10 minutes.

These examples are famous precisely because they’re so rare—attempts to reach most truly audacious goals should and do fail. Yet, the perception exists that, if one is to set strategic targets at all, anything less than a Moon Shot is unworthy. It’s easy to see why university presidents can feel trapped—*if you set a target, it needs to be audacious; if it’s audacious, there’s a chance it might fail; if it fails, well, you’re a failure.*

Define Audacious Targets Within the Constraints of Your Situation

This mindset is both inaccurate and counterproductive for strategy teams. As elegantly summarized in the article “The Stretch Goal Paradox”,¹ instead of defaulting to Moon Shot targets or settling for no defined targets at all, the better middle path is to conduct a short, qualitative exercise to set boundaries about the size and risk of your strategic bets.

This simple exercise asks you to plot where your institution lies on two dimensions:

Investable Resource Availability: While no institution would admit to having slack resources, some are in a position to invest in bigger and longer-term efforts, while others can’t look so far ahead. Would you honestly describe your investable resources as *Available (+)* or at the other end of the spectrum, *Committed (-)*?

Recent Performance: Is the institution in a strong performance position—meeting or exceeding basic quality and financial measures? Or are things unstable, straining resources and confidence?

Your location in the *Resource Availability / Recent Performance* matrix helps set general boundaries for the risk profile of your strategic bets and SMART targets. You can signal to teams in charge of scoping strategic initiatives, academic units, and administrative functions how big their strategic proposals ought to be, what time frames they should strive for, and what rates of success and “learning failure” to expect.

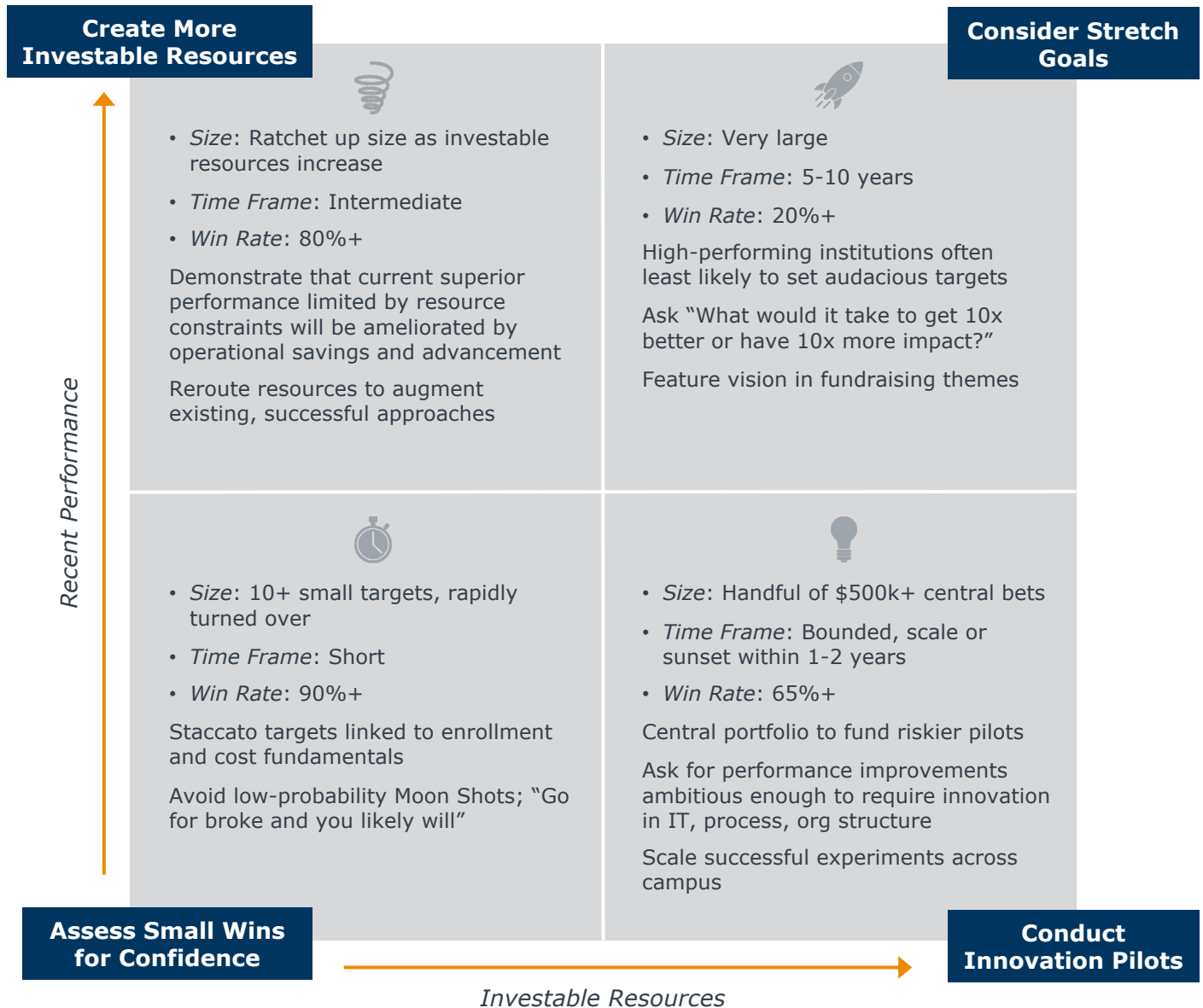
1) “The Stretch Goal Paradox,” Sam B. Sitkin, C. Chet Miller, and Kelly E. See, *Harvard Business Review*, 2017.

Resource Availability / Recent Performance Matrix

Hack #1 (cont.)

Use the matrix guide below to discuss allocation of resources, target setting, and calibrating aspirations for each of the "big bets" under consideration by your team.

Resource Availability / Recent Performance Matrix



Keep to Metrics Matching Your Strategic Vision Profile

Hack #2

In the course of supporting scores of university strategic planning efforts, EAB has developed an informal typology of strategic vision profiles. Based on factors such as financial stability, geographic scope, and the importance of state performance scorecards and academic rankings, institutions tend to cluster along a spectrum of recurring strategic vision categories, each of which carries a distinct, optimal approach for developing the most relevant kinds of metrics.

Don't take these profiles too literally or seriously. They're reductionistic and nonjudgmental—no profile is intrinsically better than any other, though some are more prosaic and others aspirational.

We point them out because understanding which profile best matches your aims can help overcome the barrier to target-setting that arises when there's no campus consensus on the best measures of progress and goal attainment. On the following pages, we'll briefly outline eight strategic vision profiles, as well as their imperatives for where to focus your strategy team time defining relevant, forward-looking metrics.

Running to Stay in Place

Vision: Maintain / improve the core amid declining external environment

These institutions seek to restore stability or maintain performance amid challenging competition, funding climates, or campus controversies.



Turnaround Story

Illustrative Presidential Goals:

- *"Restore financial sustainability"*
- *"Heal a culturally divided campus"*



Proud Continuous Improvement Steward

Illustrative Presidential Goals:

- *"Preserve and enhance success / access / affordability"*
- *"Excel on state system performance scorecards"*

Target-Setting Imperative: Build Targets Around Lead-Indicator Drivers of Lagging KPIs

- For these profiles, key output metrics are well understood (enrollments, net tuition, 6-year graduation rate, etc); however, they are lagging indicators
- Strategy team target-setting should focus on developing metrics for the leading indicator drivers of the familiar outputs
- Final goals combine longer-term targets for the ultimate output metric with intermediate targets for input activities needed to reach the end goals

Keep to Metrics that Match Your Strategic Vision Profile

Hack #2 (cont.)

Steady Rankings Climber

Vision: Ascend traditional, publicly recognized academic and research rankings

These institutions aspire to greater regional, peer-group, or ultimately national recognition in industry standard rankings.



Academic Rankings

Illustrative Presidential Goals:

- "Top-ranked liberal arts college in Plains states"
- "Top 100 in US News & World Report"



Research Rankings

Illustrative Presidential Goals:

- "We want \$XXM in expenditures by Year YYYY"
- "R3 → R2 → R1"

Target-Setting Imperative: Reverse-Engineer Formula Dial-Movers

- Rankings output metrics are externally defined and well known; the task for the strategy team is to identify institutional dial-movers
- Estimate additional activity needed to achieve desired rankings target and new resources (faculty lines, research facilities), as well as new revenues, productivity gains, or cost savings to fund them
- Develop SMART targets combining expanding resources and output activity metrics that ultimately climb rankings
- Anticipate rankings ratchet effects—more activity might be needed in out years to rank "top in peer group" or "go from R3 → R2 → R1." Teams need to regularly confirm which activity / quality standards correspond with the stated vision target.

Step-Function Scale or Specialization

Vision: Rapid enrollment expansion or national brand recognition

These institutions seek to exploit an existing strength to become much bigger or provably better, typically by aggressive online enrollment expansion or doubling down on niche service of an emerging, high-value student group.



Rapid Enrollment Growth

Illustrative Presidential Goals:

- "We'll have branch locations in every county in our state"
- "We'll become the biggest Catholic institution in the country through online learning"

Target-Setting Imperative: Size the Potential Market

- Metrics currencies are already established; what's unclear is the upper limits of growth
- Teams should pose resource constraint queries and set SMART targets accordingly:
 - "How big could we get with \$XM to invest?"
 - "How many \$XM do we need to raise to get to Y size?"

Keep to Metrics that Match Your Strategic Vision Profile

Hack #2 (cont.)

Step-Function Scale or Specialization (continued)

Emerging Segment Leader

Illustrative Presidential Goals:

- "We'll be the East Coast's biggest Hispanic-Serving Institution (HSI)"
- "We're the national destination for students with learning disabilities"

Target-Setting Imperative: Connect Niche Input Metrics to Established Outcomes

- Establish the link between the "special sauce" services and recognized student outcomes
- Excellent opportunity for starting longitudinal IR or academic research efforts about target student needs and differential impacts of unique support services

New Category Creators

Vision: Achieve ethical, quality, or price breakthroughs utterly different in kind or degree from standard industry practice

These institutions starkly diverge from the status quo and need to popularize new metric currencies, demonstrate order-of-magnitude performance advantages over industry norms, or both.



Values Pioneer

Established institution elevating a value to become central to identity or strategy

Illustrative Presidential Goals:

- "We will be our region's linchpin for zero carbon"
- "We'll become the county's premier anti-racist research university"

Target-Setting Imperative: Define and Exemplify As-Yet Unestablished KPIs

- Institution must invent or embrace nontraditional metrics capturing the input activities and output benefits of their ethical value when deployed at scale in the real world
- Tremendous opportunity to burnish brand by helping define de facto standards for ascendant values ("This is what 'holistic wellness' should mean")
- Legitimate concerns about first-mover disadvantages and honest differences of opinion on campus ("How does one even measure 'inclusiveness' in a rigorous way?")



Disruptive Business Model

Nontraditional institutions or new units within incumbents featuring dramatically different delivery, credentialing, and pricing features

Illustrative Presidential Goals:

- *Low-Cost, Anytime, Anywhere: Micro-credential hot skills bootcamps (Coursera)*
- *Lifelong Learning: Subscriptions, micro-credentials, job placement (Northeastern)*
- *Online Cosmopolitan School: Global, selective, online, multi-site study abroad (Minerva)*

Target-Setting Imperative: Quality or Price 10x Better than Status Quo Standard

- Don't set "Marginally Better" targets that won't transform student *value-for-money* equation
- Nontraditional disruptors should promise order-of-magnitude improvements in cost or perceived value

Provide Pre-validated Metric Pick List for Teams

Hack #3

Another way strategy teams can overcome SMART target barriers is to accelerate consensus-building by letting teams choose from among a pool of vetted metrics. Busy staff can divert effort researching new KPIs from scratch to debating how high to set performance improvement targets, over what time frame.

As a labor-saving resource for partners, EAB has compiled a performance target compendium of strategic metrics used in 200+ strategic plans and leadership dashboards by colleges and universities in North America and the UK, organized into the most common strategic themes. You and your teams can access the compendium at eab.com/DynamicStrategy and contact your Strategic Leader to explore how EAB can support target-setting activities through facilitated exercise and expert consultations.

Pick List Metrics Distilled from 200+ Strategic Plans to Give Target-Setting Efforts a Running Start

Enrollment and Admissions	
Type	Metric
Core Performance	Total enrollment
	• Undergraduate
	• Graduate
	• International
	Number of actionable applications (across segments)
	Number of waitlisted applications
	Yield target
	Number of admitted transfer students
	Total acceptance rate
	• By zip code
• By sociodemographic measures (e.g., race, gender, class)	
• By degree	
Growth targets by student segments	
Market share among area high school students	
Net tuition revenue per student	
Class Demographics	Summer melt rates for undergraduate, graduate, transfer and international students
	GPA on high school core courses, entering first-year students
	ACT/SAT scores, entering first year students
	Percentage of students who come from top 10% of their graduating class
	Admitted graduate student test scores (mean, median, range)
Inquiry Conversion	Total number of inquiries
	Inquiry-to-application ratio
	Application-to-enrollment ratio
	Web engagement data (i.e., social media, YouTube views)
	Search engine optimization data
Efficiency	Marketing cost per student
	Number of applications processed per staff member
	Amount of staff time per application

Key Metrics to Measure Performance in 10 Core Terrains

- Enrollment and Admissions
- Finances
- Diversity, Equity, Inclusion, and Justice
- Student Success
- Academic Excellence
- Research
- Faculty and Staff
- Community Impact
- Advancement
- Sustainability

Uncouple Long-Term and Near-Term Targets

Hack #4

The last barrier to implementing SMART targets that EAB often encounters is the sense of futility about investing time on goals when the external environment is changing so quickly. Today’s objectives will look off-key after tomorrow’s headlines, or so this thinking goes.

To be sure, no strategic plan or GANTT chart survives the first brush with reality. But private sector organizations and increasingly action-oriented philanthropies such as the Gates Foundation and Bono’s ONE Campaign are breaking the compromise between consistency and adaptability by uncoupling long-term targets from intermediate milestones and key results.

Using this approach, strategy teams define a qualitative vision aligned with its main differentiators, expressed in long-term, time-bound targets, ambitious enough to stimulate the “productive discomfort” conducive to innovation. These stay consistent over multiple years.

They inform, but are uncoupled from, intermediate milestones and results, which are owned by strategic initiative stewards, administrative functions, academic units, or anyone accountable for shorter-term tangible progress. Some institutions revisit these milestones as often as once per term, to see if the external climate has changed or if internal assumptions about progress potential were inaccurate. If so, milestones and results for the next intermediate cycle are rotated in.

The best learning organizations use target-setting as a way to test hypotheses. Set a key objective with an intermediate result based on best guesses about what’s possible. If you don’t hit the milestones, learn why, and apply lessons to the next intermediate-term milestone. Over many consecutive cycles, the relationships between activities and capabilities and different levels of results become clearer and come into focus, helping to inform the resources and scope needed to meet multiyear, ambitious strategic targets.

