

Strategic Planning – Challenges, misunderstandings and traps

Speaker

Roger Sanderson

Strategic Business Development Manager

Flinders University

Today's presentation

- Strategy – What is it?
- Briefly revisit Strategic Planning concepts
- Common Issues and Traps in Strategic Planning
- Business Case study

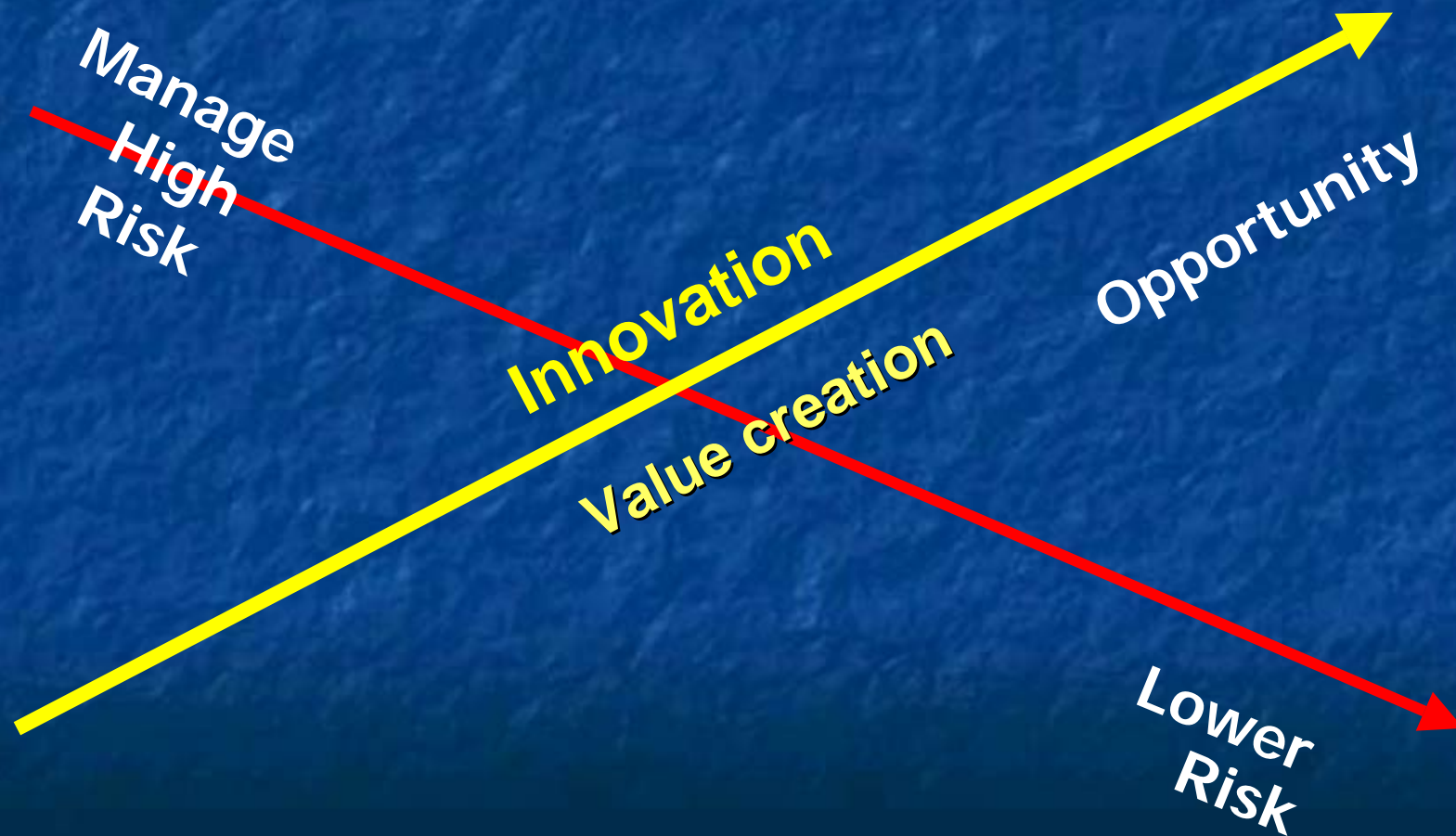
Strategy - Definition

- “Designed to disorganise enemy’s internal economy and destroy morale”

What does Strategy mean?

