Moving Beyond Strategic Planning
(Strategy and Not Planning)

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All institutions have strategic plans; yet, few have strong consensus that they are meaningful and consequential in that they lead to real impact. Typical strategic plans focus on a set timeframe, such as five years; some are bold enough for 10-year efforts. They are crafted by a committee after extensive, if not exhaustive, input from a variety of stakeholders; although many examples exist of the lone president writing the plan over a weekend. And in the end some become guiding documents that provide a roadmap for the future, but too many do not. The rate of return of all of that effort is gravely disappointing. Institutions invest a lot of hours in planning that they cannot recapture.

The solution tried and tried again is to improve *planning* efforts to create better outcomes. Involve more people; develop new metrics; instill accountability efforts; hire different consultants (have leaders say repeatedly "this plan will not sit on the shelf").

Improving *planning* very might well be the wrong focus. Instead, maybe institutions should focus on *strategy*, the other part of the strategic planning equation.

Traditional approaches to *planning* seem very much based on implicit assumptions about the environment and the future:

- The environment is knowable, and not volatile;
- The future is predictable, and not uncertain;
- The future is time-dependent (that five-year focus), and not challenge-dependent;
- The future is continuous, and not disjointed; and
- The environment will be recognizable, and not unrecognizable.

The reality is that few if any colleges and universities live in an environment and face a future that are knowable, predictable, time-dependent, continuous and recognizable. But our efforts to best prepare the institution for that future adheres to these unchallenged assumptions that stem from a focus on planning and not on strategy. Or our comfort with these assumptions push us toward planning when we need the potential messiness of strategy. As Gary Hamel writes "planning is about programming, not discovering."[1] What most colleges and universities need to do is develop their capacity for discovering.

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[1] Hamel, G. (1996, July-August) Strategy as Revolution. Harvard Business Review. p. 71

But first, what is strategy? There are a lot of competing and contradictory definitions, which in their inconsistency may help universities do what they know they need to do. Some definitions include the following:

- "An integrated set of actions designed to create a sustainable advantage over competitors." – Frederick Gluck, McKinsey.
- "Building defenses against the competitive forces in an industry or finding a position where the forces are weakest."- Michael Porter, Harvard Business School.[2]
- Strategy is a pattern of behaviors; consistency over time. "We may think of strategy as a plan, but we are perfectly happy to see strategy as a pattern." – Henry Mintzberg, McGill University.[3]
- "An exploration of the potential for revolution." - Gary Hamel.[4]

By focusing on planning and not on strategy, our efforts tend to advance some potentially limiting beliefs given the characteristics of the world in which we need to operate:

- Alignment and coordination is strongly desired over flexibility and responsiveness (the future is knowable and stable after all, right?);
- That an institution's future is best articulated in steps – develop the plan, get buy-in, execute, measure progress, and hold people accountable;
- That institutions need well-defined priorities (and better yet if they come with clearly stated objectives and tactics) that focus, focus, focus;
- Decompose complex agendas into discrete parts, rather than allow for and seek new and novel synergies;
- If we don't know where we are going, we might end up somewhere else (which would be by definition a bad thing even if we have strong missions to guide our direction); and
- If we have a plan, we have a strategy.

A similar pattern emerges in other types of organizations as well. "Strategic planning becomes merely a codification of judgements top management has already made, rather than a vehicle for identifying and debating the critical decisions that the company needs to make…"[5] Higher education, last I checked, is facing critical decisions more often than what a five-year planning cycle suggests. We need better, more relevant and timely approaches that allow administrators, faculty and trustees to have important conversations about critical decisions.

Some of these above elements are important, such as aligning budgets and priorities, but that is essential to operationalizing strategy. It is management not strategy and should not be treated as such.

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[2] Porter, M. (2008, January) Five Forces of Competition, *Harvard Business Review*. p. 89
[3] Mintzberg, M. (2007). *Tracking Strategies*. Oxford University Press: New York. (p. 4)
[4] Hamel, G. (1996, July-August). Strategy as Revolution. *Harvard Business Review*. (p. 70).
[5] Mankins, M.C & Steele, R. (2006, Jan). Stop Making Plans: Start Making Decisions. *Harvard Business Review*. (p. 78-79).

What would colleges and universities create with efforts that focus on strategy and not on planning or on management?

Organizations across a variety of sectors including health care, manufacturing, IT, and others focus significant time and energy on *strategy*. In fact, many of our universities' business schools have whole academic departments focusing on strategy, something we don't even know how to talk about in higher education. Those scholars and practitioners note that the real breakthroughs in other sectors come from the hard work organizations do in articulating, clarifying and advancing strategy. Higher education has yet to do this in any concerted way.

At Penn AHEAD we are interested in putting these ideas to the test. We seek to create a network of institutions to explore a focus on strategy as the means to position themselves for the future. Through the network, institutions will use the ideas and frameworks of strategy to understand and take advantage of the dynamic currents of the environment and develop a meaningful strategy that provides a sustainable advantage, to use one definition of strategy.

Because the ideas of strategy are underutilized in higher education, this network is based on a *practice-to-research-to-practice* model testing and modifying notions of strategy from other sectors. The result will be new ways of thinking and working for the participating institutions and a set of practical tools, approaches and models that other institutions outside the network can adopt. It is based on the idea that a different set of conversations – across institutions and within them – will lead to new ideas and ways of working.