

DEVELOPING
A STRATEGIC PLAN
FOR A COLLEGE OF BUSINESS

DEVELOPED

BY

R. HENRY MIGLIORE, PH.D.
Adjunct Professor
Oklahoma State University/Tulsa
Emeritus Professor of Business
Northeastern State University
President
Managing for Success
10839 South Houston
Jenks, Oklahoma 74037
hmigliore@aol.com
918-299-0007

PRESENTED

BY

MARGARET A. WHITE, PH.D.
Department of Management
Spears School of Business
Oklahoma State University-Tulsa
700 N. Greenwood
Tulsa, OK 74106
918-564-8434
Margaret.White@okstate.edu

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ABSTRACT

This paper covers the philosophy and steps required to develop a strategic plan for a college of business. It emphasizes support of the overall mission of the university. It starts with vision and purpose. Analysis of the environment, strengths, and weaknesses set the stage for objectives and strategy. Finally, it covers the short-term execution of the plan.

STRATEGIC PLANNING WORKSHEETS FOR UNITS WITHIN THE INSTITUTION

The following worksheets are based on the book *Strategic Planning for Private Higher Education* (The Haworth Press, 1997). Page numbers in parentheses refer to this book. By completing the tasks that follow, you will help your institution and/or your specific unit, develop a strategic plan.

YOUR MISSION STATEMENT (pp. 51-69)

Here is a sample Statement of Purpose and Mission Statement from Northeastern State University:

STATEMENT OF PURPOSE

To implement Northeastern State University's mission of excellence in teaching, research, and service; the following purposes provide direction for planning, administration, and programming:

1. Provide flexible, comprehensive, and relevant undergraduate and graduate programs;
2. Promote and support comprehensive academic programs that stimulate students to seek knowledge, think analytically, and communicate their thoughts effectively;
3. Maintain and support a university community committed to providing educational programs that enhance the quality and vitality of student experiences through effective teaching, research, continuing education, and public service;
4. Provide multifaceted opportunities for personal and social development through effective student support services;
5. Provide cultural and extracurricular activities that foster informed judgment, aesthetic sensibility, and a sensitivity for ethnic and cultural diversity and a sense of historical continuity;
6. Offer programs which prepare students for leadership and decision-making roles in a technologically and globally-oriented society, and which enable students to develop an awareness and appreciation for local, state, national, and international perspectives.

MISSION STATEMENT

Northeastern State University is a comprehensive regional university governed by the Board of Regent of Oklahoma Colleges within a state system coordinated by the Oklahoma State Regents for Higher Education. Its mission is to provide undergraduate and graduate education leading to bachelor's degrees, master's degrees in selected areas, and a doctoral degree in Optometry. In fulfilling this mission the University commits itself to excellence in instruction, to appropriate basic and applied research, to educational outreach and service, and to cultural activities that enhance the quality of life in the region and state. The University's contemporary mission reflects the high aspirations and commitment to classical education made in 1846 by the founders of the original Cherokee seminaries.

For example, here is the Mission Statement for the College of Business, University of Arkansas. Every college's Mission Statement at the University of Arkansas must support the overall University mission statement.

**COLLEGE OF BUSINESS ADMINISTRATION
UNIVERSITY OF ARKANSAS**

Our mission is to cultivate an environment of educational excellence in the business and organizational disciplines and to foster lifelong learning and innovation.

We will achieve our mission by continuous improvement in:

- Generating and disseminating knowledge that benefits individuals, organizations, and society.
- Providing educational programs and experiences that prepare individuals to make sustained contributions to organizations and society in a global, diverse, and dynamic environment.
- Developing an individual's:
 - interdisciplinary problem-solving skills,
 - interpersonal and communication skills,
 - ability to adapt to changing technology,
 - spirit of entrepreneurial innovation, and
 - ethical and professional values.
- Exploring the theory and practice of organizations and businesses, and expanding the knowledge upon which they operate.
- Fostering a spirit of partnership with all our constituents based upon mutual respect, trust, and benefit.
- Serving the public's needs in harmony with the Land-Grant Mission of the University of Arkansas.

MISSION STATEMENT WORKSHEET

With your institution's Statement of Purpose and Mission Statement in mind, write a Mission Statement for your unit that indicates your unit's specific role in fulfilling the institution's purpose and mission.

The following list of questions should be helpful. If your unit has already formulated a Mission Statement, please check it against these questions. A "no" answer to any question probably means the statement should be reworded (pp. 65-66).

1. Does it clearly state your unit's function within the institution?
2. Is it distinct from the other statements of other units?
3. Is it short, to the point, and understandable?
4. Is it continuing in nature?
5. Does it state to whom your unit is accountable?

EXTERNAL ENVIRONMENT ANALYSIS WORKSHEETS (pp. 106-109)

☞ *Look for trends—what is going on now and how this relates to past trends that have influenced your institution's and your unit's performance. List key opportunities and threats for each of the following environmental sectors:*

A. GOVERNMENT

Opportunities

1. _____
2. _____
3. _____

Threats

1. _____
2. _____
3. _____

B. ECONOMY

Opportunities

1. _____
2. _____
3. _____

Threats

1. _____
2. _____
3. _____

C. TECHNOLOGY

Opportunities

1. _____
2. _____
3. _____

Threats

1. _____
2. _____
3. _____

D. SOCIAL TRENDS

Opportunities

1. _____
2. _____
3. _____

Threats

1. _____
2. _____
3. _____

E. STUDENTS

Opportunities

1. _____
2. _____
3. _____

Threats

1. _____
2. _____
3. _____

F. FUNDING SOURCES/SPONSORSHIP

Opportunities

1. _____
2. _____
3. _____

Threats

1. _____
2. _____
3. _____


G. COMPETING EDUCATIONAL INSTITUTIONS

Opportunities

1. _____
2. _____
3. _____

Threats

1. _____
2. _____
3. _____

 *Next, evaluate your external analysis:*

- Have you listed several international/national trends that affect the institution and/or your unit?