Strategy teams should set expectation that SMART targets will remain directionally consistent but course-correct on short-term milestones. This approach enables the dual benefit of enfranchising staff in target-setting with all ensuing motivational benefits as well as creating a data-driven feedback loop on the relationship between resource inputs and strategic outcomes.

Qualitative Strategic Vision	Ambitious Long-Term Target	Intermediate Milestones and Results
<p><u>Institutional Differentiator</u> We will be the premier institution for integrating the classroom and the real world</p>	<p><u>Metrics for Goal Attainment</u> By 2030, 80% of students will complete an internship or experiential learning activity</p>	<p><u>Fall 2022 Key Results</u></p> <ul style="list-style-type: none"> • 1,000 students in co-ops • 20 new employer partners in state • 5 majors revised for experiential programming

Higher-level direction and desired target stay consistent

Term-by-term objectives revised if external conditions change or internal assumptions about progress prove incorrect

Selected Bibliography on Strategic Target Setting

Key Readings on Methodologies and Higher Education Case Studies

There is a consulting cottage industry devoted to goals and performance management: Balanced Scorecards, Management by Objective, OKRs, Kaizen, BHAGs, and the acronym used in this white paper to stand for strategic target-setting generally: SMART targets. EAB believes that, though these approaches differ in detail and emphasis, they agree on the broad elements of well-constructed strategic targets and their impact on organizational engagement and productivity.

For EAB partners who want to run deeper on methodological nuances, below is a selected bibliography of excellent books and articles. We've provided links to resources in the public domain.

Landmark/Current Books on Target-Setting and Performance Management Theory

Measure What Matters: How Google, Bono and the Gates Foundation Rock the World with OKRs. John Doerr, 2018. ISBN: 9780525536239

The Long Game: How to Be a Long-Term Thinker in a Short-Term World. Dorie Clark, 2021. 9781647820572

The Hard Things about Hard Things: Building a Business When There Are No Easy Answers. Ben Horowitz, 2014. ISBN: 9780062273208

Articles Specifically About Overcoming Cultural Barriers to Target-Setting

"The Stretch Goal Paradox: Audacious targets are widely misunderstood—and widely misused." Sim, Sitkin, Chet Miller, Kelly See. *Harvard Business Review*, Jan/Feb 2017.

"With Goals, FAST Beats SMART." Donald and Charles Sull. *MIT Sloan Management Review*, June 2018.

"The Performance Management Revolution: The Focus Is Shifting from Accountability to Learning." Peter Capelli, Anna Tavis. *Harvard Business Review*, October 2106.

"Application of the Balanced Scorecard in Higher Education: Opportunities and Challenges." Cindy Brown. *Society for College and University Planning*, July 2012.

Visit EAB's Dynamic Strategy Resource Center to Access These Resources

eab.com/DynamicStrategy



Prioritizing Strategic Imperatives

Distilling Broad Strategic Goals into Concrete Guidelines

PART

4



- 1** To pivot from strategy formation to strategy execution, it's incumbent upon central strategy teams to prioritize a set of strategic imperatives, providing concrete guidance about the nature of action steps to be taken to pursue strategic goals and why the steps matter. Well-crafted imperatives are essential for focusing the efforts of working groups tasked with downstream project scoping and providing context to help academic and administrative leaders align unit annual improvement plans with institutional priorities.
- 2** When strategic imperatives and their corresponding objectives and actions prove ineffective, it's often the result of excess consensus-seeking: the institution designates too many projects as "strategic," thus diluting prioritization signals, or uses aspirational and abstract language that's hard to interpret.
- 3** When crafting strategic imperatives, strategy teams should keep these recommendations in mind:

Key Considerations for Crafting Strategic Imperatives:

- Keep the number manageable, ideally seven or fewer
- Explain imperatives using concise, precise sentences (not in generic or slogan terms)
- Balance imperatives among goals relating to market position, resources/capabilities, and stakeholder value
- Balance a forward-looking focus on innovation and new markets with support of the current business model

Prioritizing Strategic Imperatives

How Strategy Teams Provide Guardrails for Downstream Execution Work

Prioritizing a short list of **strategic imperatives** is the last step in strategy formation, before the work of strategy implementation begins. By this point, the central strategy team has already put in place several key foundations of effective strategy:

- **External market scenarios** that make explicit assumptions about the importance and rate of approach of outside financial, social, and competitive forces and the opportunities and risks they bring
- A **differentiated value proposition** that defines the institution's genuinely distinctive attributes and that meets the needs of students, research funders, and staff better than competitors can
- A **vision and SMART targets** that describe the institution's desired to-be state—how it might grow in impact and prestige if differentiated strengths are applied over time at scale, with time-bound metrics of progress and goal achievement

Strategic imperatives are the set of large-scale actions that the institution can pursue that bridge near-term current state performance and long-term vision targets. They're not just the campaign slogans of unrelated projects. Collectively, imperative descriptions tell a story about what big steps are needed to execute the overarching strategy and why each step is important in ways that are understandable and galvanizing for the entire campus. They provide important guidelines about what's most important among the hundreds of worthy projects going on across campus and how ambitious and innovative the initiatives must be to pursue dial-moving change.

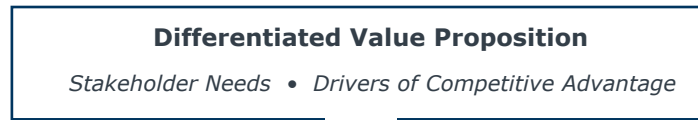
Bridging Current and Desired Future States

Well-Crafted Imperatives Are the Keys to Attaining Strategic Goals

1 If assumptions about the external market hold...



2 ...and the value proposition is clearly differentiated...



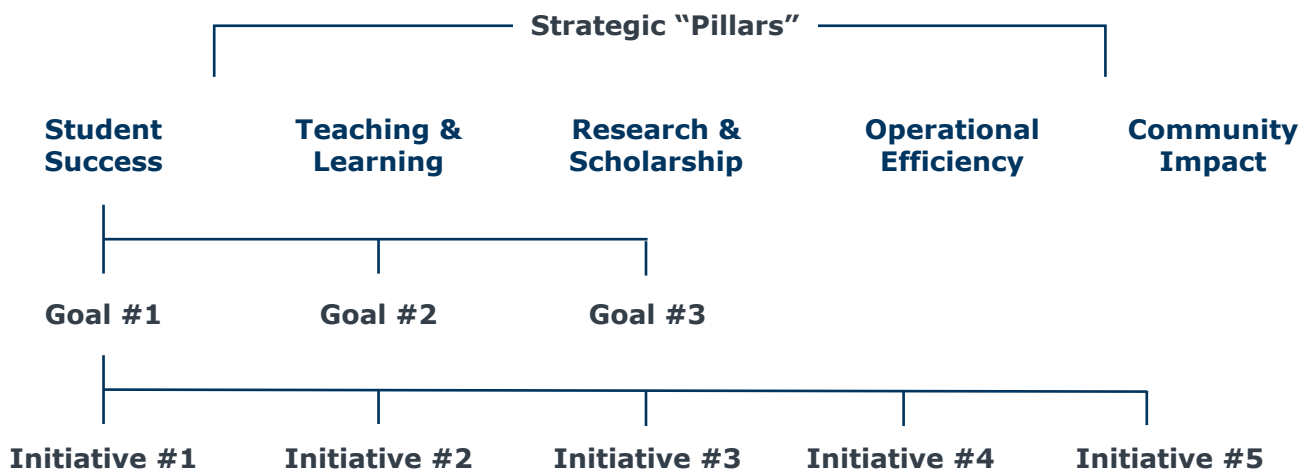
3 ...then **Strategic Imperatives** will take us from current to target state

Key Considerations for Crafting Strategic Imperatives

Defining Our Terms and Aims

From Pillars and Themes to Strategic Imperatives

Many strategic plans in higher education are organized by *topic, pillar, or theme* at the highest level, often with categorical labels common to most institutions, such as “student success,” “teaching and learning,” “research,” and “community impact.” Below these categories often lie three to five *goals* and/or a series of *action steps* or *initiatives* mapped to each goal intended to assign ownership and explicit operational expectations within the institution. See below for a common performance scorecard framework cascading from the categorical “pillar” altitude.



Organizing institutional strategy around categorical “pillars” encourages *institutional description* rather than *transformation* and *comprehensiveness* over *prioritization*. Strategy teams end up with lengthy lists of initiatives and action items (sometimes in the hundreds) across all categories, with no clear animating principle for determining the relative importance of any one item.

While common “pillar” topics and language play an important role in organizing in one document the fundamental work of the institution for all stakeholders to see (and see themselves in), the resulting language typically serves primarily as a public “**Declaration of Values**” rather than a true strategic plan. In this format, the institution has cataloged and described its foundational commitments, and mapped those commitments to the units, investments, and core operating metrics associated with each topic.

Institutions embracing *Dynamic Strategy* may publish a comprehensive public plan broadly matching the value-based structure described above, but the majority of board, cabinet, and strategy team time and effort is spent on the prioritization of **strategic imperatives**—a short list of no more than seven critical actions that will allow the institution to move from current state to its defined destination as envisioned in the previous stages of strategy formation.

These imperatives can and should include the concrete goals, key performance indicators, initiatives / action steps, and owners that traditional strategic plans (or their appendices) often detail; however, by organizing those execution-focused considerations under carefully crafted imperatives or priorities rather than generic categories, leaders will find the implementation stages of strategy far easier to design and explain to the campus community.

Key Considerations for Crafting Strategic Imperatives

Defining Our Terms and Aims

Whatever label you use to identify the small number of high-altitude ideas in your strategic plan, strategy teams can maximize their cultural and executional impact by attending to a few essential *Dos* and *Don'ts* in their design.

Keep the Number of Strategic Imperatives Manageable

Do: Limit the number of imperatives to no more than 5 to 7

Don't: Designate too many projects as "strategic"

The private industry strategic planning adage "too many priorities means you have no priorities" is empirically reflected in a study conducted by MIT Sloan that analyzed the S&P 500's strategic plans, which revealed that 81 percent of organizations maintained five or fewer priorities, with the majority maintaining between three and five.

The reason for keeping imperatives few in number is clarity. Long laundry lists are difficult for stakeholders to remember and communicate and suggest that the central strategy team hasn't made hard strategy choices and resource trade-offs.

Some higher education institutions are tempted to designate many priorities (in some cases 30+) as "strategic," with the best intentions of motivating and recognizing good work across diverse stakeholder groups. There are always hundreds of valuable projects underway across campus: financial, academic, operational, HR. Ultimately, we caution against conferring "strategic" status to too many of them, as an unwieldy list tends to dilute the signal of what actions are truly important to enact strategy. Finding other currencies to recognize valuable projects that don't quite meet the bar of an institution-wide strategic priority is the better approach.

Explain Strategic Imperatives in Concise, Precise Sentences

Do: Explain what the imperative is, and why it's important

Don't: Use language so abstract that goals and action steps remain unclear

The temptation to describe strategic imperatives using high-level language is understandable: it's easier to gain consensus for abstractly aspirational language (who could object to becoming more "student-centered"?) and doesn't commit leadership to any particular course of action. But vaguely worded imperatives on "perennial" aspirations won't accomplish the goal of signaling critical guidance about what's important for the institution's competitive future and what kinds of action steps will be favored going forward.

As a self-check, consider using the "Mad Lib" template below to ensure your strategic imperatives are concrete enough that stakeholders understand what they mean and why they matter.

Key Considerations for Prioritizing Strategic Initiatives

Precision and Conceptual Balance

“Mad Lib” for Drafting Concise, Precise Strategic Imperatives

“We will [concise description of aspiration] by [relatively concrete action steps] in order to [why the initiative is important to mission or institutional competitiveness].”

Vague Strategic Imperative Language

Connect to the Community



Concise and Precise Imperatives

We will deeply engage with our home city by expanding distinctive community-based learning and research programs, to build students’ service ethic and invigorate the local economy

Enhance Educational Excellence



We will enhance educational excellence by innovative interdisciplinarity in the curriculum, teaching, and scholarship, in order to ensure that students combine deep mastery in their chosen fields and top-notch analytical and communication skills

Pursue Financial Sustainability



We will enhance financial sustainability by diversifying revenue sources through lifelong learner academic programs and administrative cost savings to reinvest in high-growth academic and research fields

Balance Imperatives Devoted to Market Position, Resources/Capabilities, and Stakeholder Values

Do: Focus a third of your imperatives on market position

Don’t: Devote too many imperatives to stakeholder values in pursuit of consensus

Strategic imperatives can be divided into three complementary categories:

1. Market Position: Competitive issues like new markets, products and services, pricing strategy
2. Resources/Capabilities: Foundations for delivering value, like sustainable finances, operational effectiveness, and world-class talent
3. Stakeholder Values: Noncommercial, ethical goals like equity, community engagement, and environmental sustainability

The reason we suggest that institutions prioritize five to seven strategic imperatives (more than the three to five seen in private industry) is that higher education has more aspiration and responsibility in the stakeholder values category of priorities. Higher education rightly plays a vital social role in advancing and modeling issues like equity, community engagement, and sustainability. Such issues merit inclusion in the short list of strategic priorities.

Key Considerations for Prioritizing Strategic Initiatives

Balancing Continuous Improvement with Innovation

In many strategic plans EAB has reviewed, there can be too much of a good thing: enough stakeholder values are elevated that they either expand the list of strategic imperatives to unwieldy length or require conflating or shortchanging imperatives in the other categories, losing the opportunity to signal how the institution plans to compete. Some presidents tell EAB privately that strategy formation tilts toward stakeholder priorities because they're easier to build consensus for than market positioning and resource/capability priorities. Everyone can support a commitment to community engagement; it can be harder to get support for trade-offs about changing the business model or focusing on a particular student segment.

Our recommendation is to reserve approximately a third of your list of strategic imperatives to matters of market position—these are the issues most likely to build understanding and rigor about how the institution plans to outperform competitors and what it takes to support a competitive advantage.

When possible, try to link strategic imperatives about stakeholder values to sources of differentiation or competitive advantage. How will being an equity exemplar attract students, faculty, or grants or improve outcomes? Will being a sustainability leader help generate funding or cost savings to reinvest in the academic core?

Balance Innovation with Support of the Traditional Business Model

Do: Explicitly reference some unfamiliar market, process, or capability that will be developed to create and capture value going forward

Don't: Overfocus on what the institution has done well in the past

Strategic imperatives shouldn't just exhort the institution to "keep doing what we're doing well." They should indicate where the institution is evolving to create new value and meet emerging stakeholder needs. It's okay to write imperatives focused on strengthening core activities, but highlight novel approaches and make connections about how improving an existing activity helps fund or enable innovation in other areas. A good self-check is to ask, If the strategic imperatives are successfully executed, how closely will you resemble your vision for the institution in 5 to 10 years? Will the institution be different in any important way? If the imperatives are weighted too much in favor of business as usual, chances are ambitious goals for greater impact and prestige won't bear out.

