

# Strategic Business Planning & Metrics for Success

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# Objectives for today

- Seeing change as a opportunity
- Learning strategic planning best practice
- Identifying meaningful performance metrics

# WHY STRATEGIC PLANNING?



We need a financially sustainable model to sustain academic preeminence



# A new campus strategic framework is in development

1. Align workforce and evolving needs/opportunities
2. Support teaching and research (including redesigning work processes)
3. Invest in fundraising capacity (campus-wide approach)
4. Drive revenue from “brand”, land and other assets
5. Redesign some academic structures
6. Expand online offerings and enrollments (through UnEx and master’s programs)
7. Bridge gap between Intercollegiate Athletics’ revenue and expenses

# What are we aiming for?

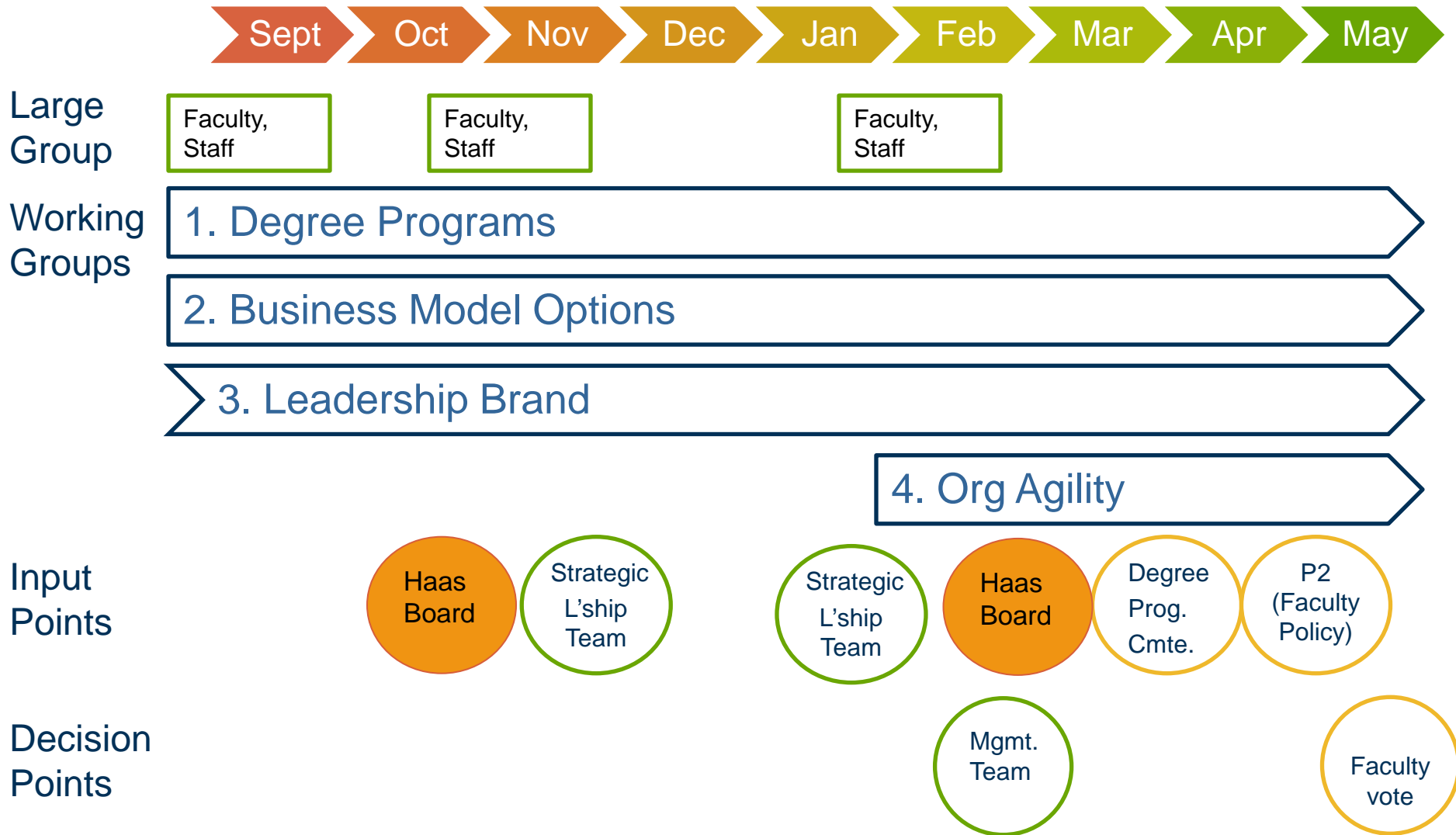


UNIT CASE STUDY:  
HAAS SCHOOL OF BUSINESS



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# We took an inclusive approach...





