A Solution for the "New Normal":
Linking Strategic Planning, Assessment, Program Review, and Resource Allocation
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"Organization, with all of its characteristic paraphernalia – committees, departments, hierarchies, codes, standards – often manages to choke the last bit of life out of an enterprise, frustrate almost every tendency toward originality and imagination, and militate against decision and responsibility" (Rudolph, 1990). But originality, imagination, good decision-making, and responsibility may be life-saving qualities for today's colleges and universities. The threats in the 21st century's global, high tech, explosively competitive, economically fragile, consumerist watchdog higher education environment are pushing colleges and universities to expand their array of decision-making considerations and demonstrate their value in ways that are meaningful to constituents.

Dissatisfaction is rampant and, with unprecedented consistency, the public, the literature, panels, task forces, websites, blogs, and other treatises on the condition of higher education begin and end with a call for change. "Popular anger about universities' costs is rising just as technology is shaking colleges to their foundation. College costs have trebled in the past three decades and ex-students have debts approaching $1 trillion" (Schumpeter 2011).

Professionals within the academy are dissatisfied as well. Less than one-half of students who enter college directly from high school complete even a minimally defined college preparatory program (AACU, 2011). The proportion of professors at four-year universities who are on track to win tenure fell from 50% in 1997 to 39% ten years later (Schumpeter, 2011). Many faculties have experienced compensation reductions and/or increases that do not keep up with the cost of living; many have said goodbye to peers and programs that have been dear to their hearts and/or that seemed essential to their purpose. In April 2011, Garland indicated that, "Googling 'university no-confidence vote' yields nearly two million hits". On January 5, 2012, searching the same key words yielded over 14 million hits.

The dissatisfaction has attracted federal and state attention so that both are challenging institutions – and the accreditors that monitor the quality of the institutions – to prove their worth. A new intensity of regulation by the federal government is occurring while many states are simultaneously increasing their regulatory efforts. Keeping up with rules in an increasingly adversarial environment has become as difficult as keeping up with technology. Governments are challenging peer review while the regional accreditors have become the strongest lobbyists for mission-centered, broad learning.

Three core academic values are especially threatened by the watchdog environment – mission-centered learning, the liberal arts, and shared governance - for the oversimplified reason that, in the minds of a consumer-oriented culture, these things seem to add unnecessary time and cost to the end goal of career preparation. Value-related outcomes are not easily or

quickly measured or reported and personal, internal growth can even go unnoticed. Thus it can appear to the public and to students themselves that little or nothing is gained from the arts, humanities, or collaborative institutional spirit. Ironically, the watchdogs are trying to protect the consumer by ensuring colleges give the students what they want, which often short circuits what they need to succeed in today's rapidly-changing workplace.

"For universities the new normal means the budget crunch is not going away…We're not going to tax our way out of it. We're going to have to innovate our way out of it as a country," said David Gergen, professor of public service at Harvard's JFK School of Government and a director of its Center for Public Leadership, in his keynote address at TIAA-CREF 2009 Institute's conference, "Smart Leadership in Difficult Times". At the same conference, Roger W. Ferguson, Jr., president and CEO, TIAA-CREF, said, "It's quite clear that colleges and universities really have just a limited number of levers that they can pull to work through these kinds of economic crises…layoffs, salary freezes, hiring freezes, even benefit reductions are really only going to be helpful in the short term. Longer-term solutions involve creativity and changes in the business model" (TIAA CREF Institute, 2009).

Smart leadership at small private institutions requires leaders, with businesslike objectivity, to actively engage the rich knowledge, analyses, and critical thinking skills of its many learned and experienced members in ongoing efforts to make what are increasingly high-risk decisions. Decision-makers need to be informed by expertly evaluated evidence of each program's effectiveness and relevance so that they can balance the needs of each unit against the needs of the whole institution in developing creative solutions.

