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Strategy, Planning & Performance

at the University of Nottingham

Dr Tom Loya, Director,
Strategy, Planning & Performance

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My background

- Sociologist
 - Structure, culture, change in large int'l NGOs
- 10 years business/private sector experience
 - Corp HQ of large global firm
 - Technical and quality standards for financial service and business intelligence software
- 7+ years in HE administration
- Chair of RG Directors of Strategy & Planning
- Still learning!



“Developing strategic thinking and planning – organisational changes for effective management”

What does that *really* mean?



Overview - *Enabling strong decision support*

- Strategy – purpose, goal, changes and priorities
- Planning – making the strategy happen
- Monitoring – make sure you are on track
- Resource allocation – align to strategy
- Risk Management
- *Effective* management
- Create and support capabilities
- Questions & Discussion





What is good strategy?

“...coherent action backed up by an argument, an effective mixture of thought and action with a basic underlying logic.”



Strategy - *purpose, goal, changes, priorities*

- Mission & values = foundation...not just words
- Goals – from *analyses* (vs hope, aspiration)
 - Market research: patterns, choices, trends
 - Competitor analyses: national and international
 - Horizon scanning: changes over 5-10-20 years?
 - *Honest* self-analysis: strengths, weakness
 - What is possible? Achievable? Fits our purpose?
- Consultation & challenge = better strategy
- Share / communicate the strategy



Strategy – essential elements, ‘the kernel’

- **Diagnosis**
 - leverage over outcomes
 - beyond discrete issues - what is fundamental?
- **Guiding Policy**
 - reduces complexity
 - specify approach to dealing with obstacles
 - create or draw upon sources of advantage
 - coordinate policy across activities, focus the competitive punch
- **Coherent action**
 - not ‘implementation’ details; the core of strategy
 - mobilising the organisation



Good Strategy – what it looks like

- Uses your natural advantages
- Application of strength against weakness
- Not just ‘what’ you do...also ‘why’ and ‘how’
- Harness power, apply it where it has most effect
- Create strength through coherence of design
- Magnify the effects of resources and actions
- Surmounts *the* critical challenge
- Leadership: choice and focus

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Great Strategy – needs to go further...

- Imagination
- Inductive leaps
- Creativity
- Elegance
- Intuition...

“Without some or all of these qualities, even a good strategy may feel dull and lifeless, and fail to distinguish your organisation and ultimately fail to inspire, which is...to fail”

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Bad Strategy – signs to watch out for

- Avoids the hard work, and difficulty of choice
- Fails to recognise or define the challenge
- Floats above analysis, logic, and choice
- Follows the crowd, substitutes slogan for insight
- Gibberish masquerading as strategic concepts
- Covers up its failure to address real issues with broad, impracticable or untested goals
- Leaders hold mistaken views about what strategy is and how it works...



Strategic thinking – *what gets in the way?*

- Sector dynamics
 - many national HE systems are allocative systems
 - HEIs without powerful strategy still do okay – so why bother?
 - lack of genuine competition – can people vote with their feet?
- Academic culture
 - Collegiate approach great for teaching & research
 - *Not great* for decision-taking and leadership
 - *Low level of personal* responsibility and accountability
- Academic leadership
 - little experience of strategy in a competitive environment
 - Strategy is *hard*; if it was easy, businesses would not fail!



Implementation - *Planning for change*

- Confirm *capacity* for change & ability to support
- Which changes essential, need strong support?
- Which to 'front-load' - make other changes easier?
- Engineering and *designing* change ≠ listing goals
- Map accountability and ownership, set milestones
- Don't neglect
 - 'Supporting Strategies' – harmonisation
 - *Forecasting* future position
 - Assess and manage risks related to change




Monitoring – *Make sure you are on track*

- Translate goals into *agreed* measures
- KPIs – ‘about right’ (85%) is okay!
- Gather data, analyse, then report *and discuss*
- Use authoritative, objective data source
- ‘Power KPIs’: get at *deep* dynamics, new insight
- (Also develop ‘leading’ performance indicators)
- Performance reporting: reflect, action, change
- Understand weak *and* strong performance




Strategic Risk Management

- Identify, assess, and manage risks to strategy
- Risk assessments; activities, events, circumstances
- Understand risk profile, ‘appetite’, and capacity
- Clear ownership & responsibility for mitigations
- Requires:
 - *Readiness to challenge* assessments & decisions
 - Excellent institutional knowledge, insight, analysis
- Benefits: Better decisions, more self-awareness, ability to take on greater risk – and reward/success