## ...and built a comprehensive fact base

- Degree program profitability
- Degree program scenario modeling
- Faculty teaching and research ROI analysis
- Market research for non-degree opportunities
- Student and alumni survey data on distinctive leadership traits
- Comprehensive competitive analysis

# ... Evaluating distinctive assets vs. gaps

## ASSETS

- UC Berkeley
- Bay Area location
- Culture (Defining Principles)
- Intellectual capital
- Alumni base
- Social capital

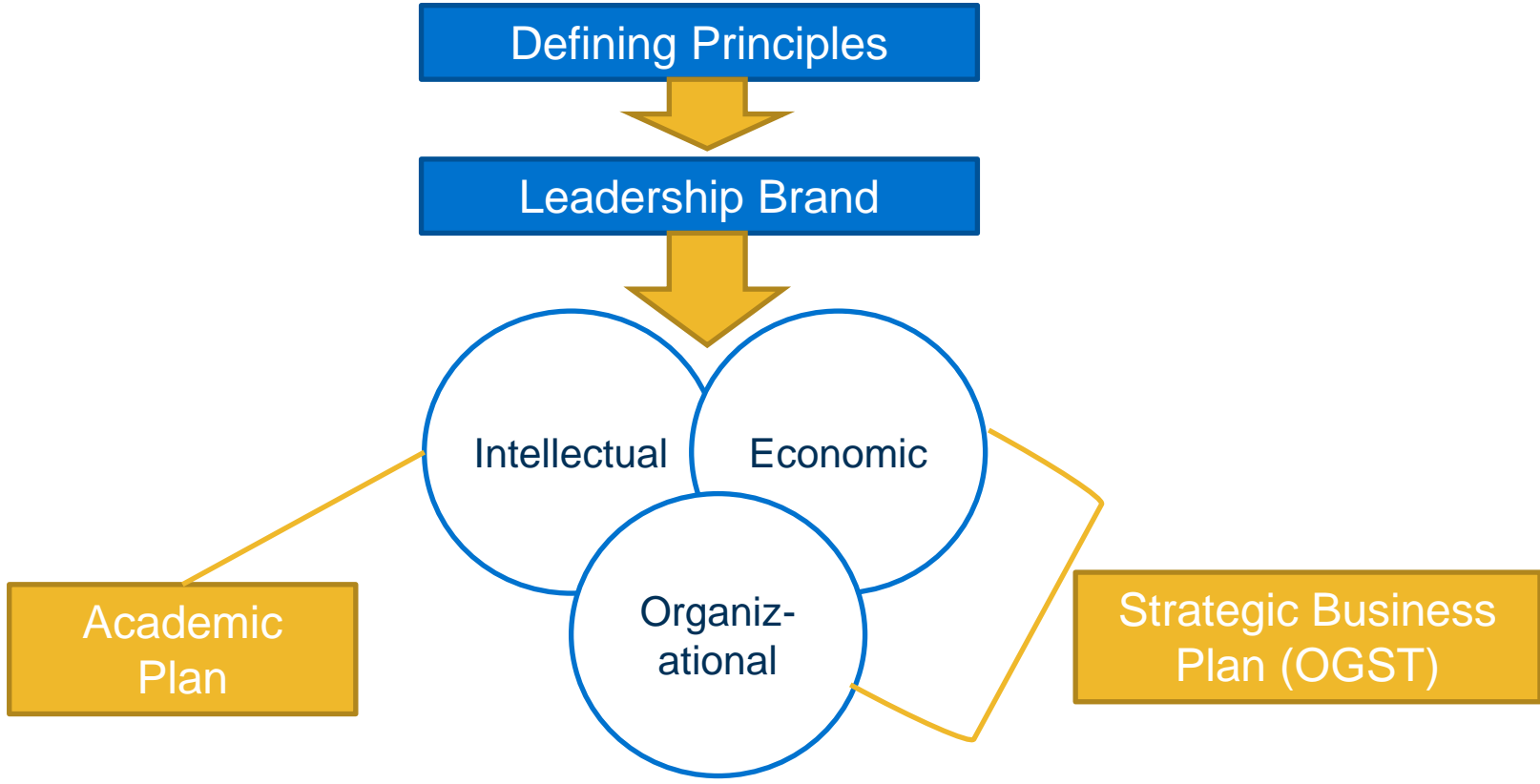
## GAPS

- Brand positioning
- Perception of alumni network
- Financial resource constraints
- Physical space constraints
- Operational constraints

