



# An Aligned Approach: Linking Planning With Resource Allocation and Assessment

**CBMI**  
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## Session Agenda

- Alignment
- Operational planning
- Key principles for resource allocation
- Assessment
- Other issues
- Questions, comments, and reactions

## Alignment

- The different forms of planning must be integrated with each other
  - Strategic, infrastructural, & operational planning
- All planning must be aligned with resource allocation and assessment
- True alignment requires sharing and coordination of
  - Information and data
  - Perspectives
  - Action / Execution

Office1

## Strategic Planning

- One-year effort conducted by a Strategic Planning Task Force (SPTF) representative of the institution's diversity
- Fully engages all stakeholder groups
- Establishes the vision—a “picture” of the institution's preferred future and a path to get there over five years
- Identifies a limited number of goals with pre-defined success measures

## Slide 4

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**Office1** I suggest making some reference to integrated planning - as it supports our SCUP philosophy.  
Microsoft Office User, 2/17/2017

## Infrastructural Planning

- Fills the gap between strategic plan and operational planning for areas not addressed in strategic plan
- Sample programmatic infrastructural plans
  - Academic plan
  - Student engagement plan
  - Learning resources plan
  - Auxiliary enterprises plan
  - Athletics plan...

## Infrastructural Planning *(Contd.)*

- Sample support infrastructural plans
  - Enrollment management plan
  - Institutional advancement plan
  - Facilities plan
  - Information technology plan
  - Administrative plan

## Operational Planning

- Strategic plans are not implemented by a Strategic Planning Department
- Strategic plans get implemented through the day-to-day actions and activities of the various operating and capital units
- Being intentional about these efforts will enhance results
  - Operating plans detail the efforts needed to carry out mission and move toward vision



## Financial Plans

- Final and overarching element
  - Wraps around the strategic plan, infrastructural plans, and operational plans
  - Five-year financial plan tied to strategic plan
    - Must also address the infrastructural plans
    - Guides and is influenced by operating and capital budgets

Office [21]



## Slide 9

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**Office [2]1** This slides speaks to the need for integrated planning. Perhaps he can move it to an earlier part of the presentation.

Microsoft Office User, 2/17/2017





QUESTIONS?



OPERATIONAL PLANNING

## Premise

- Planning is the hardest part
  - When it's done well, resource allocation and assessment become *relatively* easier
- Effective planning identifies what's important and *what's not*
- All resource allocation decisions should support what's important
- Similarly, assessment should focus on what's important