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Scoping Strategic Initiatives

Designing for Implementation Success and Adaptability

PART

5



- 1** Teams charged with scoping strategic initiatives—translating strategic intent into planning and action steps—should go beyond the traditional task of amassing wish lists for new programs and student services to exercises that remove barriers to implementation success and promote out-year funding stability and adaptability.
- 2** One scoping workstream focused on strategic clarity assesses whether initiative investments are *market-matching* (catching up with industry practice but conferring no competitive advantage) vs. *differentiating* (potential pillars for a distinctive value proposition). This ensures funds aren't over-committed to projects conferring no competitive advantage and guards against the incrementalism that can occur from mistaking "new to us" with real innovation.
- 3** A second workstream takes an eye to implementation by surfacing "strategy killers"—process, technology, policy and cultural barriers that, if unaddressed, can derail rollout. Pre-mortem failure analysis and interviews/focus groups with institution staff about what worked and didn't in similar past efforts yield invaluable information that exists in the organization but isn't regularly communicated upward.
- 4** Finally, scoping teams (supported by finance specialists) should attempt multiyear cost models, building in review points for deliverables reprioritization, scale-up triggers for successful pilots, and sunset triggers for lower-impact pilots whose resources can be reallocated. This transparency enables central strategy teams to best allocate strategic investment funds across parallel initiatives and gives board and advancement visibility into debt and fundraising needs.

Together, these activities represent the gold standard for initiative scoping in the era of *dynamic strategy*, essential for strategic execution focus and de-risking implementation. Properly directed and equipped teams are capable of much more than generating wish lists.

Optimizing for Agility

Strategic Initiatives Shouldn't End with Wish Lists or Project Calendars

Strategic initiatives are where upstream strategy formation and imperative prioritization pivot to planning and execution. They're the investments and new capabilities that, if successfully implemented, elevate the institution from current to aspirational performance.

In the quickly ending era of traditional, multiyear strategic plans, strategic initiatives often were defined by signature projects with a defined beginning, middle, and end: a new academic or research program, a student service launch, or a community outreach campaign.

Some institutions are moving from multiyear plans to *dynamic strategy*, where priorities, resources, and activity are constantly adapting to market developments. In this context, a different mindset is needed by the campus working groups responsible for scoping strategic initiatives. In the past, working groups kept either a public relations and advancement mindset (optimized to create compelling branding and fundraising themes) or in some cases a project management mindset, optimized for GANTT-charting deliverable milestones. In the future, a more strategic mindset will be at a premium, where initiatives are scoped in ways that ensure strategic clarity and promote downstream flexibility.

Most strategic initiative working groups aren't expected or well equipped to address strategic flexibility in the scoping efforts. This section provides a framework for doing so—activities, analyses and failure paths to avoid so that working group time is used to maximal effect and central leaders can have confidence that initiative proposals are of high quality and actionability.

Why Is Traditional Scoping Un-strategic?

Five Common Missteps Hampering Strategic Initiative Working Groups

The scoping work of strategic initiative working groups often produces ambitious wish lists but rarely plans that are actionable or adaptive, ready to direct institutional resources or react to emerging market developments. Scoping tends to focus on “*whats*” rather than the “*hows*” and “*what ifs*” essential to strategic execution, and as a result doesn’t advance strategy. Below are some of the classic missteps of un-strategic scoping.

- ▶ **Mistaking Catch-Up Investments for Differentiation:** Often, working groups are unaware of industry-wide state of practice—the standards attained not just by traditional or regional peers but also by national leaders and disruptive entrants. Without external competitive context, the tendency is to scope initiatives too incrementally, content to improve on institutional performance, merely matching what’s common in the industry rather than creating sustainable differentiation. As one partner put it: “We thought it was innovative, just because it was new to us. But from students’ vantage, it wasn’t.” Every working group should clearly define whether proposed investments are intended to match the market and no more, versus those that are pillars in the institution’s differentiated value proposition.
- ▶ **Failing to Anticipate Implementation Success Barriers:** Working groups tend not to spend enough time on what might be called “de-risking” due diligence—surfacing internal process, technology, policy, and cultural barriers that, if unaddressed, impede implementation and beneficial impact. This knowledge exists internally but isn’t regularly communicated upwards. Every initiative’s scoping recommendations should present a ranked list of such risks that central strategy teams can choose to redress proactively.
- ▶ **All Ends, No Means:** Working groups usually devote the vast majority of scoping effort to detailing the attributes and hoped-for benefits of new academic and research programs, student services, and outreach activities, without analyzing how much the project costs to launch and sustain. This disconnect between scoping and resource planning invites implementation delays and unsteady funding that undermines impact.
- ▶ **No Hardwired Pull-Ups for Reprioritization, Scale-Ups, and Sunsetting:** Many strategic initiatives are scoped assuming success and completion—once started, project plans continue using base-case assumptions until the last GANTT chart milestone is delivered. This approach ultimately misallocates resources by under-funding pilots whose success exceeds projections and by continuing to fund pilots that underperform. Working groups should break up initiatives into yearly chunks for success evaluation and reprioritization.
- ▶ **Initiative Deliverables Are Too Small-Bore to Achieve Strategic SMART Targets:** In reviewing more than 300+ university strategic plans and supporting scores of partners in strategy formation, we are struck by how often there’s a disconnect between avowed strategic goals and the impact of strategic initiative proposals. In one breath, the institution posits ambitious strategic SMART targets: achieving R1 status, improving completions by 10 percent, raising net tuition by \$25 million over five years, and in the next catalogs a slate of initiatives that individually and collectively have no chance of meeting those goals. Every working group should be able to make the case that proposed deliverables will meaningfully move the dial on institutional targets.

Building a Foundation for Success

A Framework for High-Performing Strategic Initiative Working Groups

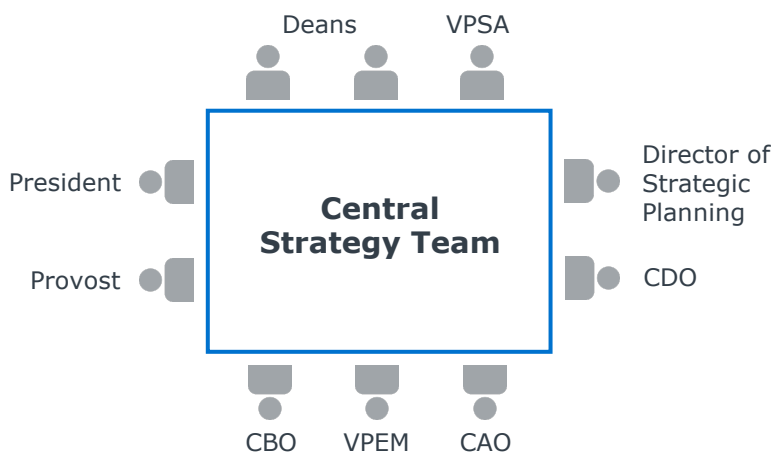
After finalizing the slate of strategic priorities, central leadership delegates committees to translate high-level strategic vision into plans for new academic programs and research activities, student services, or community outreach approaches.

Strategic Initiative Working Group Team Composition

To begin our framework for high-performing strategic initiative scoping, let's start with the composition of working group teams.

Central Strategy Team

Cabinet-level academic and business leaders supported by Director of Strategic Planning or project manager, responsible for strategy formation

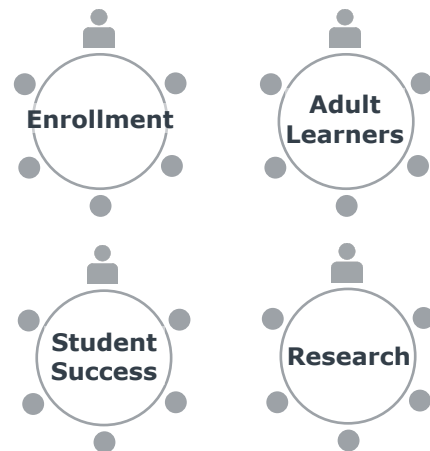


Key Activities

- Define and monitor external market risks and opportunities
- Define sources of differentiation and comparative advantage
- Set 5-10 year aspirational vision with SMART targets
- Prioritize 5-7 strategic imperatives
- Manage strategic investment fund

Strategic Initiative Working Groups

Cross-functional teams of 6-12 rising academic and administrative leaders, with faculty and student representation, chaired by member of central strategy team. Responsible for initiative project scoping and resource modeling.



Key Activities

- Define "market-matching" vs. "differentiating" goals
- Develop multiyear revenue and cost models, with "scale-up" and "sunset" triggers
- Identify process, policy, IT, and organizational barriers to success
- Develop multiyear project plans and six-month quick wins

Director of Strategic Planning

Dedicated staff position of focused part-time role providing project management and access to finance and IR experts

Key Activities

- Project management and communications
- Create and maintain dashboards and action plan templates
- Provide or facilitate market research, IR data, and financial modeling for working groups

Building a Foundation for Success (cont.)

A Framework for High-Performing Strategic Initiative Working Groups

For every strategic priority, charter one working group chaired by a member of the central strategy team

Institutions should limit the number of strategic priorities to no more than five to seven; having more than that tends to dilute resources and effort. EAB's review of strategic plans indicates that most priorities fall into the following common categories:

Enrollment

Adult Learners

Community Outreach

DEI

Talent Strategy

Student Success

Research and Scholarship

Administration and Operations

Staff capacity permitting, establish one working group dedicated to each of the main strategic priorities, headed by a member of the central strategy team. Strategy team representation signals senior attention, maintains accountability for alignment and deadlines, and facilitates two-way upward communication.

Make working groups cross-functional and intergenerational

Working groups shouldn't be larger than 10 to 12 members and benefit from mixing professional and generational perspectives. Every group should include faculty and student life, as well as administrative representatives from finance, HR, and IT as appropriate for the terrain. Include current students and recent alumni in student-facing terrains.

Recruit rising leaders for development and relationship-building opportunities

Working groups are opportunities to expose high-potential, early-career faculty and administrative leaders to senior issues and develop relationships in other areas of the campus.

Use kickoff meetings to educate working groups on strategic SMART targets and outline key strategic initiative scoping activities

Schedule a two-hour kickoff meeting for the working group chair to scrub the team in on the overall strategic priorities and overview the inputs and output of their scoping efforts. In the kickoff, chairs should clearly establish that the purpose behind subsequent activities is to avoid classic failure paths of traditional, unfocused strategic initiative scoping described above.

It's also imperative to scrub working groups in on the strategic goals their initiatives should seek to attain. Part 3 of this report examines SMART target-setting: translating high-level strategic vision into explicit objectives with time-bound measures for progress and goal attainment. Strategic institutions invariably set objective SMART targets before starting to scope strategic initiatives. Without senior guidance about how far and fast the institution wishes to advance, the teams working on strategic initiatives will understandably tend toward the incremental, recommending marginal improvements to business as usual, rather than dial-moving new approaches.

Key Scoping Activities for Working Groups

Four Recommendations to Get Groups from Ideation to Execution

Activity #1

Develop a Consensus View of What's Differentiating vs. Market-Matching

Terrain Background Reading and External Landscape Benchmarking

Following the kickoff, working groups' first effort should be immersive reading in the terrain to develop a shared sense of national practice and where institutional performance meets, lags, or potentially exceeds the norm in ways that could harm or strengthen competitiveness.

EAB provides a wealth of unique resources for working groups at this stage, to save time and improve the rigor of external landscape analysis:

- **Terrain Primers:** Curated news, statistics, and best practices on the most common strategic initiative terrains—get up to speed in two hours. Access these resources at eab.com/DynamicStrategy.
 - Student Success
 - Community Impact
 - Enrollment Growth
 - Online Education
 - Program Innovation
 - Operational Efficiency / Financial Sustainability
 - Diversity, Equity, Inclusion, and Justice
 - Research Innovation
 - Advancement
 - Teaching and Learning
- **Facilitated Terrain Briefings:** EAB expert live presentation overviewing industry trends and best practices in key terrains
- **One-on-One Expert Consultations:** Schedule conversations with EAB experts for interactive Q&A about the industry landscape and evaluation of working group thinking

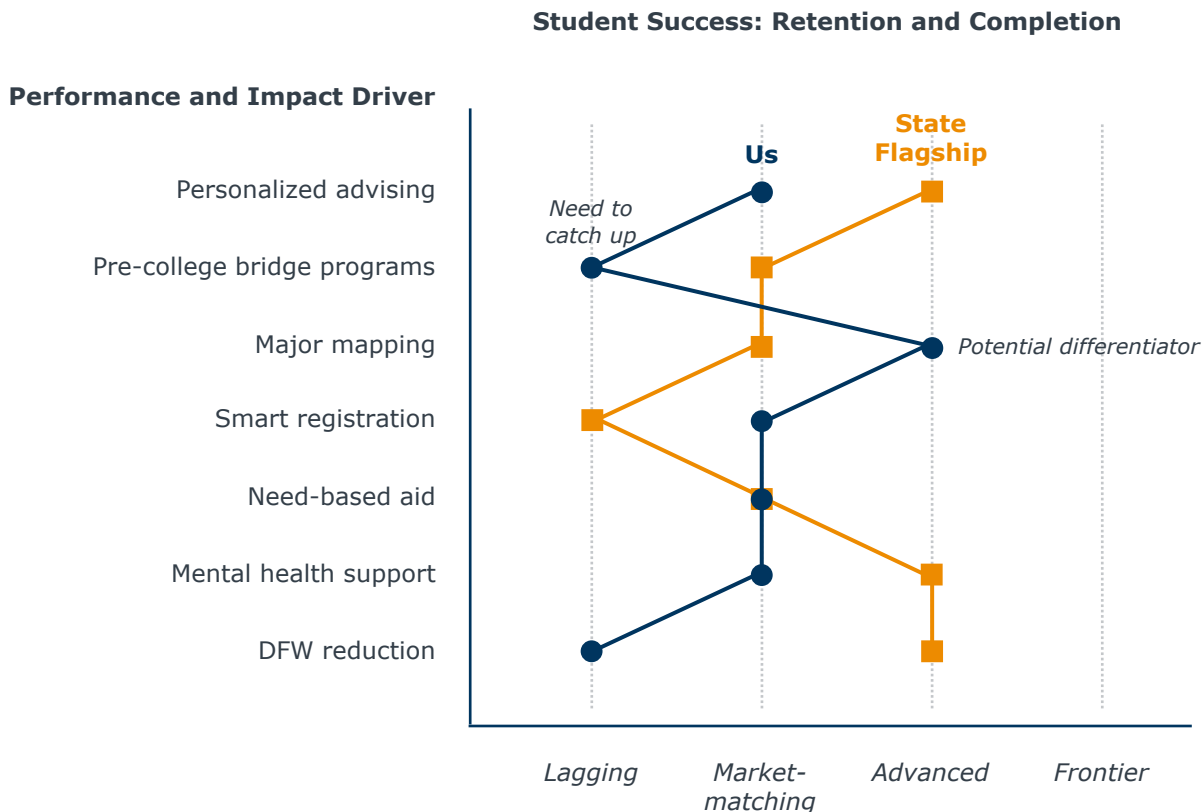
Benchmarking Maturity Against Others

Visual Comparison Reveals Gaps and Potential Differentiators

After scrubbing in on industry trends and national best practice, a useful team reflection exercise to crystallize and visualize where *as-is* and *could-be* institutional performance falls relative to national and peer practice is the **Strategic Initiative Maturity Map**. Plot the eight to ten most important impact and audience value dimensions of the strategic initiative against relative maturity, from *lagging* (so far below standard practice as to threaten performance or reputation) *market-matching* (achieving common performance standards, but not distinctive), *advanced* (reflecting the sophisticated end of national practice), to *frontier* (so different in degree or kind from national norms as to be differentiating). Don't get overly precise about maturity adjective semantics here; the goal is simply to define a continuum for showing relative differences in performance.