# Strategies build on distinctive assets and close competitive gaps



# Strategic Planning @ Haas



SHOW ME THE METRICS



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# Metrics are a core component of strategic planning



# Six Operating Principles for Metrics

# 1. Metrics in Context

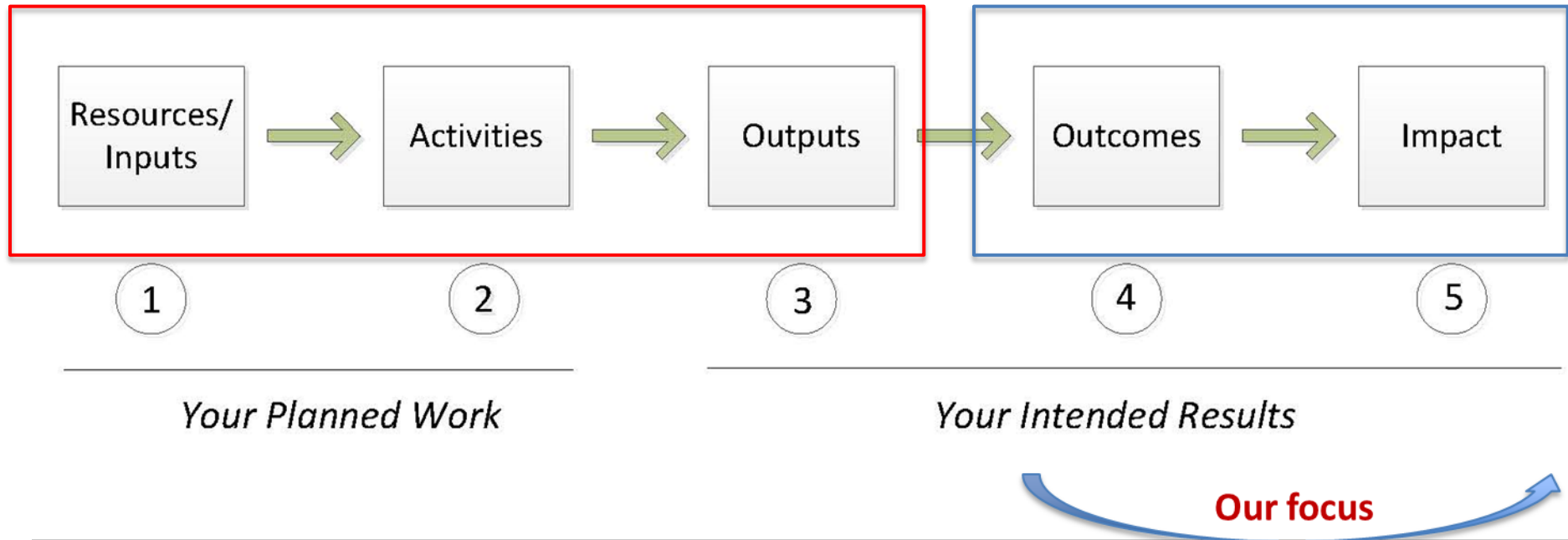
- Metrics should always be tied to your strategies
- Metrics should focus attention on achievement
- Metrics “stabilize” and provide transparency and rationale



## 2. Focus and Common Language

- Metrics help establish “what is important” (outcomes)
- Metrics provide a “common language” and focus for all
- Common metrics provide useful opportunities to compare
- Metrics can be insightful when cascaded
- Use readily accessible metrics from institutional sources!

