Higher education is undergoing a major transformation. Tuition fees are climbing at a much higher rate than general consumer prices, students graduate with higher debt loads than ever, and yet many are questioning the value they receive from higher education. In particular, residential colleges and universities are now competing with the rapid growth of relatively inexpensive on-line offerings.

Higher education institutions face tremendous cultural, structural, and business process challenges that make it difficult to adapt quickly and nimbly to change:

• Deeply entrenched departmental silos
• Difficulty finding meaningful information in mountains of big data
• Challenges with prioritizing and funding investments in new facilities, technology, people, or other capacities
• Lack of faculty and staff engagement and collaboration in new strategies

The Trouble with Strategic Planning

Your institution probably has a strategic plan. It might even be a great plan. Yet, even the most well thought-out strategic plan often falls short when it comes to execution.

Do you see any of these problems in your organization?

• We don’t have a clear plan that everyone understands and knows how to take part in
• We have a clear plan, but we cannot implement or stay focused on it
• We cannot demonstrate results, to ourselves, our customers, or our stakeholders
• We cannot change direction as quickly as we need to

Other industries have adapted successfully to these kinds of challenges. For decades, technology and manufacturing organizations in North America have been hammered by global competition and rapid change. Successful firms in those industries share these characteristics:

• Engaging the collective intelligence of employees, customers and stakeholders in evaluating issues and choices for moving forward
• Building a persistent focus on improving customer value — in this case, better student experience and learning outcomes
• Using actionable performance metrics to *align* action throughout the organization, set the goalposts for success, and evaluate alternative investments

• *Acting* nimbly to rebalance program and project commitments in response to new information and priorities, dead ends or unanticipated opportunities

**The Agile Approach to Strategic Planning and Execution**

Imagine a school of fish. Have you ever noticed how quickly — and collectively — they can pivot and head in a new direction? Do you think they did this according to a plan that the biggest fish set out for them? Or is it due to some mysterious psychic phenomenon? In fact, this is what scientists refer to as *emergent behavior*. The school’s movements are determined by moment-to-moment decisions of individual fish, taking their cues from interactions with their neighbors. You could call it “mass collaboration.”

The Agile Strategies approach recognizes that, in a human organization, strategy emerges out of a collaborative learning process on the part of everyone in the organization. This is the only way strategy can work in a dynamic, competitive, unpredictable environment. While overall leadership must set strategic direction, execution and innovation cannot occur unless everyone in the organization is engaged.

The Agile Strategies Toolkit™ builds on the best tools and insights from diverse management disciplines including lean manufacturing, agile software development, and balanced scorecard, as well as insights from neuroscience. It is a unique approach that keeps the focus on customer value, and provides the means for everyone in an organization to live, learn, and adapt strategy on a practical, daily basis. The Toolkit provides a set of *value disciplines* — practices and tools for engaging the collective intelligence of your organization in the three areas of focus, alignment, and action.
The Agile Strategies Toolkit™

Many strategy approaches make the mistake of developing multiple, detailed steps for every possible nuance of the strategy. Our experience has been that these approaches overly complicate the process – especially if most of the time and energy is spent at the front end, defining high-level elements like mission and vision statements. Often, these approaches demand large investments in multiple workshops by people who are already too busy. And, the detailed plans often get in the way of responding nimbly when change is needed. Our work developing customized strategy management frameworks for large and complex organizations suggests that a more usable approach is to utilize toolkits that support just-in-time training and facilitation for the pieces that matter most to your organization at the time.

The Power of Collective Intelligence

As management guru Peter Drucker once said, “Culture eats strategy for breakfast.” Most strategic planning methods emphasize process, but what is often missing is attention to the underlying culture of the organization. This is what most often makes or breaks a strategy. Strategies that make use of the collective intelligence of the team are more actionable than strategies that are imposed top down by executives and consultants. Collaborative organizations are inherently better at sharing information and making the strategy practical.
The Agile Strategies Toolkit uses a collaborative process that balances consensus with clear strategic choices. One common source of “strategic planning fatigue” is holding a months-long series of meetings involving a broad spectrum of people in an attempt to build consensus. Often, this well-intentioned effort results in too many compromises, and waters down the strategic focus needed to address the considerable challenges the institution faces.