The working group then plots institutional performance against that of targeted regional, competitive, and aspirational peers (often requiring visits to peer websites or interviews to complete). The resulting visuals help assess where the institution lies in the external landscape through alternative competitive lenses, and—most important—provides a guard against unintentional incrementalism.

Strategic Initiative Maturity Map (*Illustrative*)



Choosing Where to Match vs. Outperform Peers

Differentiation vs. Market-Matching Matrix

After visualizing as-is institutional performance vs. competitive and aspirational peers, a useful complementary exercise is to complete a **Differentiation vs. Market-Matching Matrix**. No institution has resources to be distinctively proficient in every performance dimension; the art of scoping is making informed judgments about where to try to lead the pack versus match the market. In fact, in some instances, the best recommendation a working group can make is to focus resources on improving from *lagging* to *market-matching* in areas that matter in audience decision-making, where conspicuous underperformance might be costing enrollments, grants, or reputational capital.

To complete the Differentiation vs. Market-Matching Matrix, array a similar list of initiative performance dimensions to that used in the previous maturity map exercise described above. But in this case, the objective is to clarify whether the working group considers each individual dimension to be:

- A potential source of differentiation, where extensive investments can produce outsized competitive advantages, ultimately improving mission and financials (e.g., the more investment the better), or...
- A candidate for market-matching, where the institution should invest enough to reach and maintain common industry practice, but no more.

Combining these exercises ensures working groups avoid the classic error of unintentionally and detrimentally mischaracterizing proposals that would merely catch up to where the market already is as innovations that are genuinely differentiating.

Differentiation vs. Market-Matching Matrix (Illustrative)

Strategic Action Item	Differentiating or Market-Matching?	Required Investment
Personalized advising	<input checked="" type="checkbox"/> Differentiating <input type="checkbox"/> Market-Matching	Expanded case management tech, 10+ additional staff
Pre-college bridge programs	<input type="checkbox"/> Differentiating <input checked="" type="checkbox"/> Market-Matching	Additional instructor pay, placement test development
Major mapping	<input checked="" type="checkbox"/> Differentiating <input type="checkbox"/> Market-Matching	None needed
Smart registration	<input type="checkbox"/> Differentiating <input checked="" type="checkbox"/> Market-Matching	Update scheduling software, 10+ new classrooms

Key Scoping Activities for Working Groups (cont.)

Four Recommendations to Get Groups from Ideation to Execution

Activity #2

Surface Process, Technology, and Policy Implementation Barriers

After scoping which performance dimensions are to be differentiators vs. market-matching, working groups should begin to develop the outline for the strategic initiative—new academic and research programs, student support services, and community outreach efforts. Typically, working groups iterate drafts until a final proposal is ready to submit to the central strategy team’s review and approval.

Strategic institutions temper proposal design with a de-risking effort known as a *premortem*. Empirically, more than half of ambitious initiatives fail, for reasons both external and internal, uncontrollable and controllable. Pre-mortems raise these issues rather than ignore them and try to systematically discover information that exists within the institution but isn’t automatically communicated upward, which if unaddressed may pose a barrier to initiative success.

Best-in-class premortems are conducted in two phases, the first a brainstorming and prioritization session by working group participants, the second a series of interviews or focus groups conducted with campus stakeholders.

Premortem Failed Future Analysis

The working group leader starts this exercise by informing everyone that the initiative has failed spectacularly. Over the next few minutes, participants independently write down every reason they can think of for the failure—especially the kinds of things they ordinarily wouldn’t mention as potential problems for fear of being impolitic. With a robust list generated, the group determines:

- Which factors are “show stoppers” that might completely derail the initiative if unresolved
- Which are most likely to occur
- Which are controllable vs. uncontrollable

Finally, the group posits potential solutions to the problem that can be included in the final proposal to central leadership.



Accept that the plan has failed



Consider the reasons for failure



Assess and prioritize the reasons for failure



Strengthen the plan to address potential points of failure

Key Scoping Activities for Working Groups (cont.)

Four Recommendations to Get Groups from Ideation to Execution

Premortem Stakeholder Success Barrier Interviews

Most institutional leaders discover that similar strategic initiatives have been attempted in the past, often within living memory of longer-tenured staff. When this is the case, working groups can capture valuable information by interviewing faculty and administrators about the reasons why previous initiatives didn't achieve liftoff. Even 5 to 6 one-on-one interviews or a handful of hour-long focus groups generate invaluable information often invisible to senior leaders about change management barriers: conflicting incentives, lack of training, clunky business process or IT design, and (often) skepticism about leadership commitment. Interview results are kept anonymous for candor and are equally valuable in surfacing material problems that can be fixed in advance, and abiding cultural perceptions that need to be addressed during rollout to generate confidence that "this time will be different."

Make Time for Premortems—They're Worth It

These two *premortem barrier analyses* require working group time commitment, but they're more than worth it considering the many downstream benefits enabled:

Alignment: Stakeholder consensus on key weaknesses in the project and how to prevent them

Quality: Reduces overconfidence and groupthink in initiative scope

Efficiency: Preemptively identifies high-priority issues, avoiding future work

Engagement: Involves multiple stakeholders and ensures everyone contributes with candid discussion

Agility: Alertness and effective response to potential issues before they occur

EAB has created resources for working groups to conduct premortem exercises—access these resources (and more) at eab.com/DynamicStrategy.

Premortem Stakeholder Interview Guide

Q&A Script for one-on-one interviews and focus groups

Premortem Summary Worksheet

PowerPoint template for reporting key insights and conclusions from premortem conversations

Key Scoping Activities for Working Groups (cont.)

Four Recommendations to Get Groups from Ideation to Execution

Activity #3

Develop Multiyear Total Cost Models

Another important scoping task working groups should undertake is creating multiyear total cost models for strategic initiatives that create a more accurate picture of costs in the short and longer term.

In typical practice, strategic initiative scoping is uncoupled from resource forecasting—attributes of the new programs and practices are proposed and approved first, and only later is rigorous costing performed. This disconnect has numerous downsides to the overall ROI of the portfolio of central strategic investments:

- Not knowing the likely costs of strategic initiatives, the center overcommits investment funds, underestimating true resource requirements or partially funding too many initiatives, causing many to underperform relative to expectations.
- The opposite problem is undercommitting strategic investment funds. When institutions discover additional, uncommitted money partway through the year, they often look to fund something that can be completed in the same budgeting cycle, regardless of strategic impact.

The fix for both challenges is to develop a more accurate picture of initiative costs for the entire portfolio of strategic initiatives. Each individual working group should be expected (with the support of a finance team specialist or Project Management Office) to develop an eight-year forecast of initiative costs, specifying total costs needed to support projected levels of activity should the initiative ramp to success.

Such estimates enable central strategy teams to better prioritize investments that match institutional resource availability, selecting initiatives they are confident can be fully funded across time.

There are two immediate advantages to multiyear cost models in socializing strategic initiatives with key stakeholders and ensuring stable funding:

Teeing Up Development: Realistic cost estimates enable more precise fundraising targets

Engaging the Board in Approving Debt: Insight into key cost assumptions increases board trust and forward visibility for debt issues

Key Scoping Activities for Working Groups (cont.)

Four Recommendations to Get Groups from Ideation to Execution

Activity #4

Set Reprioritization, Scale-Up, and Sunset Triggers

Strategic Operating Rhythm Dashboards

A shortcoming of traditional strategic initiative scoping is their relatively static assumptions and sticky resource commitments. Every ambitious strategic initiative carries uncertainty; it is impossible to tell which will exceed expectations and which will fall short. Accordingly, a high-value analysis for strategic initiative working groups is to propose what we'll call *scale-up* and *sunset triggers*.

Working groups should propose signposts of initiative performance appropriate to the terrain (enrollments, research grant applications, advising interactions, mental health referrals, etc.) that prompt additional resources to scale up successful pilots or phase out and reallocate the funding of those not getting traction.

The University of Montana has elegantly synthesized strategy mapping, project management updates, and budget reprioritization prompts into a single visual called a *Strategic Operating Rhythm Dashboard*. The approach was introduced by their president, a former strategy executive at General Electric, who adapted the conglomerate's strategy processes for an academic environment.

The dashboard uses nomenclature that divides strategic activity by time horizon:

Strategic Priorities are long-term/perennial objectives that don't change much (if ever), expressed in high-level terms like "Placing Student Success at the Center" and "Partner with Place." These high-level, mission-centric aims aren't intrinsically competitive and sound similar to analogs at other institutions.

Objectives are the equivalent to what we've called initiatives in our analysis—intermediate-term projects and programs with 2 to 3-year time horizons. They are more specific in nature and subject to scaling and sunseting.

Action Strategies are their term for term-by-term deliverables—next modules on multi-stage projects, target levels of student adoption or research grant generation, etc. They are the short-term goals that in principle the team should be trying to hit 100 percent of the time.

The point here isn't the terms of art used—it doesn't make a difference if you call something a *strategic priority* versus a *strategy* vs. a *strategic pillar* (these are all equivalent terms EAB sees used frequently in the field). The active ingredient instead is the disaggregation of different levels of delivery certainty and priority permanence that allows enables precise examination of initiative executional performance (Did we deliver as we promised?) side by side with whether preexisting assumptions bore out (Did audience preferences work out as we predicted? Did the economy recover, etc.) This visibility allows senior leadership to make informed judgments about struggling initiatives—was it good execution/flawed assumptions or sound assumptions/bad execution? On an annual basis, they are able to renew intermediate-term objectives and swap in new action items, while staying true to the more permanent strategic intent. *Strategic Operating Rhythm Dashboards* break the compromise between flexibility and continuity.

Key Scoping Activities for Working Groups (cont.)

Four Recommendations to Get Groups from Ideation to Execution

Activity #5

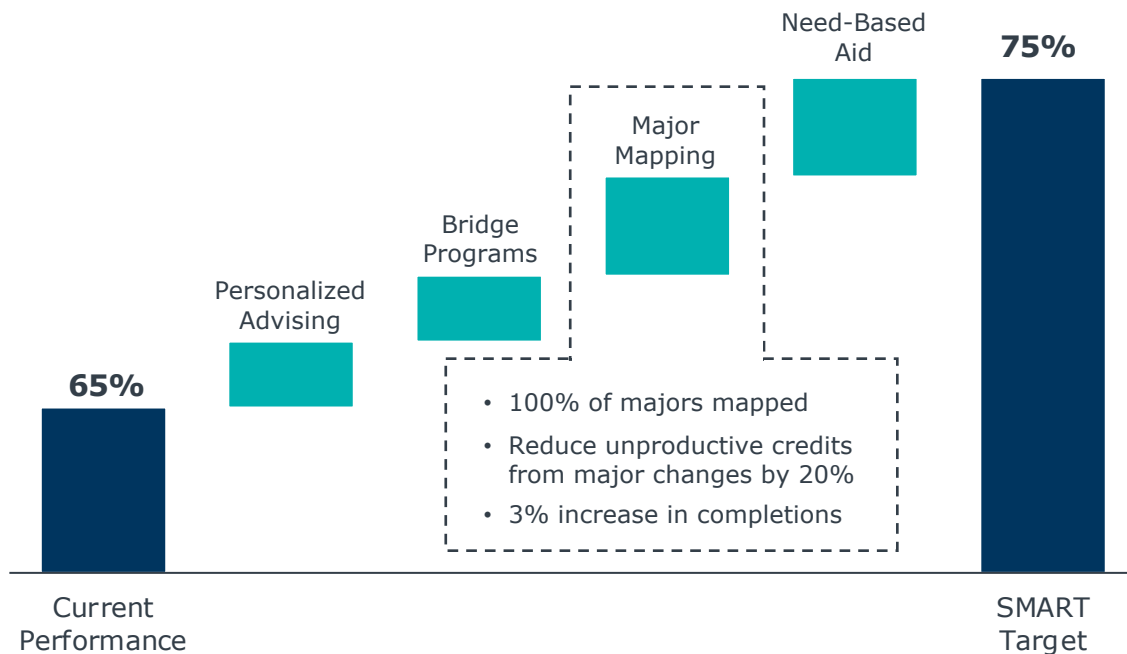
Demonstrating How Initiatives Achieve SMART Targets: The Waterfall Test

A classic oversight of strategic initiative scoping is failing to model and demonstrate whether initiative action items collectively sum up to achieve the institution’s strategic SMART Target goals. In the absence of this self-check, working groups tend to endorse worthy-sounding investments that represent improvements on current campus practice. Unfortunately, these ideas may not be enough to produce dial-moving performance gains.

The *waterfall test* asks working groups to array the major action items scoped in their initiative proposals, using assumptions about how input activities translate into outcome KPIs. There’s nothing binding about the goals at this stage; it’s simply an analysis and visual to give central strategy teams confidence that that the initiative’s scope is commensurate with institutional goals.

Student Success: Retention and Completion Waterfall Test (Illustrative)

SMART Target: Increase six-year graduation rate from 65% to 75% within three years



Visit EAB’s Dynamic Strategy Resource Center to Access These Resources

eab.com/DynamicStrategy



Aligning Budget Models with Strategic Priorities

Increasing the Size, Stability, and Focus of Central Strategic Investment Funds

PART

6



- 1 The price tags of urgent strategic priorities are growing, as colleges and universities strive to differentiate and meet new student expectations in the post-pandemic “next normal.” Because it’s becoming harder to increase tuition revenue in a flat enrollment environment and more expensive to borrow with interest rates set to rise, many institutions are holding budget model workshops, looking for redesign opportunities that generate funds for strategic investment from within.

- 2 Three kinds of budget model design decisions merit strategy team attention because of their potential to increase the size, stability, and focus of strategic investment funds:
 1. **Migrating to a higher strategic tax rate:** For most institutions using hybrid or Responsibility Centered Management (RCM) budget models, a “tax” of between 3 to 5 percent on funds allocated to units is a reasonable target. If your institution is not at that rate already, the strategy team and Chief Business Officer (CBO) should develop a migration path that secures academic unit buy-in through phased increases until the target rate is reached and create earmarked funding pools for faculty priorities closely aligned with institutional strategic goals.