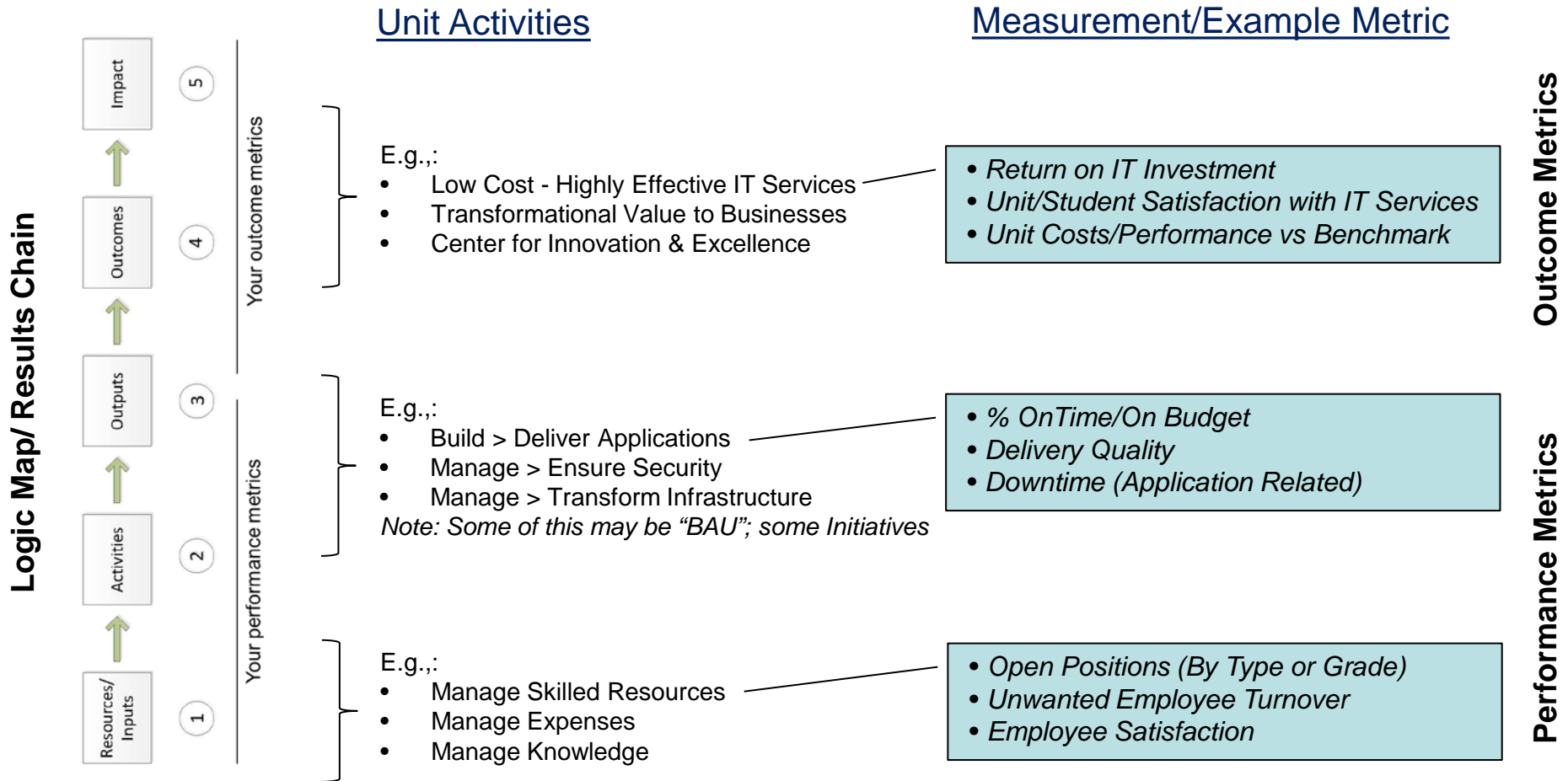
# Supporting units to focus on Outcomes



The “Logic Model” (W.K. Kellogg)

# Example : Logic Map & Metrics

## “Information Technology Unit”



### 3. Quality over Quantity

- Focus on metrics that inform on strategy & performance
- Avoid measures that divert focus and are onerous to collect
- Think “SMART”
- There are alternatives to survey fatigue!

# How “SMART” are your metrics?

<b>Specific</b>	Clearly outlines what & why
<b>Measurable</b>	Can be measured
<b>Actionable/ Achievable</b>	“Stretch” but achievable; Drives Action
<b>Relevant/ Results Focused</b>	Linked to key outcomes
<b>Timely</b>	Meaningful timeframe

# Current Example

## Initial Goal Statement

### Attract the top echelon of graduate students

- Increase the number of multiyear fellowships for entering doctoral students and the stipends associated with these fellowships in order to compete with our peer schools in recruiting the best applicants



## Revised Goal Statement

*Example with illustrative data only...*

By FY 2016, to better compete with our peer schools in recruiting the best doctoral students:

- increase our multi-year fellowship *offers* for entering students from current 14% to 20%; and
- increase *acceptances* from current 68% to 85%.