A Small, Private, Midwestern University's Home Grown Solution

"Learning to work differently, growing interdependence, and responsive dialogue must inevitably frame the 21st century academy" (Bash, 2003, p. 213). The Graceland Model of Institutional Effectiveness, developed as a four-year HLC Assessment Academy project by standing committees at a small private university in the Midwest, aligns quality assurance and improvement protocols and University-wide timing to: a) integrate assessment with other institutional tasks that require the engagement of faculty and staff; b) clarify expectations so that no effort is redundant; c) build timelines and routines that allow faculty and staff findings to be considered during decision-making processes; and d) preserve evidence of progress that can be shared with the public and the regulators. While this integrated process is relatively new at Graceland, with respectful communication and good documentation, it is beginning to strengthen the sense of shared governance.

The effort began as the university responded to environmental conditions with a decision to comprehensively evaluate every program. The responsible committees quickly experienced – and understood - resistance in asking peers to

work on a self-analysis project that seemed similar to various self-study-, assessment-, strategic planning-, and budget-related tasks that had been completed over time. To minimize the time commitment, program review and assessment committee members collaborated to design and define the work expected of each unit, mentored unit members one-on-one, redesigned and redefined and rearticulated expectations, and thanked unit and committee members for their patience and inputs. They enhanced and streamlined collaboration with other university groups, starting with the executive and leadership teams. The president added the deans and athletic director to his executive council, appointed the university's first budget committee to address resource-related issues, and program review task forces were assigned to assist with review of the programs that touched everyone.

Institutional Effectiveness

By year four, the responsibilities, activities and outcomes of each function were linked so that no effort would be redundant, all activities would be meaningful, and all efforts would complement each other. As the systems began to converge, the president suggested that the system reminded him of the complex, integrated inner workings of his grandfather's pocked watch. Committee members developed the illustration in Figure 1 to help communicate how each discrete task of each function builds upon prior results and advances the next effort, making each both simpler and more valuable. As illustrated in Figure 1, the mission-based strategic plan powers the gear train, a five-year program review cycle regulates strategic decision-making, annual input from assessment activities provides balance, and all inform the annual resource allocation process (Bash & Bash, 2011). The whole is indeed greater than the sum of its parts.

The model identifies four primary functions of institutional effectiveness that, when well-informed, enable the college or university to maximize its resources and operations through optimal decision-making. Collectively, these functions require constant institutional attention but there is no reason that they should deplete institutional resources or impede academic priorities. The work is well-defined and continuous; no single task is onerous.

The four functions of institution effectiveness are: a) strategic planning, b) resource allocation, c) assessment, and d) program review. Trends established by annual **assessment** (function 1, gold) activities are at the heart of institutional effectiveness, just as the balance spring of a pocket watch is at the heart of the watch's regulator. Because assessment is ongoing at the unit and institutional levels, well-considered and documented results can **balance** the timing, accuracy and consistency of strategic decision-making. For professional staff as well, preserving and using results through assessment of goal achievement, community members are able to know that they are building upon their last effort and that the process is cumulative. The **Strategic Plan** (function 2, silver), a powerful mainspring, consistently **powers the institution over time** by

interpreting assessment findings strategically. The time is past when strategic plans could reasonably project the next ten years, and Graceland's is an open, flexible, strategic dialogue, reinvigorated as the community members revisit it annually through committee and department routines. Annual strategic planning efforts are timed to precede the annual budget process (**resource effectiveness and efficiency**, function 3, silver) so resources can be allocated according to current priorities.

Graceland University
Institutional Effectiveness Timepiece

ANNUAL
Assessment of Goals & Objectives
SLIC, All Units
Document each spring

ANNUAL
Strategic Planning Renewal
EC, BOT, Lead. Team
June-Sept.

ANNUAL
Assessment of Program SLOs
SLIC, Faculty & Professionals
Document each spring

5-YEAR
Program Review
All Units
Document
20% Each Year

5-YEAR
Analysis of Unit Mission, Institutional Fit
All Units
During PR Self Study

ANNUAL
Budget (Resource Effectiveness & Efficiency)
EC, BOT, UBC, Lead. Team
Oct.-Feb.

5-YEAR
Analysis of SWOT
All Units
During PR Self Study

Ongoing assessment of strategic outcomes confirms progress, identifies challenges, and informs planning from unit perspectives. Five-year assessment trends are the heart of Program Review.