 2. **Growing fungible investment funds:** Most institutions are aware of concepts like budget surplus gainsharing, vacant position control, and auxiliary service monetization but have not implemented them on a large scale. Yet, success stories in higher education show that, when implemented creatively, these measures can generate tens of millions in fungible strategic funds, not just one time but on a recurring basis. While not every measure is right for all institutions, their potential is too big for strategy teams not to consider anew when trying to build the war chest for big initiatives.

 3. **Developing consistent strategic seed fund formulas:** Strategy teams should replace ad hoc, staggered consideration of proposals with a common business case template, to signal strategic priorities, improve the quality of academic planning, and surface opportunities for combining related proposals to achieve scale.

The Need for Central Funds and Coordination

Strategy Success Depends on Reliable Resource Reallocation

As Working Groups Develop Strategic Initiative Proposals, Strategy Teams Should Revisit the Strategic Budget Model

Among the most important analyses produced by strategic initiative working groups (the cross-functional teams responsible for fleshing out strategic priorities into detailed project plans) are multiyear financial forecasts, which lay out each initiative's year-over-year revenue and cost estimates. These are the price tags for a differentiated value proposition and improving from as-is to target-state performance over 5 to 10 years that the strategy team, finance team, and deans review, negotiate, and ultimately approve.

While strategic initiative working groups are developing these estimates, the strategy team should work in parallel on the equally important job of refining the strategic budget model, so that great ideas for strategic initiatives aren't unduly constrained for want of investable funds or overly dependent on uncertain fundraising and tuition growth.

For Most, Strategic Investment Reserves Need to Be Larger and More Centralized for Post-pandemic Competitiveness

In EAB's conversations with partner CBOs, many tell a similar story about what happened to their budget models over the last several years, as higher education plunged into COVID shutdowns and now is emerging into the "next normal."

Shutdown Phase: Taken by Surprise

- Pandemic closures take all by surprise
- No visibility about extent of operational and revenue disruption

Remote Operations Phase: Bracing for the Worst, but Not as Bad as Feared

- Budgetary "martial law" declared—spending decisions temporarily centralized and allocation formulas suspended
- Strategic reserves drawn down to cover remote delivery and health/safety costs and subvent unit shortfalls
- Thanks to nimble internal adaptations and external onetime funds, the pandemic's financial impact proved a survivable event—bad, not worst-case

Reopening and Beyond: Adjusting the Budget Model to Grow and Stabilize Strategic Funds

- Most institutions are "re-decentralizing" budgets but a click or two more centralized on the RCM spectrum than before
- The rationale isn't just to restore depleted subvention reserves; the post-pandemic competitive environment requires bigger central strategic bets

New Urgency for Larger, More Stable Investment

Student Expectations Cost More than Discretionary Budgets Allow

Looking Ahead, Strategic Funds Will Be Less About Discretionary One-offs, More About Campus-Wide Product and Service Transformation

Historically, at most institutions, strategic investment funds were fairly or unfairly perceived by faculty to serve projects favored by the president, provost, and deans of prominent colleges. There was great leeway about scope and timing—initiatives could be adjusted larger or smaller, sooner or later, and ad hoc funding approaches usually sufficed.

Post-pandemic, the desire to fund worthy one-off projects still exists. What's different is that in addition, there are significant new student and staff demands for flexible delivery, wraparound wellness services, and equity and inclusion that are far less discretionary: schools need to implement them broadly, quickly, and at a high standard or risk losing competitive positioning.

This is why so many institutions are using reactivation of dormant budget models as an occasion to realign their approaches for developing well-resourced, centrally controlled strategic investment funds.

Why Institutions Need Bigger, Stable Strategic Investment Funds Post-pandemic

Pre-pandemic

Some central investments seen as “pet projects” important to president or provost



Post-pandemic

New student service expectations and differentiation pressures require investments touching every corner of campus

Flexibility about timing and scope



Initiatives must be implemented broadly, quickly, and at a high standard

Funding came from tuition growth, targeted advancement and ad hoc budget manipulation



Can't count on funding from “new” revenues alone; budget model must create investable funds internally

Best Practices in Growing Central Strategic Funds

Overview of EAB Research

Three Budget Model Design Decisions Can Enhance the Size, Stability, and Focus of Central Strategic Investment Funds

EAB has done extensive best practice research on college and university budget design best practices. From that work, three essential model design decisions stand out as opportunities to “automate” the size and stability of strategic reserves, while creating incentives to improve the alignment and planning rigor of unit proposals. Not every practice is right for every institution—there are cultural, financial, and in some cases regulatory issues involved—but any strategy team with a budget model makeover already under consideration or searching for ways to pay for new strategic imperatives can benefit from workshopping these ideas:

- 1 Migrating to a Higher Strategic Tax Rate**
- 2 Growing Fungible Investment Funds**
- 3 Developing Consistent Strategic Seed Fund Formulas**

Migrating to a Higher Strategic Tax Rate

- EAB Guidance:** Set strategic fund “tax” of 3 to 5 percent, with phased migration path and well-publicized earmarks for popular faculty priorities

Most colleges and universities use a hybrid budget model, combining features of centralized incremental budgeting and decentralized Responsibility Center Management (RCM.) Those closer to the RCM end of the spectrum value the ability to expose frontline academic units to financial realities and shift resources to growth opportunities. The downside is that aggressive RCM yields few resources for central strategic investment, at times encouraging units to focus on short-term items misaligned with long-term institutional priorities.

Even before the pandemic, CBOs were concerned that secular pressures on tuition growth—the usual source of strategic investment dollars—might leave the institution unable to fund important cross-campus initiatives. Now, as institutions reckon with the nature and costs of revised priorities, they’re revisiting a core budget model feature: the size of the “tax” on allocated revenues reserved by the center to feed the strategic investment fund.

EAB’s guidance, based on hundreds of partner research interviews, is to create a central tax of 3 to 5 percent on all revenue to fund strategic reserves. The rightsizing of the tax matters more than whether it’s set aside pre-allocation or collected back after allocation—the main objective is to ensure that the end amount collected is big enough to cover must-do strategic initiatives.

Garnering Support for Growing Central Share

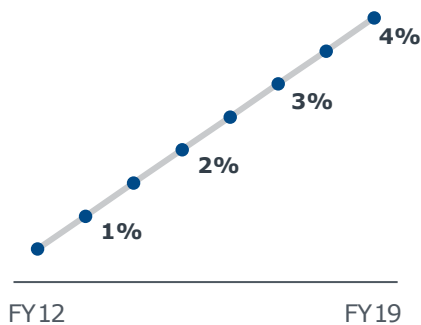
Gradual Deployment and Faculty Priorities Key to Success

Setting the tax rate is relatively straightforward; winning academic leader buy-in can be more complicated. Two effective approaches for making strategy fund withhold increases more acceptable are:

Gradually Increase the Central Reserve Tax Rate over Time: Many institutions raise the reserve tax rate by 0.5 percentage points per year until the desired steady state rate is reached, allowing units time to adjust.

Earmark Portions of the Central Fund for Popular Faculty Priorities: Channel some of the new central reserves into earmarked pools dedicated to institutional priorities with broad faculty support (e.g., faculty retention efforts, new academic program seed funds). Faculty are more likely to endorse the strategic fund if the credible possibility exists that a compelling unit proposals if strongly aligned, might yield funding that more than recoups the unit's tax contribution.

Adjust Tax Rate Upward over Several Years



- Provost Fund financed through tax on traditional undergraduate net tuition
- In FY14, tax generated \$3M
- In FY19, tax generated \$9M

Earmarking Portion of Strategic Funds for Faculty Priorities



Faculty Equity Fund

\$1M of central dollars earmarked for a **Faculty Equity Fund**, used to help the institution become nationally competitive in the marketplace and improve faculty retention



New Academic Program Fund

Approximately 20% of central dollars is earmarked for an **Academic Program Fund**, used to develop new academic programs at the institution



OHIO
UNIVERSITY

Growing Fungible Investment Funds

Review of Gainsharing, Position Control, and Auxiliary Revenue Strategies

Growing Fungible Investment Funds

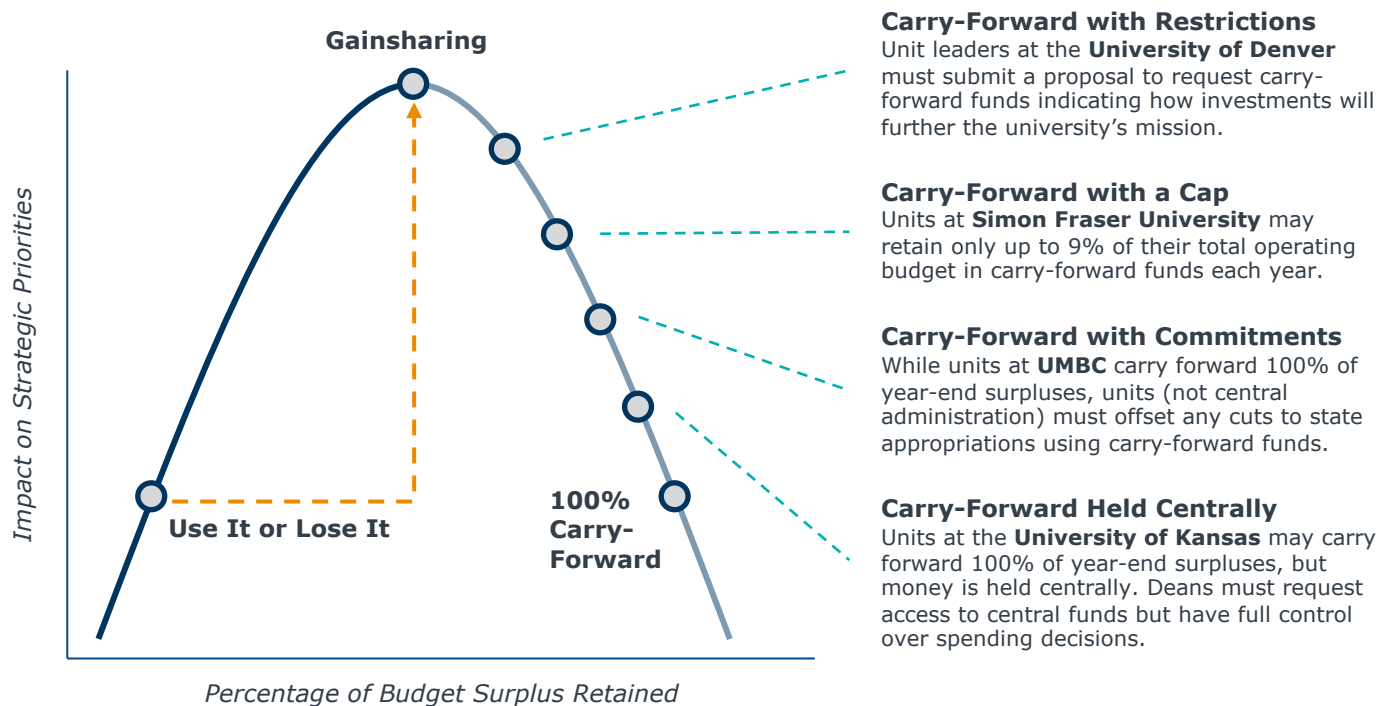
► **EAB Guidance:** Consider Gainsharing, Vacant Position Control, and Auxiliary Monetization

Even after raising the tax for strategic priorities, there might not be enough central funds to cover the new costs of important strategic initiatives. Strategy teams thus should also consider the need to generate other fungible funds beyond withholds.

Gainsharing unit-level budget surpluses is a multimillion-dollar opportunity that most institutions have yet to try. About 60 percent of EAB partners use a full carry-forward budget model, in which units retain the entirety of year-end surpluses. This approach can tempt units to accumulate massive reserves, while the center is left struggling for funds. Another ~30 percent of institutions employ a “use it or lose it” formula that sweeps unused surpluses to the center, creating the potentially perverse incentive for departments to spend down balances at year’s end. Only 10 percent of institutions employ the compromise of gainsharing, where units and central administration split surpluses, usually 50-60 percent going to the center.

EAB expects many more institutions to embrace gainsharing in the coming years, because it advantageously advances finance goals that are often in tension:

- Meaningful incentives for units: look for operational efficiencies—units keep a big portion of what they save
- Big source of recurring funds for the center: gainsharing savings are routinely in the millions, not just one time but year over year
- Flexibility: gainsharing formulas can be configured in many different ways to satisfy circumstances and cultural traditions

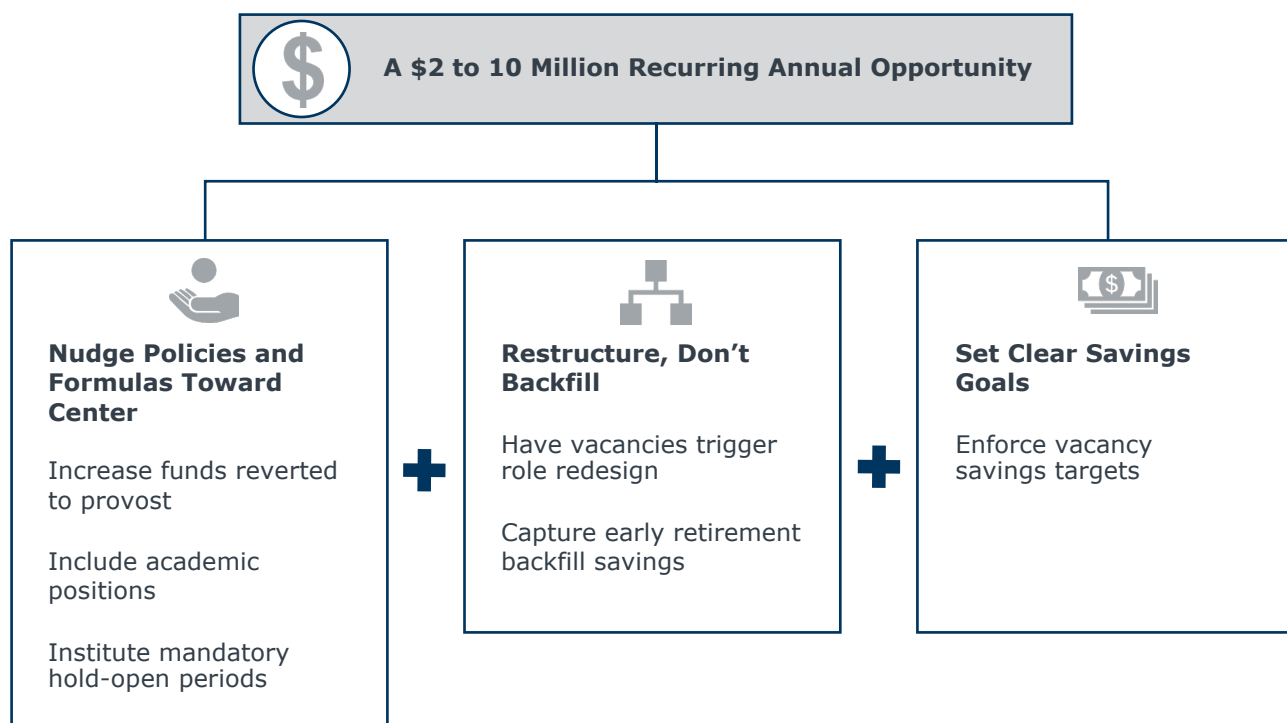


Growing Fungible Investment Funds (cont.)