- A carefully devised plan of action to achieve a goal, or the art of developing or carrying out such a plan
- Strategic planning is generally a three-step strategy formulation process that determines:
 - where you are now
 - where you want to go, and
 - how to get there

A quality Strategic Plan will:



A quick reflection on Strategic Planning Structure

- Vision statement
- Mission statement
- Values (optional)
- Corporate level Objectives or Goals
 - Strategic business unit objectives
- Strategies
- Actions or Tasks
- Key performance indicators - should include some form of a balanced scorecard approach (Financial, Customer, Process and Learning & Growth)

Strategic Planning Structure

- **Vision statement**
 - Long term view of a possible future

E.g. Eradicate Cancer
- **Mission statement**
 - The mission that the organization gives itself in society or
 - The mission set for a business opportunity

E.g. Minimise the effect of cancer on our community through research and education and provide cancer affected people with support to enhance their quality of life.

Strategic Planning Structure (cont)

■ Objectives

- Qualitative statements that are tactical, financial and strategically focused
- Objectives no longer state the measurement
- Example - Increase the level of research activity across the University

Strategic Planning Structure (cont)

- **Strategies**
 - Examples - Encourage & expand cross disciplinary research linkages
 - Implement a research management information system
- **Strategies** must connect with Mission, the respective objectives and likely future trends

Strategy **implementation** involves

- Allocation of sufficient resources (financial, personnel, time, technology support)
- Establish a chain of command or some alternative structure such as cross functional teams
- Assign responsibility for specific tasks or processes to specific individuals or groups
- Manage the process
- Review and refine the plan

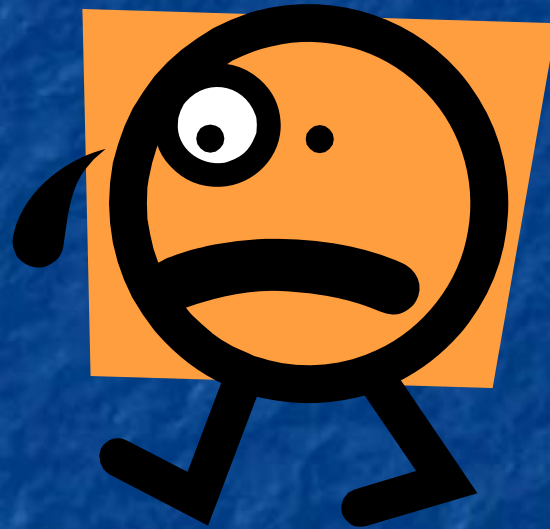
Strategic planning in a University context

- We all have strategic plans?
- They are managed at both Executive and Faculty level?
- Regularly reviewed?
- Are there emerging issues?
 - Business continuity perhaps?
 - International student revenue?
 - Strategically managing risk?
 - Governance?

Aust. Auditor General Comments

- 'Also a need for the University to reconsider its exposure to risks through its commercial activities. The exposure could be considerable if not managed properly'.
- 'Management also needs to address updating and periodic testing of business continuity and disaster recover plans'.
- 'Ensure their audit (or similar governance) committees play a direct leadership role in organisation-wide risk management, including oversight and regular review of risk management frameworks, strategies and treatment plans'
- International Student recommendation - identify systemic issues that may be present and take appropriate action to improve outcomes.

Common Issues and Traps with Strategic planning



Common Issues and Traps

- Lack of understanding or confusion as to what is meant by Vision and Mission
- Mission Statement is too long or needs explanation
- Objectives lost in extensive narrative
- Motherhood Statements (best in the world)
- Inconsistency in the choice of words
- Plan does not go far enough or is too complicated
- Plan does not properly address Governance
- Our ideas are sound & we do not need a plan!