Each year, assessment findings and resource availability impel adjustments to the established strategic plan. In turn, the revitalized plan informs annual goals, objectives, and strategies.

Documenting annual efforts in a five-year cycle establishes trends to be explored in the context of strengths, weaknesses, opportunities, threats, currency and institutional fit. If 20% of all units conduct program review each year, the institution's progress is continually and deliberately advanced according to both current events and trend analysis.

EC Executive Council
BOT Board of Trustees
Lead.Team Leadership Team
SLIC Student Learning Improvement (Assessment) Committee
SLO Student Learning Outcome
PR Program Review
PRC Program Review Committee
UBC University Budget Committee

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Program review (function 3, bronze), by creating a record that preserves comprehensive input as interpreted by the experts who work within each unit, is a regulator. Because it is a comprehensive review with 20% of units completing the process each year in a five-year cycle, it enables Graceland to consider relevant aspects of all the qualitative factors that it finds meaningful when making decisions. In today's economic environment, it is easy to let finances dominate decisions. Many assume that such a review process, when discussed or assigned by administration, is about threatening programs with budget cuts.

Figure One

Indeed, efficiency *is* a primary consideration of program review, but by carefully allocating responsibility, topics and process points, the many parts of a comprehensive review can give equal consideration to those things that all members of the institution deem vital. Every unit can contribute its voice (by gathering data, analyzing it, and offering recommendations through strategic planning, assessment, budgeting and program review processes) on those things upon which they have agreed are important to Graceland. Moreover, the program review process can provide crucial comparative data that can help identify areas where an investment of new resources may be appropriate.

A simple example illustrates how this process works in practice. From November through mid-February, Graceland undergoes its annual process of budgeting for the upcoming academic year. For the first time this year, the College of Liberal Arts and Sciences (CLAS) could prioritize its budgetary requests using: 1) the program review documents that had been completed by every academic unit and reviewed by the Program Review Committee and the University's Executive Council;

2) the assessment matrices completed by each academic unit; and 3) the University's strategic plan and the ten goals developed by CLAS to support that plan. When the five division chairs and the dean of the college met to finalize its budget requests, building a consensus proved to be relatively easy and highly collegial. Moreover, when the dean then met with the Vice President of Academic Affairs (VPAA) to present the budget, the VPAA could more easily identify not only the priorities of the college, but also the data and the strategic thinking supporting them.

Graceland's faculty are its most experienced and concerned assessors and this structure enables them to have a voice in planning because strategic decisions will be based, not on data, but on data as interpreted by the faculty – routinely through the lens of assessment and longitudinally through the many lenses of program review (mission, institutional fit, relevance, demand, assessment trends, and resource efficiency and effectiveness). It takes time and the deliberate effort of many community members before faculty can feel confident that their effectiveness is acknowledged and their voices heard. But by making accountabilities explicit and sharing findings and analyses with those responsible for turning the next gear, Graceland is able to plan more cohesively and strategically and avoid the frustration of disparate efforts to close a loop or tie up a bunch of loose ends. If everyone does their fair share according to established timelines, over time, decision-makers should always have the necessary information to leverage resource allocations deliberately, in a manner that best uses the institution's strengths to address the institution's challenges.

"The most successful institutions will not be those that ride out the economic downturn by returning to the status quo." said Madeleine d'Ambrosio in opening the 2009, "Smart Leadership in Difficult Times" conference. Graceland has addressed the need to be FAIR: flexible, agile, intentional, and responsive (Bash 2008). The Graceland Model allows Graceland to engage unit voices in creating a new, better informed, institutional voice for decision-making and it keeps Graceland's mission, vision, values at the heart of those decisions, preserving the best of the "status quo" while attending to an environment that changes at 4-G speed. This model provides a foundation for other colleges and universities to expand their own institutional effectiveness. Most institutions, made up of good critical thinkers, with some kind of strategic planning, assessment, and budget routines in place, are halfway there and no major expenditure is necessary to start the process of definition and integration. Each institution will need to make adjustments that serve its own purposes, so the model enables institutions to redefine themselves, keeping the best of the old and integrating the best of the new. The critical point is to begin.

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