## Metrics Definition & Targets

Goal	Metric	Unit	Target	Latest	Prior	Baseline
<b>Attract Top Echelon of Graduate Student</b>			2016			2012
	Multi-Year Fellowship Offers	(%)	<b>20%</b>			<b>14%</b>
	<i>Definition</i>	% of Entering Doctoral Students Offered Multi-Year Fellowships, comprising ...				
	Multi-Year Fellowship Acceptances	(%)	<b>85%</b>			<b>68%</b>
	<i>Definition:</i>	% of Entering Doctoral Students Accepting Multi-Year Fellowships, based on ...				

## 4. Metrics to Drive Action and Results

- Targets help “calibrate” the system,
- Spend time on the exceptions and actions
- The process does not have to be overly “managed” or punitive
- A “red” indicator should not be taken as a sign of “failure”
- Undertake discussion & collective actions for desired results

# How well have we executed our strategy?

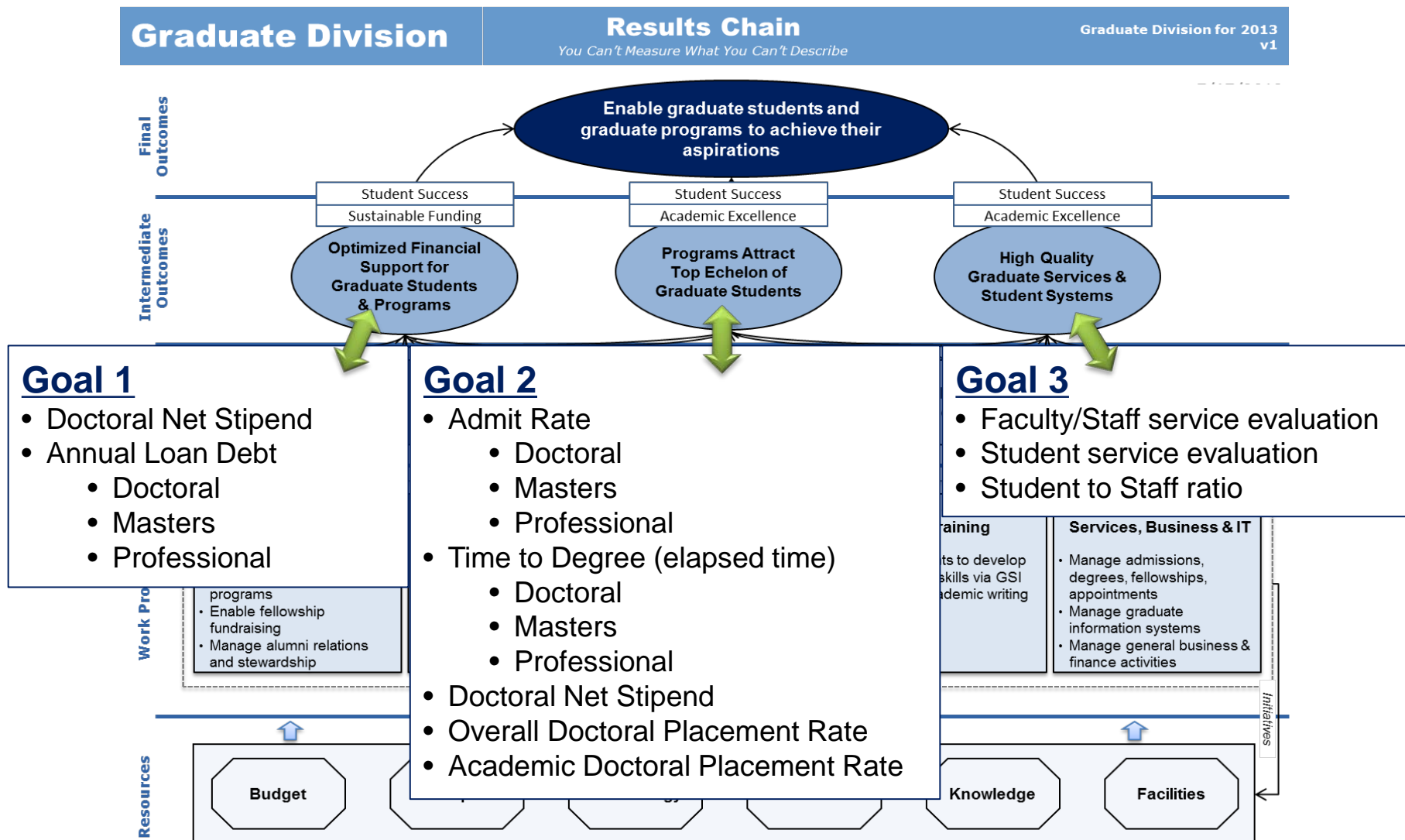
Graduate Division Example											
Instructions				Content		Workflow		Notes			
Go to List				Edit		Sign Off		Opt-Out			
Workflow Action				Show		Go to item:		Manage			
Export				Print		ID: 1011		Status: Under Review			
Item Attributes											
Unit		Responsibility Of		Reviewer Due Date		Assignee Due Date		Last Modified			
Graduate Division (VR IGD)		Evans, Mike		Jul 24, 2013 5:00 PM		Jul 22, 2013 5:00 PM		Jul 29, 2013 6:01 PM by Evans, Mike			
Priority		Period		Type							
Medium		FY14 Q1		Not Specified							
Content											
Strategic Context											
Strategic Goals											
View: Goal Description <input type="checkbox"/> Metric Commentary <input type="checkbox"/> Description <input type="checkbox"/> Thresholds <input type="checkbox"/> Owner <input type="checkbox"/> Periods <input type="checkbox"/>											
Common Goal Linkage											
Filter: Metric Type: (All) R/A/G: (All) Common Metrics											
Goal/Description	Metric/Unit of Measure/Area	Academic Excellence	Student Success	Research Leadership	Equity & Inclusion	Sustainable Funding	World Class Operations	Target	Latest	Prior	Baseline