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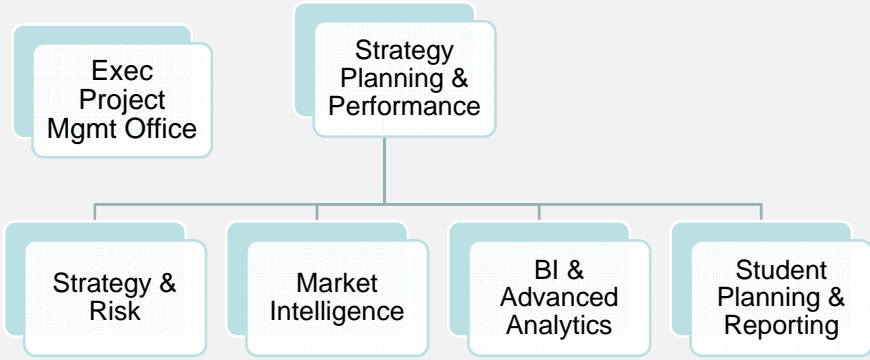
Strategy & Decision support - *key ideas*

- Good, powerful strategy is difficult!
- People often avoid hard decisions
- Make it easy to reach good decisions
 - Data ➤ Analysis ➤ Evidence ➤ Insight ➤ Confidence!
- Increased confidence, strong ‘buy-in’
- Managing risk ≠ minimizing risk
- Put all resources in one place
- Consult, consult, consult

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Create and support strategic capability


What do these functions look like at UoN?



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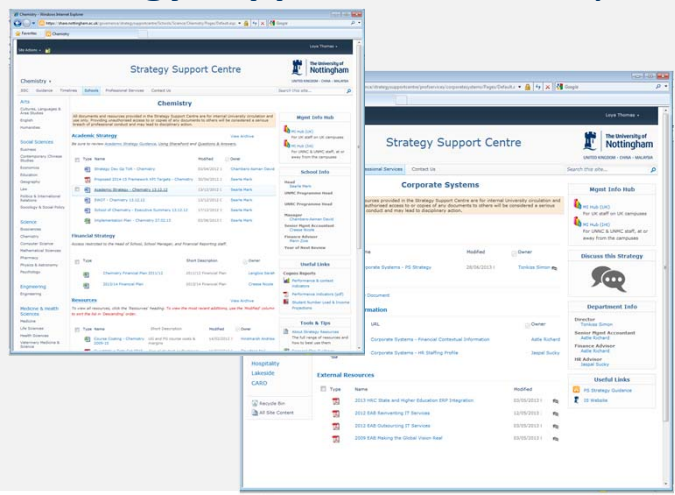
graph TD
    A[Strategy Planning & Performance] --- B[Exec Project Mgmt Office]
    A --- C[Strategy & Risk]
    A --- D[Market Intelligence]
    A --- E[BI & Advanced Analytics]
    A --- F[Student Planning & Reporting]
    
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Strategy Support Centre- *Easy access!*



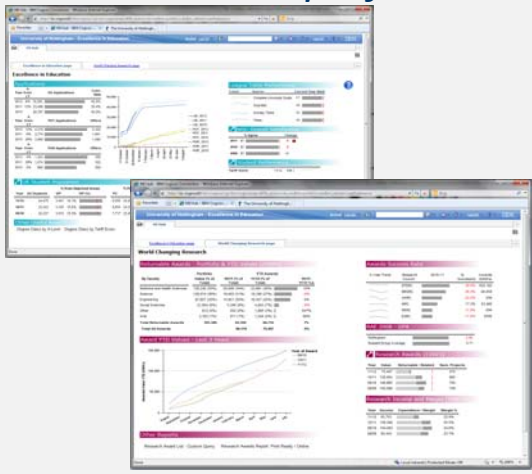
- Every School has own page with all targets, competitor analyses, KPI reports, academic strategy, and implementation plans.
- Includes links to all related reports and resources, plus space for online discussion of strategy.
- Every support service also has own page with relevant strategy, research, etc.
- Includes extensive guidance and support for all aspects of strategy development.
- All resources are available to ALL staff.