Review of Gainsharing, Position Control, and Auxiliary Revenue Strategies

Vacant position control is another multimillion-dollar opportunity to create fungible funds by reallocating a portion of open staff line salary and benefits to central strategic reserves. Aggressive, creative position control is an opportunity for strategy teams to turn the “lemons” of today’s much-lamented Great Resignation retention and hiring challenges into the “lemonade” of flexible, recurring funding streams for strategic initiatives. Institutions that have not recently reviewed position control policies are highly advised to empanel a working group to identify and size these principled labor savings opportunities.

Turning Vacant Positions into Strategic Investment Funds



Nudge Policies and Formulas

Increase Funds Reverted to Provost: EAB’s most recent CBO budget model surveys, conducted prior to COVID-19, indicate that 80 percent of open position salary and benefits revert to department chairs or deans; only 20 percent are recovered by the provost or president for strategic reinvestment. Though those figures have likely trended upwards to the provost in the last years, the majority of institutions can find six- and seven-figure opportunities by changing the percentage split of benefits and salary dollar staying with the unit versus going to central strategic reserves.

Include Academic Positions: 70+ percent of institutions recover substantial portions of vacant salary and benefits for administrative positions; only 40-60 percent do so for academic administrative staff and faculty. Most institutions will have major opportunities by including a greater range of academic roles in position control and can manage cultural frictions through exceptions and carve-outs to general policies.

Growing Fungible Investment Funds (cont.)

Review of Gainsharing, Position Control, and Auxiliary Revenue Strategies

Institute Mandatory Hold-Open Periods: Units typically backfill positions as soon as possible, though in this labor market higher education is struggling to do so. Many institutions “round up” the pool of vacant position funds by policies that hold all vacated, non-faculty positions open for a specified amount of time to capture onetime salary savings and spur unit leaders to consider how vital the role, as constructed, is to unit productivity.

Unit leaders typically seek to backfill vacant positions as quickly as possible. By implementing a hold-open period, institutions can slow the reflexive backfill process. This often leads leaders to realize they do not need to backfill the role or change work processes to better reflect unit demands.

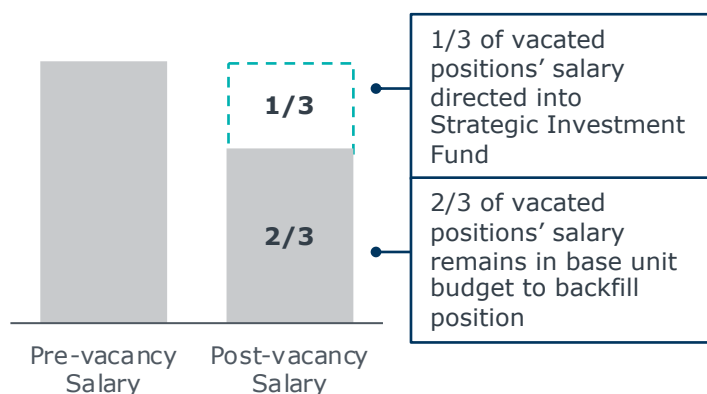
Restructure, Don't Backfill

Capture Early-Retirement Backfill Savings: Recognizing that older, higher-paid retirees are usually backfilled with less experienced, lower-paid workers, some institutions codify recapture of the delta in salary and benefits, typically splitting the savings two-thirds to the unit, and one-third to central strategic reserves. EAB surveys suggest fewer than 10 percent of institutions have formal policies in place.

Early Retirement Backfill Arbitrage Nets \$5 Million in Strategic Funds at Research University

One-Third of Salaries Diverted to Central Fund

Budgeted Salary for Retiring Faculty Slot



Prior Department Budget

Department of Sociology	
Tenured Professor	\$120,000
Dedicated to SIF	\$0

New Department Budget

Department of Sociology	
Tenure-Track Professor	\$80,000
Dedicated to SIF	\$40,000

Have Vacancies Trigger Role Redesign: Institutions automatically place a hold on any “as-was” position request—a request to fill a position exactly as it was—and prompt unit leaders to consider ways to efficiently redesign the role, including automating, eliminating, or reassigning associated tasks. Vacancy is by far the best time to redesign positions, as shifting or automating tasks is simpler with no incumbent staff. By requiring unit leaders to review work processes as part of filling vacant positions, institutions can often refocus positions on higher-value work or sufficiently streamline roles to allow for less expensive or part-time replacements.

Growing Fungible Investment Funds (cont.)

Review of Gainsharing, Position Control, and Auxiliary Revenue Strategies

Set Clear Savings Goals

Enforce Vacancy Savings Targets: Institutions that have tapped position control most aggressively often reverse the usual process by setting a target savings amount first, achieved through a combination of central diversion of unused salary and benefits, mandatory hold-opens, and redesigned/eliminated roles. Position-control reviewers are required to hit this target, and empowered to adjust policies, formulas, and unit-level exceptions to deliver the number.

Predetermined targets have the dual benefit of ensuring that strategic funding is adequate and predictable—surprise shortfalls are far less likely—and ensures leaders evaluate all positions in the context of a broader institutional goal, rather than viewing each in isolation.

Targets Help Pull the Right Levers Hard Enough (but No Harder)



Case in Brief: Illinois Institute of Technology

- 7,700-student private research university in Chicago, IL
- Leadership sets specific dollar target for how much money to save through vacancy review each year

Vacancy Review Savings Target

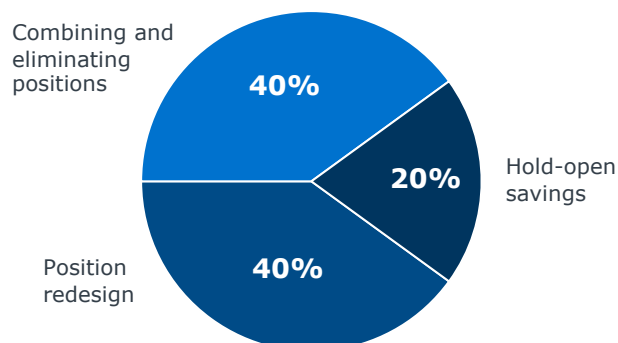
\$1.5M Savings target for vacancy review process in 2013

4% Savings target as % of IIT's non-faculty salary budget

Advantages of Pre-set Targets

- **Maximizes Savings Potential**
Induces more thorough scrutiny of positions to achieve target
- **Forces Prioritization**
Prompts development of rigorous standard to compare competing requests
- **Provides Alternative to Across-the-Board Cuts**
Enables Central Administration to recoup needed savings through targeted position elimination
- **Offers Political Safeguard**
Equips vacancy review leaders with justification to make strategically sound but potentially unpopular staffing decisions

Breakdown of Vacancy Savings by Source



Growing Fungible Investment Funds (cont.)

Review of Gainsharing, Position Control, and Auxiliary Revenue Strategies

Diverting Auxiliary Revenue Streams Directly to Strategic Investment Fund

Another under-leveraged source of strategic fund dollars is auxiliary revenue. Absent specific state restrictions, auxiliary revenue returned to central administration is highly fungible. Accordingly, many CBOs are looking for principled ways to go beyond breaking even on small-scale services and fees to generate strategic investment funds without passing on undue costs to students.



New Formulas for Sharing Alternative Revenue Streams

Even though these revenues can be small in absolute terms, their extreme fungibility often makes them a meaningful share of central investment funds, worth trying to expand.

Representative Alternative Revenues

- Branding, Licensing, and Affinity
- Nontraditional Educational Revenues
- Campus Operations
- Cell Tower and ATM Leasing



Outsourcing and Monetizing Auxiliaries

“To outsource, or not to outsource” is the perennial auxiliary question. Most institutions have outsourced at least one function, and taken meetings about outsourcing others. Post-pandemic, strategy teams with big price tags for strategic initiatives should look anew at whether mega-leases or asset transfers to private partners with the potential for transformational, eight-figure capital infusions and ongoing income shares make sense.

Representative Auxiliary Outsourcing Deals

- Parking
- Energy
- Facilities and Real Estate Management



Premium Service Student Fees

A handful of institutions have generated millions in student opt-in fees for premium services. Mindful to avoid the perception of “haves” and “have nots” on campus, most institutions can safely consider 10 to 12 unobtrusive, popular, fee-based services without cultural backlash.

Representative Premium Services

- Vegan meal plans
- Personal chefs
- Parking spots closer to campus
- Global parking access
- Laundry and dry-cleaning services
- Textbook rental

Growing Fungible Investment Funds (cont.)

Review of Gainsharing, Position Control, and Auxiliary Revenue Strategies

Developing Consistent Strategic Seed Fund Formulas

- ▶ **EAB Guidance:** Establish common business case templates and evaluation criteria to promote proposal consolidation and academic unit self-screening

Strategic budget models should provide investment seed funds that colleges and departments can access to support new projects and activities aligned with institutional priorities. With the right best practices for proposal criteria and evaluation, seed funds can provide an excellent mechanism for:

- Educating faculty about strategic goals
- Discovering opportunities for collaboration and shared services across silos
- Securing dean commitment so that seed fund projects aren't perpetually dependent on central financial support

In practice, however, seed funds are often administered without much transparency and with inconsistent evaluation hurdles, which can lead to sub-scale proposals, weakly aligned with institutional goals. After strategy teams are satisfied that the revised budget model generates stable sources of funds, they should use the diagnostic below to identify opportunities to strengthen seed fund structure.

Strategic Seed Fund Maturity Diagnostic	Yes	No
Is the seed fund organized around strategic themes?		
Do we maintain standardized business case templates for proposals that generate metadata enabling comparability across academic silos?		
Do reviewers use explicit common criteria, well understood by faculty, about alignment with institutional strategy and potential for cross-unit collaboration?		
Do we synchronize proposal reviews into twice-annual batches for rack-and-stack assessment rather than staggered one-off evaluations?		
Do proposal reviewers identify opportunities for combining related proposals into larger projects to achieve scale?		
Do we require deans and chairs to commit their own funds in addition to seed funding, to ensure "skin in the game"?		
Do we limit the number of seed fund application per colleges to encourage self-screening by deans and chairs?		
Do we set multiyear targets for financial self-sufficiency of successful initiatives to cover their own costs by years three to five?		
Do we maintain clear standards for sunseting and redirecting funds from unsuccessful initiatives?		

Growing Fungible Investment Funds (cont.)

Review of Gainsharing, Position Control, and Auxiliary Revenue Strategies

Provide Central Seed Funds Only After Local Funds Committed by Deans

An insight shared by higher education’s best seed fund managers is that dean commitment is essential, and best accomplished by proposal processes that promote high-quality self-screening and up-front pledges of college resources—both help combat the perception that central support is “free money.”

One research university accomplishes these goals in a cunning manner. When submitting seed fund proposals, deans must complete two application forms: a more ambitious proposal reflecting seed fund contributions and a more modestly scoped proposal that the dean commits to launch using college funds alone, whether or not they receive central funding. This has the benefit of ensuring deans submit only ideas they are fully committed to and sets a precedent for the seed fund’s target of a 60:40 split between the center and units in launching strategic initiatives.

A Strategic Budget Model Workshop Agenda

Strategy teams can use the diagnostic below to assess where their current budget model might benefit from fine-tuning and where team members should request supplementary information and expert support from EAB. Every partner keen on these issues is encouraged to contact your Strategic Leader to schedule an expert consultation or facilitated workshop sessions.

Approaches for Increasing Size and Alignment of Central Strategic Funds		Won’t consider, don’t require information	Not using at scale, want to introduce planning team to concepts	Using, but want to know more from leading practitioners
Subvention Tax	Levy of 3-5% on allocated revenues			
Vacant Position Control	Portion of unspent budgeted salaries diverted to central strategic initiative fund			
Gainsharing	Center shares unit surpluses generated from operational efficiencies			
Auxiliary Outsourcing	Lump-sum payments for conferring service to private provider (e.g., parking, energy, residence management)			
Diversion of Alternative Revenue Sources	Portion of nontraditional education revenue, licensing, facilities, student fees etc. diverted to central fund			
Strategic Seed Funds	Central fund with explicit criteria for unit-based proposals			

Growing Fungible Investment Funds (cont.)

Review of Gainsharing, Position Control, and Auxiliary Revenue Strategies

What approaches do you use to align institutional strategic priorities with unit budgets and action plans?

Approaches for Increasing Central Strategic Funds	Won't consider, don't require information	Not using at scale, want to introduce planning team to concepts	Using, but want to know more from leading practitioners
Cascade institutional strategy metrics to unit annual plans			
Business case templates requiring units to explain how proposal advances strategy			
Department-level strategy performance scorecards			
Tenure and promotion criteria explicitly tied to strategic priorities			

Visit EAB's Dynamic Strategy Resource Center to Access These Resources

eab.com/DynamicStrategy



Embedding Strategic Goals in Unit Annual Plans

Cascading Priorities to Divisional Objectives and Action Items

PART

7



- 1** Annually or once per term, academic and administrative units should create action plans that cascade institutional strategic priorities into unit-level objectives and action items.
- 2** Less is more in these plans; strategic institutions keep them to a single page, not just to reduce administrative burdens on frontline units but to compel simplification of proliferating to-do lists into a short and therefore memorable and visible commitment to shared goals.
- 3** The most effectively constructed plans take the SMART target a level above them in the organizational hierarchy as an overarching target and break it down into controllable objectives to pursue and key results to attain that are within the unit's ambit. As goal-setting gets closer to the front line, leading indicator input metrics take precedence over lagging indicator outcome metrics, which are more appropriate to longer-term, institution-wide targets.
- 4** Recent research in private industry suggests that radical transparency—making unit and even individual targets publicly viewable—is highly effective in winning staff engagement in focusing efforts on priorities and away from things that matter less and for increasing the audacity and achievement of local goals. Amazingly, 90+ percent of staff in both private firms and nonprofit organizations willingly share goals, with little cultural blowback and high performance improvement upside.

Embedding Strategic Goals in Unit Annual Plans

Cascading Priorities to Department Objectives and Action Items

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“Plans are useless, but planning is indispensable.”

Dwight D. Eisenhower

“The university is a series of individual entrepreneurs held together by a common grievance about parking.”