1. Continue to build and optimize financial support for graduate student and graduate programs											
Doctoral Net Stipend	\$							(Not Specified)	4,400	4,100	3,500
Annual Loan Debt (Doctoral)	\$							Lower Quartile	12,300	11,800	5,300
Annual Loan Debt (Masters)	\$							(Not Specified)	10,400	9,900	3,500
Annual Loan Debt (Professional)	\$							(Not Specified)	5,500	5,400	4,800
2. Continue to attract the top echelon of graduate students, domestic and international.											
Admit Rate (Doctoral)	%							(Not Specified)	11.0	13.0	17.0
Admit Rate (Masters)	%							(Not Specified)	14.0	17.6	21.0
Admit Rate (Professional)	%							(Not Specified)	17.0	18.0	16.0
Time to Degree (Doctoral)	Yrs.							(Not Specified)	5.8	6.0	6.5
Time to Degree (Masters)	Yrs.							(Not Specified)	2.3	2.3	2.5
Time to Degree (Professional)	Yrs.							(Not Specified)	(Not Specified)	(Not Specified)	(Not Specified)
Placement Rate (Overall Doctoral)	%							(Not Specified)	88.1	87.0	84.0
Placement Rate (Academic Doctoral)	%							(Not Specified)	56.5	54.0	45.0
3. Continue to improve Graduate Services and Student Systems											
Faculty/Staff Service Evaluation	%							> 90%	92	90	84
Student Service Evaluation	%							> 90%/Yr.	90	92	83
Operational Expenses/Student Ratio	\$000							Reduce 3%/Yr.	2.6	2.8	3.5
Student to Staff Ratio	#							Increase 3%/Yr.	181.0	175.0	120.0
4. Expense Management											
Operational Expenses/Student Ratio	\$000							\$2K/Student	2.6	2.8	3.5



## 5. Metrics will Evolve

- Metrics and targets are likely to evolve
- Avoid delays by searching for the “perfect metric”
- Top down directions should not be an excuse for delay either!

# Result Chain as a Tool



## 6. Limits to Metrics

- Metrics are not a substitute for decision making
- Metrics are not a substitute for strategy
- Focus should always remain on “managing the strategy; not the metric

# Questions? Follow Up?

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Thank you!

# Appendix

# Alignment—across all levels—is important