Using the Agile Strategies approach, we seek broad, diverse input at certain stages, yet ask senior leadership to make clear decisions about the vision, value proposition, and prioritization of initiatives at other stages. Senior leadership must make clear choices about what the institution will do, and the broader community is engaged in determining how to get there.

**Focus on Customer Value**

A brief, inspiring and measurable vision – that focuses on customer value – is the compass for everything you do. The key is to focus on value to the student at every level of the strategic planning and implementation process. Elements of the strategy include:

- A customer value proposition that is consistent with the mission, vision, and values of your organization
- The strategic imperatives — also known as BHAGs (Big Hairy Audacious Goals) or WIGs (Wildly Important Goals) — that you need to address to in order to develop and deliver programs and other services based on that value proposition
- A strategy map and scorecard that shows how you will put the right resources, partnerships, and processes in place to deliver value, and how you will measure its success
- Investment in and accountability for implementation of strategic initiatives
- A regular cadence of project portfolio reviews to ensure continuous feedback from students and other stakeholders about the success of your initiatives in delivering value to them

**Align Your Organization with a Balanced Scorecard**

In order to maintain strategic agility, your entire team needs to be able to measure the progress and results of your strategy. The Agile Strategies Toolkit includes a balanced scorecard, which is a proven tool for creating truly strategic performance metrics and for aligning action in the organization; two-thirds of Baldrige Performance Excellence Award winners use it.
Using the balanced scorecard, alignment can be cascaded down through the levels of the organization, and can also be horizontal, involving other players in your supply chain. In the case of a vocationally oriented college, for example, it might involve measuring the impacts of collaboration with local employers or industry groups.

The backbone of organizational alignment, the balanced scorecard uses highly visible and frequently tracked strategic performance measures. These measures tie back to the high-level strategic imperatives and objectives, and serve as goalposts for decision-making and improvement efforts. Organizations that manage according to transparent, agreed-upon measures have been shown to generate better ROI, create better teamwork, and manage risk and foster innovation better than those that don’t.

**Act! — Executing and sustaining**

We’ve often heard people say “It was a good strategy… we just didn’t implement it well.” We don’t buy that logic. As Dwight Eisenhower once said, reflecting on his experience commanding the Normandy Invasion: “Plans are nothing; planning is everything.” The act of developing a shared plan forces a group to examine strategic assumptions and priorities. If — more likely when — the background changes, the group has built a shared context, a compass that makes it much easier to shift direction.
**Initiatives**

Strategic initiatives are the projects that tie to major strategic imperatives and cut across the silos in the organization. These may be new — or current — projects that clearly support the vision and priorities. Initiatives can fit into one of three broad categories: keeping the lights on (including compliance with mandates and capital maintenance), growing the existing business, and seizing new opportunities.

The key to making your new vision and value proposition come alive is to focus on the fewest possible initiatives. Initiatives must be broad enough to inspire coordinated action across all departments in the organization, and few enough to maintain leadership attention and momentum. Typically, ideas for initiatives are generated as part of the scorecarding process. This results in a long list of good ideas — but it will take a facilitated process among the smaller senior leadership group to review them, combine them, and “brand” them as a transformative effort designed to shift collective behavior in the right direction.

Once initiatives are defined, it is critical to establish clear accountabilities and resource commitments for the work that will be undertaken. A significant initiative will cut across a number of cost centers. It is a useful practice to identify direct expenses and FTE allocations that support the initiative, and tag them specifically as strategic expenditures during the budgeting process. It is also important to distinguish strategic expenditures from the regular operating and capital expenses of a given department. Establishing a special budget category for strategic expenditures can help make a distinction between what’s necessary for daily operations in a given cost center and that cost center’s contribution to a bigger initiative that can be stopped, accelerated, or otherwise modified.