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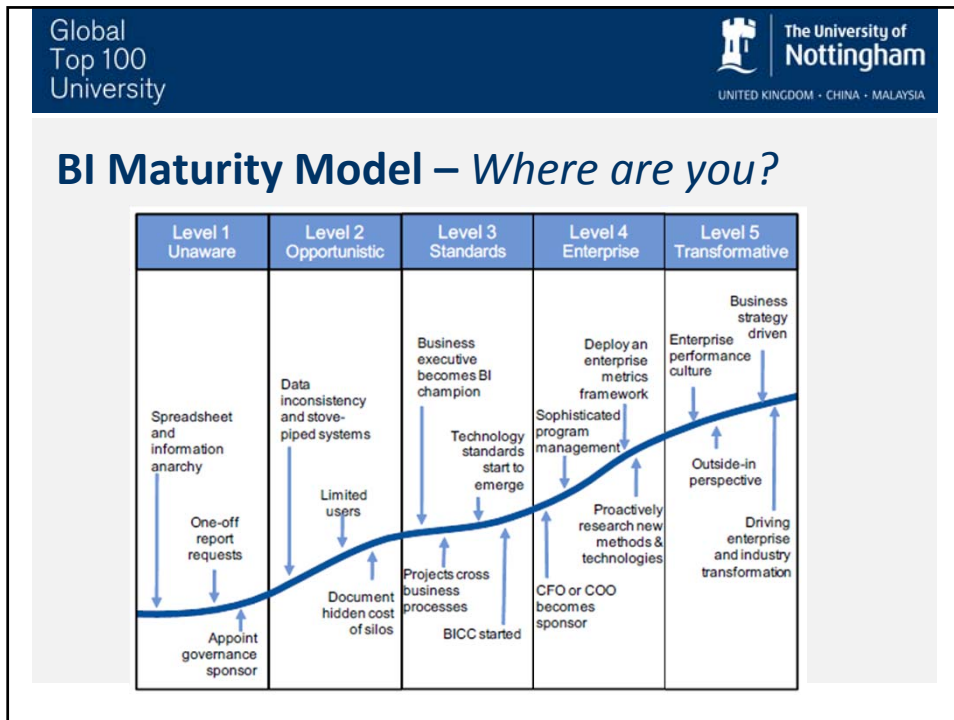


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MI Hub - *24x7 performance reporting*



- The Management Info Hub is available to ALL university staff.
- Full, authoritative performance metrics across all areas, Schools.
- Drill-through on any metric from University to Faculty, School, course and even named academics.
- Designed to drive focus on areas requiring attention, support 'diagnostics' (i.e. why is performance not good, how can it improve).
- Ultimate purpose is better strategy, competitive advantage




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Academic & Financial Strategy Framework

- A Framework to align strategy & resourcing
 - Clear accountability – for progress against plan
 - Availability of *agreed* performance measures
 - 4 ‘core’ KPIs, with *relevant* comparators
 - Continuous monitoring & reporting
 - Investment, incentive, reward
 - Transparent – available to all
- School & Professional Service Plans
- Challenge – from peers *and* university mgmt

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Strategy 2020

- Context and Situation analysis
 - what is our real situation?
 - Performance, context, horizon scanning to inform options
- Response
 - Assess and evaluate options to inform choice
 - Risk and change capacity assessment
 - Engagement and Consultation ([S2020 site](#))
 - Design and test the strategy, via *future* scenarios
- Take decisions
 - Identify priorities for change – which changes to front-load?

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Effective Management – *how to recognise it?*

- Decisions:
 - not only reactive, but shape environment
 - Once taken, are put into action
 - Based on evidence, analysis – and judgment
- People understand *what* is changing, and *why*
- If assumptions/conditions change, revisit actions

May be easier to recognise the absence of it than to actively cultivate...and takes time

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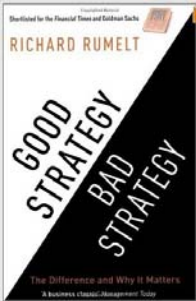
The Division's biggest challenges

- Provide *all* data, evidence and analysis needed
- Contribute to maturation of exec strategic ability
- Requires exec that recognises need for support
- Effective strategy requires effective challenge
- Present and persuade, but let the leaders lead

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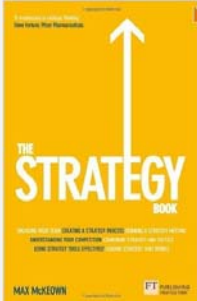
Some favourite books...



Richard Rumelt

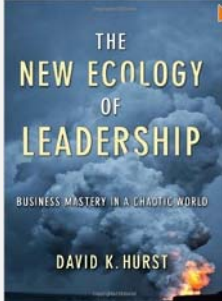
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A Business Classic Reimagined Today



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MAX MCKEOWN



THE NEW ECOLOGY OF LEADERSHIP

BUSINESS MASTERY IN A CHAOTIC WORLD

DAVID K. HURST