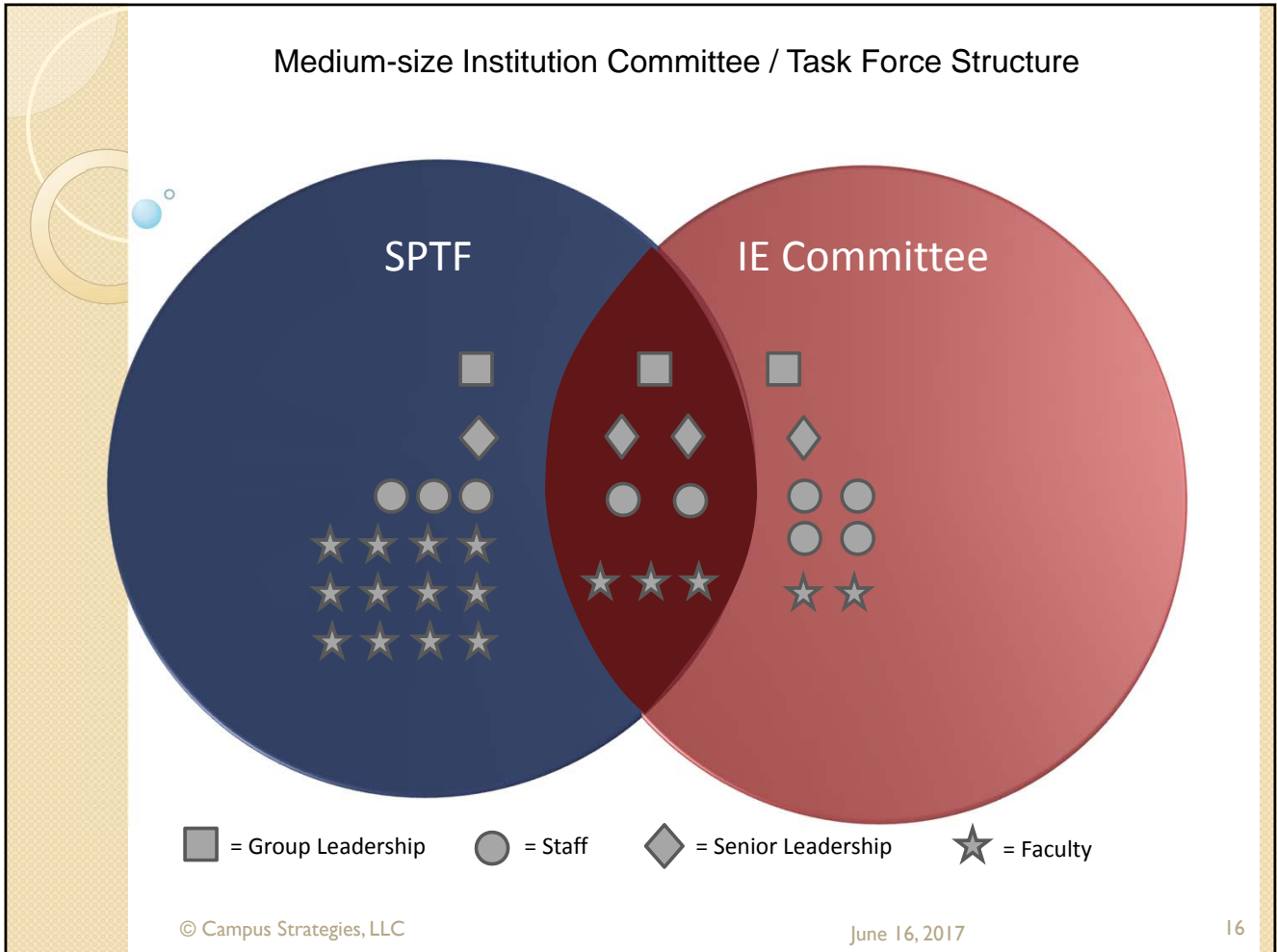
## Overall Objectives

- Achieve vision while honoring values
- Overall improvement while accomplishing specific goals
- Maintain financial equilibrium
  - Balanced budget
  - Develop and nourish human capital
  - Preserve physical assets and technology infrastructure
  - Protect endowment purchasing power



## Institutional Effectiveness Committee

- Campus-wide operational planning / resource allocation / assessment committee
  - Accountable to steering committee or designated individual(s)
    - President
    - Chief academic officer
    - Chief financial officer
    - Cabinet?



## Committee Staffing

- Chief accounting officer
- Chief budget officer
- Chief human resources officer
- Chief institutional effectiveness officer
- Chief institutional research officer
- Chief planning officer
  - Or those with related responsibilities
    - Functions as executive committee
    - Directs overall efforts

## Representation

- From all stakeholder groups and organizational areas
  - Faculty
  - Staff
  - Students?
  - Academic departments
  - Student affairs
  - Service departments (e.g., IT, facilities)
  - Business units (e.g., auxiliaries) •



QUESTIONS?

Office [31]



# KEY PRINCIPLES FOR RESOURCE ALLOCATION

## Slide 20

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**Office [3]1** Great concept. Might again stress the importance of linking it to facilities, financial etc...

Microsoft Office User, 2/17/2017

## What Really Matters?

- Resources
  - Dollars
  - Positions
  - Space
  - Technology
  - Equipment



## Effective Resource Allocation

- Implements plans
- Responds to assessment data
- Combines top-down guidance informed by bottom-up knowledge / realities
- Uses measures consistently
  - For example, budgets should align with GAAP financial statements

## Ideal Approach to Resource Allocation

- Driven by integrated strategic, infrastructural, and operational plans
- Relies on a broadly participative process
- Aligned with operational planning and assessment
- Emphasizes accountability versus control

## Budgeting

- Most familiar aspect of resource allocation
- There are many others such as the assignment of space or positions
- All-funds budgeting
  - Unrestricted
  - Restricted

## Multiyear Budgets

- Planning horizons vary
- Budget period should be tied to strategic planning cycle—generally a five-year period
- Summary budgets matching strategic plan
- Detailed operating budgets for at least two years
- Capital budget covering lifecycle for all approved projects

## Contingencies

- Recognize that projections will not be 100 percent accurate
- Establish a contingency to address revenue shortfalls, expense overruns, opportunities, other budgetary impacts
  - If contingencies don't materialize, consider special year-end allocations linked to plans or additions to reserves

## Budget Contraction

- No across-the-board reductions!
- Focus on plan(s) and priorities
- Selectively use reserves
- Resist temptation to increase deferred maintenance
- Less important programs take relatively larger cuts to protect priority programs
  - Maintain / publicize two lists
- Avoid cost-shifting within the institution



QUESTIONS?



# ASSESSMENT AND RELATED ISSUES



## Meaningful Assessment

- With accountability, what gets measured gets managed—measure what's important
- Goals must have pre-defined measures
- Emphasize outcomes as much as possible
- Avoid focusing just on easy-to-calculate metrics
- Measure consistently across periods
- Make decisions based on assessment results!

## Other Issues

- Monitoring financial health over time
  - Ratio analysis as a tool for strategic management
    - Composite Financial Index
- Periodic benchmarking against other institutions over time
  - Peers
  - Aspirants
- Strategic resource allocation (e.g., Dickeson's prioritization model)

# An Aligned Approach

## Questions, Comments, and Reactions

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