Additionally, many organizations establish a project management office to provide leadership, facilitation, and reporting on major initiatives. This person or group may also be responsible for reporting on the strategic performance measures that the initiative is intended to influence.

**Learning from Feedback**

Private sector organizations that manage according to transparent, agreed-upon measures have been shown to generate better ROI, create better teamwork, manage risk, and foster innovation better than those that don’t. The use of highly visual and visible measures is a cornerstone of the quality movement that began with Toyota and has spread throughout the manufacturing sector. Agreed upon measures are goalposts that everyone in the organization can see and creatively think about. Use of tools such as the balanced scorecard can extend this practice to more strategic, and less tangible measures, like customer satisfaction.

Strategic performance metrics — particularly those from the Customer Value perspective — must become integral to the organization’s decision-making culture. Best-practice organizations make this a regular item on the senior leadership meeting agenda. A well-
managed system for tracking and reporting on performance information provides the goalposts that staff throughout the organization use to align their actions in pursuit of better value for students.

**Rebalancing Initiatives**

Even the best initial prioritization of people and money to strategic initiatives is subject to change. The strategic assumptions behind the choice may be proven wrong. There might be more risk or cost than anticipated. Other events might impact the anticipated benefits of the project. Agile organizations review their strategic project portfolio at least quarterly, looking at the balance of progress, risk, cost, and anticipated benefits, and fund projects incrementally.

![Diagram](https://example.com/diagram.png)

*Quarterly portfolio review is used to rebalance investments in various strategic initiatives based on up-to-date information about student and stakeholder value, revised costs and risk assessments, and projected benefits.*

**Strategic Cadence** refers to the ongoing cycle of conversations and decisions that create a sustainable management rhythm for the organization. For example, a deep dive into the assumptions behind a strategy might require a multi-day off-site retreat. At the other end of the spectrum, continuous improvement of routine activities might require a once-daily, ten-minute stand-up meeting. Strategic Cadence is a scheduled, ongoing cycle of conversations and decisions that link day-to-day activities and improvements back to strategic priorities. When reinforced by senior leadership, having a Strategic Cadence ensures that your strategies are continuously discussed, and refreshed as necessary. This is a key element in the institutionalization of strategy — leading change in a way that integrates communication, employee learning, alignment around positive incentives, and employee engagement.
Where Do We Begin?

Strategic agility is becoming a key competitive differentiator for higher education institutions today. A number of academics have studied strategic agility, but for organizations who need a step-by-step, scalable approach, the Agile Strategies Toolkit is the first practical offering, designed by experienced trainers and facilitators. The Agile Strategies approach is applicable to any industry. It builds on lessons learned in fast-moving industries such as technology and manufacturing, and incorporates best practices from lean process improvement, agile software development and project management, and balanced scorecard.

The Agile Strategies Toolkit is designed to adapt easily to your needs, and to get your team up and running quickly. We offer a collaborative, high-impact, two-day workshop designed to clarify your strategic focus, teach you how to align your organization, measure the most important outcomes, prioritize initiatives and sustain momentum going forward.

About Dan Montgomery

Dan has been training, coaching and facilitating in the areas of strategic planning, leadership development and balanced scorecard for nearly 20 years, following a 15-year career in information technology project management. Prior to founding Agile Strategies, Dan was Vice President of Professional Services for the Balanced Scorecard Institute and led the company’s consulting practice. He is co-author of *The Institute Way: Simplify Strategic Planning and Management with the Balanced Scorecard* (The Institute Press, Cary, NC, 2013). Dan’s experience and perspective covers many sectors including health care, technology, human services, higher education, natural products, utilities, government, financial services, social entrepreneurship, economic development, and construction.