Clark Kerr

”

This report makes the argument for establishing the foundations for Dynamic Strategy on your campus. Greater rigor and agility in strategy formation and strategic execution allow the organization to:

- Course-correct and reallocate resources in response to emerging market risks and opportunities
- Rigorously define a differentiated value proposition, relevant to key audiences like students, talent, donors, and granting agencies
- Reorganize processes and policies so that the benefits of the value proposition are experienced by the vast majority of campus, every day (not infrequently by a persevering few)
- Combat incrementalism and promote dial-moving performance gains through SMART targets, strategic investment seed funds, and budget models that concentrate resources on strategic objectives

Each of these ambitions, particularly those concerning the institution’s differentiated value proposition to every corner of campus and channeling resources from lower-value to strategic activities, requires levels of alignment with frontline units that are uncommon but eminently achievable at most institutions. In the following pages, we examine some of the habits and hacks strategy teams can deploy to get academic and administrative units aware of and bought into institutional priorities.

Embedding Strategic Goals in Unit Annual Plans (cont.)

Cascading Priorities to Department Objectives and Action Items

Don't Assume Everyone Knows Your Strategy—Use Unit Annual Planning as an Occasion to Educate About Strategic Logic and Goals

Even in private industry, where organizations have fewer missions than in higher education, the statistics are remarkable: survey after survey shows that only about one-third of middle managers can list their firm's top three strategic priorities. The gap increases when annual budget planning is an exercise separate from strategic reflection. That might sound like a simple fix, but at any given time, a significant number of people in the organization are working on the wrong things. The challenge is knowing which ones.

EAB hasn't encountered a comparable survey specific to colleges and universities, but one can assume the challenge is even steeper, given increasing turnover among senior leaders and the typically limited rotations and management trainings for department chairs.

Strategic institutions use annual planning to raise awareness about strategic priorities (How did we arrive at these strategies?) and to collectively commit to the same directional objectives across the diverse organization. A cascading goal-setting system does more than just tracking; it aligns from the organization-wide level all the way down to individual objectives. Absent this exercise, siloed departments and entrepreneurial staff can diminish the impact of their efforts by pulling in too many different directions.

Cascading Objectives Linked to Institutional Priorities and Unit Key Results

The cascading process works like this: High-level goals flow from central strategy teams downwards to deans, department/unit heads, and individual employees who take ownership of specific key results from those above them in the organization. They then decide the best way to achieve those objectives. Although objectives are driven from the top, it is vital that there is input from below. Those closer to the trenches will have a better idea of how to make objectives a reality.

Institutional Strategic Priority: Student Success

SMART Target: Improve 6-year graduation rate from 65% to 75% within 5 years

Business School Objectives and Key Results

Objective:	Remove barriers to on-time graduation in curriculum
Key Result 1:	Reduce DFW credit loss by 20%
Key Result 2:	Increase enrollment in summer early starts by 30%
Key Result 3:	Introduce completion-based registration priority

Embedding Strategic Goals in Unit Annual Plans (cont.)

Cascading Priorities to Department Objectives and Action Items

Less Is More. Keep the Main Things the Main Things—Don't Ask Units to Address Every Priority, Every Cycle

Strategic institutions treat the embedding of institutional priorities in unit plans as a kind of de-cluttering exercise. In the absence of clear priorities and goals, planning devolves into an endless to-do list, awash in data, with the organization tugged in too many competing directions.

We recommend using a simple, one-page template for setting unit objectives to pursue and key results to achieve for the cycle. Some institutions do this once per year coincident with budgeting; more are doing the objective-key result cadence once per term going forward.

You can access a ready-to-use template at eab.com/DynamicStrategy.

Many strategic planning leads ask whether every unit should create annual plans detailing strategy-supporting action steps for every top-level institutional priority. It's a fair question; time-oppressed staff fatigued by the pandemic might reasonably ask: "*I'm in the classics department. How much impact can we have on the strategic goal of operational excellence?*" or "*Is campus safety going to make us an R1 research institution?*" No one wants to put unproductive administrative burdens on frontline staff, making action plans for priorities they can't influence meaningfully. But at the same time, no one wants to implicitly suggest units can soft-pedal emerging priorities such as DEI and health and wellness, where there's less track record for how traditional units can contribute and more creativity and commitment are needed.

EAB's advice is to not let the perfect be the enemy of the good and introduce the discipline of linking unit plans to institutional strategy by picking 1-2 essential priorities. For most schools, these involve student success, the student experience, or enrollment. Over time, the full complement of priorities can be worked in, but the appeal of "plans that fit on one page" is compelling as a start.

Focus on Leading, Not Lagging Indicators

The higher on the strategic goal hierarchy, the more appropriate are *outcomes metrics*—which are lagging indicators of units' collective everyday efforts that sometimes take years to accomplish (e.g., becoming an R1 institution). The closer to units' annual plans, the more appropriate are *input activity metrics*—which are leading indicators (e.g., number of multidisciplinary grant applications, average dollar size of proposals, etc.).

Over time, it's possible to treat performance against key results as field experiment data to inform future goal-setting—empirical data on how much input effort equates to what level of desired outcome. A learning organization mindset helps overcome cultural resistance to embedding institutional goals in unit plans that comes from fear of this discomfort of meeting goals. The results of every effort to hit a target aren't a win or failure per se; they're an experimental data point.

Embedding Strategic Goals in Unit Annual Plans (cont.)

Cascading Priorities to Department Objectives and Action Items

Radical Transparency Produces Results if the Culture Can Handle It

EAB offers this observation to the enthusiastic subset of leaders in higher education who closely watch strategy and management insights from private industry that might convey to the academy.

Cascading organizational goals to frontline action steps has long been in the canon of business literature. Influential authors such as Peter Drucker (*Managing for Results*) and John Doerr of the venture capital firm Kleiner Perkins (*Measure What Matters*) have been virtually required reading for managers in charge of strategic goal-setting for decades.

Only recently, however, has an ecosystem of enterprise software companies existed that facilitates workflow and monitoring of an organization's unit and individual goals. Firms with names like Betterworks, Lattice, 15Five, and Workday either specialize in or offer robust features for recording, tracking, and sharing goals. They've begun to share blinded data with business school researchers to analyze patterns about the efficacy of different goal-setting approaches and individual employees' behavioral psychology.

The insights are quite interesting. First and most surprisingly, employees in every industry and every managerial tier were overwhelmingly likely to opt in to making their individual and unit goals publicly visible to the rest of the organization, a behavior that neither researchers nor leaders expected. 90+ percent of individuals made their objectives and key results transparent to bosses and peers, a result that held true across industry types, firm size, and private sector vs. not-for-profit outfits.

Radical transparency seems to produce a virtuous cycle: the more employees share individual goals, the more other employees view, follow, and comment on them, often to cheer them on. Anecdotally, managers said they need fewer meetings to impress and align goals because staff have better understanding. Unit and personal goals trend more aggressive over time without blowback because employees can see what's expected and possible elsewhere in the organization.

Senior leaders have to decide if this approach makes sense culturally at each institution. There is growing empirical data and observed experience, however, that allowing staff to see each other's goals and connect the dots with strategy can address many of the organizational barriers that make it difficult to get local units to buy into campus priorities.



EAB Resources for Your Teams' Planning

Partners can access these resources as templates and activity guides for strategically aligned unit planning:

Academic Vital Signs: Aligning Departmental Evaluation with Institutional Priorities

Key Performance Indicator (KPI) Compendium for Business Units

The University of Wisconsin—Eau Claire's Academic Department Performance Dashboards

Visit EAB's Dynamic Strategy Resource Center to Access These Resources

eab.com/DynamicStrategy



High-Impact Strategy Communications

Increasing Reach and Relevance to Get Key Stakeholders
to Amplify Your Message

PART

8



- 1** Communication is often underestimated as a factor in successful strategy execution. Explaining the rationale for priorities and building awareness of value proposition differentiation is essential for stakeholders to understand the expectations the institution is setting for external audiences. Central strategy teams should formally stand up a communications strategy rather than leave it an afterthought.
- 2** As more institutions embrace *Dynamic Strategy*, where priorities recalibrate continuously in response to market developments, the traditional modes of strategy communications (the public strategic plan document and strategy town halls) aren't enough to inform and inspire.
- 3** Strategy teams should expand the repertoire of strategy communications to increase reach and relevance. The highest returns on time invested come from:

Strategy Explainers that resell boards, faculty, and students on the institution's value proposition, explicitly referencing aspirations and concerns surfaced from these groups during the strategy formation process

Social Proof Testimonials that capture processes for increasing the number and quality of authentic stories from students to help with enrollment and from faculty and staff to help in recruitment

Stakeholder Social Advocacy Programs that offer trainings, ready-to-use content, and incentives, making it easier for students and staff to promote and amplify institutional strategy in personal social media accounts

Unit and Individual Strategic Goals Dashboard—a platform where departments and employees can voluntarily share the key performance indicators (KPIs) and goals they set for themselves to advance institutional priorities

High-Impact Strategy Communications

Why the Published Plan + Town Hall Approach Fails to Engage Audiences

One element of traditional strategic planning that needs to evolve when an institution embraces *Dynamic Strategy* philosophy is strategy communications. In *Dynamic Strategy*, there isn't a five-year plan cycle with a defined beginning and end. Strategic priorities are constantly reevaluated in light of changing external threats and opportunities and strategic initiatives scaled up or shelved in response. Leaders realize that, with so many more course corrections, frontline units need to understand strategic objectives well enough that they can act "strategically" in an agile way, without waiting for express directions from the center.

The "Three Rs" of Strategy Communications—Reach, Repetition, and Relevance

The two mainstays of strategy communications approaches at most institutions—the public plan document and town halls—remain valuable, indispensable activities. Keep doing them, to a high standard. But by themselves, they typically don't generate the sustained two-way engagement *Dynamic Strategy* requires. They come up short on the "three Rs" of strategy communications.

Reach: No matter how beautifully crafted the public strategic plan, it's hard to count on a majority of the campus community taking the time to read it. A study of private industry and nonprofit organizations that relied principally on strategic plans for strategy communications saw that only 13 percent of middle managers could accurately articulate strategic priorities. Town halls are more personal forums but at most institutions reach only a fraction of the total community.

Repetition: Consulting firms such as McKinsey that have built practices expressly to help organizations migrate to *Dynamic Strategy* capabilities tell clients to increase the number of internal communications about strategy by three to four times. It's infeasible to triple the frequency of deluxe public plans or the number of in-person town halls.

Relevance: Communications that merely catalog what the institution is doing without tailoring strategy messages to the unique concerns of stakeholder groups or (especially) demonstrating how the message affects the audience's individual goals and performance don't make an impact lasting enough to change behavior.

Increasing the Frequency of Generic Communications Isn't the Answer

Reach, repetition, and relevance need to be pursued in tandem or else risk staff pushback or indifference to strategy communications, a phenomenon professional marketers call "banner blindness." Internal messaging, already proliferating prior to COVID-19, positively exploded during two years of remote work, and leaders are trying to be sparing in the amount of new information sent from the center. One university president relayed story to EAB about a beleaguered administrative unit manager who came to a strategy meeting with a wheelbarrow full of printouts of emails, texts, and pamphlets that had shown up in his mailbox over the last quarter related to strategy rollout, as a plea for relief from the blizzard of uncoordinated messages.

While *Dynamic Strategy* requires more frequent and relevant communications than public plans and town halls afford, staff often resist or tune out greater volumes of generic top-down messages. How can institutions break the compromise between the needed frequency of strategy communications and the effort needed to craft messages tailored and relevant enough to resonate with diverse stakeholder groups? We propose a set of new tools strategy teams need to add to the communications repertoire and process hacks to make the effort of increasing reach and relevance feasible.

New Additions to the Communications Repertoire

Dynamic, Bite-Sized Communications Strategies Help Spread the Message

Institutions committing to *Dynamic Strategy* are creating several new ongoing channels for strategy communications in addition to the mainstays of the public plan document and town hall meetings, in many cases under the supervision of professionals in the marketing and communications function. Each in its own fashion advances reach and relevance.

Traditional Top-Down Communications



Public Strategic Plan

Public-facing print and electronic document affirming values, highlighting strengths, and detailing priorities and high-profile initiatives for the next cycle



Strategy Town Halls

Ostensibly interactive, but in practice often top-down presentations summarizing themes from the public plan, repeated with various stakeholder groups near plan release

Dynamic Two-Way Communications



Strategy Explainers

Thirty-minute live presentations and video fireside chats selling internal audiences on the value proposition, with content tailored to the most important board and faculty concerns



Social Proof Testimonials

Structured processes for increasing the number and quality of authentic stories from students to help with enrollment and faculty / staff to help in recruitment



Stakeholder Social Advocacy Programs

Trainings, content resources, and incentives making it easier for students and staff to promote and amplify institutional strategy in personal social media accounts



Unit and Individual Strategic Goals Dashboard

Platform where departments and individuals can voluntarily make goals and KPIs related to their pursuit of institutional strategic priorities viewable to peers

First, Elevate the Public Plan Presentation

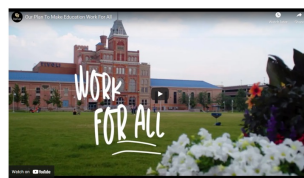
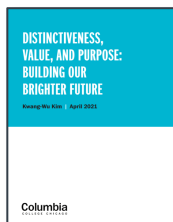
From PDF to Presidential Portal

Ask Yourself: Who Should Visit Your Strategic Plan Webpage, and Why?

Critics of traditional strategic plans in higher education often complain that many “sit on the shelf” after a short period of initial enthusiasm. Their virtual manifestations—often linked to a sidebar on the president’s webpage—might be said to collect dust online, are rarely updated or revised, are cumbersome to navigate, and are seldom consulted by students, faculty, staff, or alumni.

EAB recommends augmenting the static, simplistic approach to posting a public strategic plan by incorporating the following components:

1. A Presidential “Position Paper,” often penned in collaboration with senior leaders to kick off the strategy formation and execution process
2. A 2 to 3 minute “Vision Video” to convey the emotions, aspirations, and main ideas in the plan to a wide range of audiences
3. A branded social media campaign (explored in the pages to follow)
4. Both a one-page strategy summary (easy to print and pin in offices) and detailed views of the goals, objectives, and initiatives within the plan
5. Process explainers to clarify the people, inputs, and project steps involved in the creation and revision of the plan
6. Annual progress updates with narratives, metrics, and initiative updates to communicate progress and explain any changes in strategy



Strategy Explainers

Reselling Internal Audiences on the Power of the Brand Value Proposition

Beyond the public plan presentation principles outlined on the previous page, leadership teams should invest time creating *Strategy Explainers* tailored to help campus audiences understand and amplify specific strategic messages. You've seen the "Explainer" format in online journalism and podcasts—they're short presentations, telling stories and providing definitions and data to clarify a concept.

Two major differences distinguish the best *Strategy Explainers* from traditional public strategic plans and typical town hall presentations:

They aim to sell the institutional value proposition internally and align internal and external messages. Traditional strategy communications can come across as catalogs of what the institution is doing, with the intention of keeping audiences *informed*. They take the power of the value proposition as a given.