Common Issues and Traps (cont)

- Belief that the idea is unique without undertaking market research
- Market Myopia – Short sighted as to planning for opportunities
- Failure to understand the potential customer
- Plan over-estimates resource competence
- Under-estimation of time requirements
 - No critical path analysis done
- Lack of adequate Capital
- Passive statements in the Executive Summary

Misunderstanding the terminology

Task

- Educate researchers about ethical conduct
- Enhance collaboration towards research partnerships

Strategy

- Disseminate information
- Map University research expertise-database

Wording used in documents - Potential for confusion

- Performance Plan
- Strategic Plan
- Strategic Framework
- Guiding Principles
- Bus. Plan & Bus. Case
- Strategic eductn goals
- Goals
- Objectives
- Strategies
- Tactical or Operational Tasks
- Tasks
- Strategic Actions and measures
- Outcomes
- Project outcomes
- Barriers

Planning terminology

Be certain and informed about the planning terminology used by your University and ensure consistency in planning documents

Planning challenges for the University

- If an Academic wishes to embark on a commercial venture do we expect and require a business plan?
- What if the Academic has limited financial and strategic planning experience?
- To what level should the business plan be developed?
- What advice and support services do you deliver?
- Should you charge for the service?
- Should they budget for an outside consultant to prepare the plan?
- In what format do you require the plan

- How is Flinders working to support academics and other staff in strategic planning ?

Business Template Models at Flinders University

- **Significant Commercial New Initiative**
 - Business Plan template contains key headings #1
 - A set of extensive guidelines under each heading gives examples of what might be expected under that heading
 - Types of Corporate Structures and facts on each #2
 - Strategic implementation template #3
- **Commercial but not significant new initiative**
 - Business case template (currently under development) # 4
- **Policies and decision flow path to decide on model**
- **Access to internal strategic planning expertise and staff development courses**

presentation hand out No.

Strategic **Implementation** Template

- No need for a fully worked business plan and can equally work from a simple business case model (hand out 4)
- Designed to provide the detailed working (implementation) to achieve a stated set of objectives
- Specific strategies for each objective
- Enables a group or an individual to develop actions to achieve each strategy
- Easy reference tool for leader to assess progress against any objective
- Encourages documented change when strategies have not worked

Case Study

Flinders Humanities
Research for
Cultural Heritage &
Cultural Exchange
(FHRC)



FHRC

Mission

“Multi-disciplinary
research excellence
in the field of
Cultural Heritage and
Cultural Exchange”



FHRC

Objectives

1. Encourage and support **multi-discipline research** teams and develop next generation research leaders in Cultural Heritage and Cultural Exchange
2. Undertake **collaborative research** in Cultural Heritage and Cultural Exchange
3. Raise the **profile** and interest in Cultural Heritage and Cultural Exchange
4. Achieve **Financial Sustainability**

FHRC (hand out 5)

- Developed from a word document describing what the ASRI is all about and what is hopes to and has achieved
- Extracted clear objectives all of which start with a verb
- Each objective has separate strategies and actions
- Lets examine the issues with KPI's

FHRC

KPI challenges

- More joint –authorised publications?
- Increased collaborations?
- Higher profile?
- Improved Morale?
- Financial Sustainability?

Can or should your financial/technical team help in this type of planning processes?

Business Case template

(see presentation hand out 4)

- Features –
 - Not complicated
 - Simple headings but constructively builds then case
 - Gives simple examples
 - Relates to university Goals and Objectives
 - Encourages current position assessment (SWOT)
 - Requires milestones and critical success factors to be identified
 - Asks for an assessment of risk and its minimisation

Business Case template

- Not included
 - Vision but could be included
 - Values
 - Definitive Strategies
 - Definitive actions
 - Strategies and actions would be developed later
 - KPI's not asked for but may become evident from the critical success factors

Questions