In contrast, the best *Strategy Explainers* are focused on reconvincing audiences of the power of the brand proposition:

- What we believe about the outside market
- What student, granting agencies, and community partners want that only the institution can provide
- And finally, how strategic initiatives and big funding pushes create the competitive advantages to deliver on the value proposition

Explainers also take special care to make faculty and staff aware of the expectations that brand campaigns create for external audiences. It's remarkable, based on our engagements with partners, how often internal and external messaging is mismatched. For example, institutions may tout a high-touch student experience outside, while stressing cost savings and operational efficiencies inside, without making the connection about how the latter enabled the former. Explainers start by recapitulating the outward-facing strategy themes first, then the internal actions taken in response second.

Explainers achieve relevance by explicitly referencing stakeholder aspirations and concerns surfaced in strategy formation exercises. Higher education has perhaps the hardest time of any industry balancing inclusiveness and decisiveness in strategic planning, due to the variety of passionate stakeholders. Current students, alumni, boards, faculty, staff, and local communities all have valuable perspectives and deserve to feel heard. Use the insights captured from stakeholder input-gathering sessions as market research for internal brand education.

Anchoring Messages to Community Concerns

Three High-Value, Low-Effort Ways to Engage Stakeholders in Strategy Formation

In Strategy Formation: Involve Boards in External SWOTs Exercises

▶ In Strategy Communications: Organize Explainers Around Perceived External Threats

As we argued in Part 1: Building Dynamic External Market Scenarios, board members (select individuals or the entire board) are valuable participants in SWOT exercises that determine importance and rate of approach of external market conditions. The assumptions generated in these exercises reflect the most salient risks and opportunities that strategy should address, making them a perfect frame for strategy explainers to the board. “Given what we believe about the external market, here’s where we’re competing and differentiating” is the message, referencing particular areas of board interest surfaced in the initial SWOTs exercises. Later updates reflect where the market unfolded in ways similar to and different from assumptions and how the institution is responding.

In Strategy Formation: Involve Current and Recent Students in Value Proposition Differentiation

▶ In Strategy Communications: Organize Strategy Explainers Around How You Uniquely Address Student Needs and Emotions

As we argued in Part 2: Differentiating the Institutional Value Proposition, many strategy teams include current students and recent alumni in persona development and value proposition definition. These small-group exercises in extreme empathy start from the student’s perspective, identifying and ranking their practical and emotional needs, then mapping how institutional programs and services uniquely create gains or alleviate pains the student feels.

The outcome is a brand story that defines a “success journey” in terms that resonate with students, where the students achieve some important transition in their lives thanks to the capabilities unique to the institution that they can’t get as well, as affordably, or as accessibly from competitors. Current and recent students are obviously younger than senior leaders and boards, less invested in long-standing institutional self-image, and thus perhaps better able to articulate what emotional benefits students crave and how perceptions of what the institution offers are changing in the market.

The insights and stories from these sessions make ideal scaffolding market research for *Strategy Explainers* aimed at current students and alumni (and in many cases, donors who have special interest in success of particular types of students).

In Strategy Formation: Involve Frontline Faculty and Staff in Surfacing Strategic Initiative Success Barriers

▶ In Strategy Communications: Organize Strategy Explainers Around How New Strategic Initiatives Won’t Repeat Past Missteps

As we argued in Part 5: Scoping Strategic Initiatives, a leveraged moment for engaging frontline faculty and staff in strategic planning is during “premortem” analyses that explore implementation barriers to proposed initiatives—the reasons why similar campaigns in the past didn’t get traction. Frontline academic and business staff, especially those with student-facing roles, have great insight into process, policy, and technology issues that, if unaddressed, might derail implementations.

These concerns are ideal market research for explainers; recognize they exist, and highlight what the institution is changing to ensure that the initiative will have positive mission impact without adding unrealistic amounts of effort or stress to frontline roles.

Social Proof Testimonials

Increasing the Number and Impact of Stories That Support Strategic Messages

Social proof testimonials are key inputs for strategy communications that the typical institution doesn't leverage optimally, but we believe they are deserving of formal ownership and structured processes. *Social proof* is the term branding professionals use for messaging about the institution that doesn't come from the institution itself—that's the key difference between social proof and advertising. It comes in different forms—awards, recognition, and ranking from third party-organizations and earned media coverage in news outlets—but in the age of user-generated video clips, the fastest-emerging and arguably most valuable kinds of social proof are testimonials from students about why they chose and what they're getting from the institution and from faculty and staff about why the institution is a fulfilling place to work. These authentic stories have much more impact with viewers than anything the institution says about itself.

Despite the growing valence of social proof stories, they remain an afterthought in many strategic communications campaigns. Few institutions maintain formal, rigorous processes for capturing them, meaning that there's always a dearth of good stories, and the ones on hand don't stress key differentiation themes, coming off as vague or repetitive. University leaders often express frustration that the institution has a great story to tell but can't tell in the right variety of voices across campus. Brand professionals tell EAB that the typical institution should be collecting ten times the number of social proof testimonials that they currently do and that approaching participants should be a routine activity rather than a campaign done around strategic plan release.

To ensure a steady stream of diverse social proof stories, many strategy teams are commissioning marketing and communications professionals and the owners of major strategic initiatives to stand up processes for broad-based capture of high-impact testimonials. They create and train frontline staff to use a framework questionnaire designed to get interviewees to express their experiences in the most compelling ways, which amplify the institutional value proposition without coming across as public relations advertising.

Social Proof Testimonial Questionnaires: Getting Interviewees to Focus on *Moments of Transition* in Their Lives and Careers

Students, faculty, and staff understandably don't always articulate their stories in ways that clearly recapitulate the institution's value proposition. They tend to be either too general (at high levels that don't provide viewers a strong sense of how their experience is different from what competitors offer) or unhelpfully detailed (too literal about day-to-day activities, using jargon and acronyms that don't make sense to outsiders).

The best, most impactful social proof stories do *both*, relating specific day-in-the-life details but connecting them to broader goals and values that resonate with viewing audiences. Strategy teams should task marketing and communications with developing a template questionnaire for frontline use that elicits a similar story arc from interviewees, explaining what the student/faculty/staff person hoped or feared prior to their experience and the transition that happened as a result of the brand experience.

Social Proof Testimonials (cont.)

Increasing the Number and Impact of Stories That Support Strategic Messages

A Model Questionnaire for Capturing Social Proof Testimonials

Prompt Questions	What to Look For in Responses
<i>What was life like before your experience?</i>	<ul style="list-style-type: none"> • Personal values that audience shares with the institution • Success journey goals • Negative emotions and frustrations to overcome
<i>Why did you choose the institution / program / service over alternatives?</i>	<ul style="list-style-type: none"> • Specific reference to institutional program, service, or attribute’s distinctive feature—what stood out? • Avoid using hard-to-understand acronyms or program names the audience isn’t familiar with
<i>What did you value most about your experience?</i>	<ul style="list-style-type: none"> • Find the moment when a transition happened—unable to do something, to doing it • Link a distinctive activity or approach with the epiphany
<i>What is life like after your experience? What’s changed for you?</i>	<ul style="list-style-type: none"> • Success journey advanced • What are they now able to do with their lives? • Negative emotions and frustrations left behind

Impromptu Testimonials Fall Short Without Interview Guides

“I’m a proud member of CONNECT.”

“We had such a great time helping to renovate buildings in the Jamestown neighborhood. We restored 30 residences.”

“I’ve met so many great people here, and the staff are all so engaged. I love being able to complement my classroom studies with practical experience.”

- Uses obscure program acronym that audience might not understand**
- Doesn’t connect activity to broader life goals**
- Generic claims—any institution could say this**

Social Proof Testimonials (cont.)

Increasing the Number and Impact of Stories That Support Strategic Messages

Effective Social Proof Stories Capture “Success Journeys” (*Illustrative*)



What was life like before your experience?

“Before I started [name of program], I knew I wanted to study the future of water. Water rights, preventing droughts have been passions of mine from living through wildfires as a kid—I want to get water from where there’s too much to places where there’s not enough. I didn’t know exactly what field, or what jobs there were, but most of all I was just itching to make a contribution somehow. I didn’t want to wait until I was in my 30s.”

Taps into a personal value (environmentalism) and emotion (impatience to get started)

What is life like after your experience? What’s changed for you?

“I feel like a practitioner now, not just a student. I feel like I could join a new team or organization and find my footing quickly enough to contribute right away. It’s great to have that confidence and independence.”



Highlights a transition in capabilities and emotions



What did you value most about your experience?

“I loved that the program let me and other undergraduates participate in what the faculty call their “MacGyver sessions,” where they come up with ways to advance the project and get new data on shoestring budgets using whatever’s on hand. It felt so great when I was able to suggest a couple of hacks that saved the team time and grant money. The program isn’t just internship busy work; it’s great exposure to a problem-solving view of the world.”

**Detailed description of genuinely unique approach/feature
Generalizes about how experience helps with broader goals**

Social Proof Testimonials (cont.)

Increasing the Number and Impact of Stories That Support Strategic Messages

Prioritizing Social Proof Stories from Priority Stakeholder Groups

Which Voices Can Authentically Demonstrate Your Brand?

To build out a library of social proof stories by a range of high-priority stakeholder groups, the most prolific marketing and communications groups work with the strategy team members to identify sub-groups for proactive outreach about specific elements of the institution's value proposition.

Common Targets for Proactive Social Proof Outreach Efforts



High-Value Student Groups

- In-state undergrads
- Out-of-state undergrads
- First-gen and underrepresented undergrads
- Transfers
- Women in STEM
- International (by country)
- Adult learners
- Military



Priority Faculty Groups

- Underrepresented demographics
- Early career PIs
- Cluster hires



High-Demand Administrative Functions

- IT and cybersecurity
- Finance
- Mental health and counseling

Strategy Themes

- Student success
- Experiential education
- DEIJ
- Mental health & wellness
- Employer of choice

Stakeholder Social Advocacy Programs

Equipping and Motivating Your Community to Promote Strategy Messages

Recognizing that the great existential struggle of present times is figuring out how to *disconnect* from social media, we have slight pause advising strategy teams to devote more mental energy to these platforms. But the need and opportunity to develop this channel for strategy communications is essential for increasing strategy communications' reach and relevance.

The combined personal networks of your campus community—students, faculty, and staff—are larger than all your traditional communications combined, and it isn't even close. For reference, The #1 public university in terms of Facebook followers last year was the University of Michigan, with about 780,000 followers.

Compare that to the cumulative social reach of even a small private institution with 1,000 students and staff combined. Using normal assumption about individuals' private account social presence, the small institution collectively will have social media reach of 1 million, even bigger than that of the most widely-followed public university. This gap widens when one considers the higher rates of impression uptakes from personal versus organizational sources.

In every industry, at organizations of all size, there is abundant quantitative data verifying how much more viral and persuasive social messages shared by employees are than those coming from institutions' official accounts.

Messages from Student and Staff Personal Accounts Are Far More Impactful

561% greater reach when messages are shared by employee rather than brand official social media channels

800% more engagement on posts shared by employees, compared to these same posts shared by brand official channels

93% of consumers trust brand information shared by individuals compared to just 38% from official brand channels

You have fantastic, dedicated employees who love working at the institution. Harness that energy and excitement to help them share information as easily as possible. The question then for strategy teams: How can we leverage our community's personal networks without it seeming as if we're asking them to do extra work passing along PR press releases? How can we make amplifying strategy themes self-sustaining and mutually beneficial?

Stakeholder Social Advocacy Programs (cont.)

Equipping and Motivating Your Community to Promote Strategy Messages

The answer for most institutions is to create formal processes and trainings and continuous, relevant pass-through content for students, staff, and the local community to comment on and post about in their own profiles, teaching them what to say (and not) and supplying them with material that improves individual social brands. Marketing professionals refer to these approaches by the somewhat confusing term *Employee Advocacy Programs*. In the higher education context, we'll use the term *Stakeholder Advocacy*. More colleges and universities are establishing strategy communications committees for this express purpose. Below are some of the basics of a Stakeholder Advocacy Program, with links to tools and frameworks for your team to adapt locally.

Social Media Guidelines

Students, faculty, and staff benefit from guidance about what kinds of content is and isn't appropriate to share. Social media guidelines outline simply how the institution and its employees should conduct themselves via the web. They help protect your institution's online reputation and encourage employees to also get involved in sharing about the company in their online networks. Employees may think it's too risky to post in the absence of such guidance. Don't forget to ask your employees to follow your company and talent-focused social media channels; encourage them to like, comment, and share. Guidelines need not and should not be lengthy; most private industry guidelines are at most two pages.

Social Coaching Workshops

Many private sector organizations provide trainings and even internal certifications for social media footprint-building, helping stakeholders learn how to write pithy posts and offering tips about how to use social media to cultivate a reputation as an industry thought leader.

Content Push Calendars

To reduce the effort burden for students and staff contributions, marketing and communications should draft posts and tweets expressly intended for re-sharing. It shouldn't be veiled advertising; instead, the most frequently reposted forms of content are:

- Vignettes featuring students, faculty, or staff doing their work
- Third-party, noncommercial content in an area of strategic interest, such as research statistics, survey results, and think pieces

Most private industry stakeholder advocacy programs target an 80/20 ratio between content that is generally informative and helpful to outside audiences and stories about the institution itself.

Stakeholder Social Advocacy Programs (cont.)

Equipping and Motivating Your Community to Promote Strategy Messages

Presidential “What Do You Think” Conversation-Starter Questions

Presidents can help generate social activity focused on a particular issue using question prompts, a technique popular in private industry for quickly building customer awareness and influencing employee sentiment. Question prompts work better in stimulating two-way conversations than top-down announcements.

Question prompts take three general forms:

“What’s Yours?” Sentiment Questions: The president describes an issue or field and invites audiences to weigh in on favorites.

Example: “We have 400 different kinds of experiential education options in the curriculum. What’s your favorite?”

Call for Ideas/Suggestions: The president presents an issue of strategic priority, and puts out an open-ended request for audience concepts.

Example: “We all learned a lot about virtual school during the pandemic. What learning technologies should the campus pursue?”

Call for Stories: The president solicits personal vignettes, ideally illustrating how part of the value proposition positively affected members of the community.

Example: “What are you doing to improve your mental health and wellness?”

Unit and Individual Strategic Goals Dashboard

Radical Transparency Is Incredibly Effective at Raising Strategy Awareness and Surprisingly Embraced by Staff

A final channel for strategy communications internally is making unit-level and even individual strategy execution Key Performance Indicators (KPIs) publicly viewable. A growing body of evidence indicates that, when allowed, employees across all industries are surprisingly willing to share their personal goals with peers and actively look up the goals of peers across the organization. Radical transparency is associated with greater awareness of the organization’s strategic priorities and execution goals and tends to ratchet up the audacity of goals as units become aware of what’s customary and possible through peers.

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