- Have you listed several local trends that affect the institution and/or your unit?

- Have you identified trends unique to your institution and/or your unit?

- Have you listed several of your most important competitors? What is distinctive about them?


- Which competitors are growing, becoming stronger?

- Which competitors are declining?

- What are the successful ones doing to cause their growth/vibrancy?

INTERNAL ANALYSIS WORKSHEETS

A. MANAGEMENT AND PLANNING SYSTEMS (pp. 109-112)

 Use these questions to help you prepare your strengths and weaknesses list for the management and planning systems portion of your institution's and/or your unit's operation:

- Do you have a strategic planning system?

- How does it work?

- Is the structure of your institution and/or your unit allowing effective use of resources?

- Is control centralized or decentralized?

- Are performance measures and information system controls in evidence? What are they?


- What staffing needs do you have?

- Is there a motivation problem? Is it centered in one segment of the institution or is it broadly felt?

- Is your current strategy defined? Is it based upon a strategic plan? Is it working?

- How efficient are operations? Where could improvements be made?

- What is your synopsis of the current management situation? How strong are your managers? Are there obvious weaknesses?

 *Now list the strengths and weaknesses of your management and planning systems:*

- Strengths

- Weaknesses

B. FINANCIAL RESOURCES (pp. 112-113)


 Use these questions to help you prepare your strengths and weaknesses list.

- Describe the current financial situation of your institution and your unit.

- Do you have regular financial statements prepared? (How complete are they? Are they accurate? Are they distributed on a timely basis to everyone having approval authority for an account?)

- What tools would be beneficial in the analysis (year to date, comparison to a year ago, trends, debt analysis, income analysis, expenditure analysis, comparison to budget)?


- Are there pro forma statements for revenue centers, such as each department/school?

 Now list the strengths and weaknesses of your financial resources:

- Strengths

- Weaknesses

MARKETING RESOURCES (pp.113-115)

 Use these questions to help you prepare your strengths and weaknesses list for the marketing portion of your institution's and your unit's operation:

- Does your institution have established written marketing policies?

- Have you established a written marketing plan outlining what you will and will not do?

- Have you identified your potential students in the written marketing plan?


- Have you identified your current and potential funding sponsors (beyond tuition)?

- What are your competitors' services and products, level of demand, and relative market positions?

- What is the structure of tuition and fees charged? How competitive is it?

- What promotional activities (advertising, recruitment strategy) are being used by the institution and/or your unit? Are there written goals? Is there an advertising budget?


- What is your synopsis of the current marketing situation? How well does the marketing compare to the competition?

 *Now list the strengths and weaknesses of your marketing resources:*

- Strengths

- Weaknesses

D. OPERATIONS OR SERVICES RESOURCES (pp. 116-117)


 *Use these questions to help you prepare your strengths and weaknesses list for the operations or services portion of the institution and your unit:*

- What are your operations capacities? (How many students can your unit accommodate? What is an acceptable rate of use?)

- What is the age and condition of your facilities?


- What is the age and serviceability of existing equipment (including computers)?

- What quality control systems are in place?

 *Now list the strengths and weaknesses of your operations or services resources:*

- Strengths

- Weaknesses

 *Next, evaluate your internal analysis:*

- How many students is your unit currently serving? (How does this compare to a year ago, a term ago, three years ago?)

DEVELOPMENT OF ASSUMPTIONS (pp. 117-118)

☞ *Based on your responses to this point, list the major assumptions on which you can base your strategic plan.*

1. _____

2. _____

3. _____

4. _____


5. _____

WORKSHEET FOR WRITING VISION STATEMENTS FOR YOUR UNIT

Our model book, *Strategic Planning for Private Higher Education*, introduces the concept of vision statements as follows:

The vision for an institution is a collection of what the institution might be someday if the dreams and aspirations of those in leadership positions were to reach fruition. The vision might include alternative paths the institution might follow and thus not be internally consistent. The vision might include things that few if any of the leaders think will really come to pass in the way in which it is described today. That might be because of changing technology or changing laws that make it difficult, if not impossible, to have a very clear view of what the details in that part of the vision might be.

A vision might be developed through use of the brainstorming technique. A vision can include contributions of what a number of different people think. Some of the ideas produced through such a process might overlap or even conflict. The vision statement will need to deal with issues of conflict but does not have to include hard and fast decisions about these issues. (pp. 51-52)

 *Based on your institution's vision statements and the above description from the text, write vision statements for your institution.*

ESTABLISHING OBJECTIVES AND KEY RESULT AREAS (pp. 119-147)

For this exercise we will use the following terms as defined in the book *Strategic Planning for Private Higher Education*: "'Key Result Areas' are an institution's general topic of action in its strategic plan; within each Key Result Area, there are 'objectives'—the specific areas of action—and 'strategies'—the detailed activities that implement those areas of action" (p. 120).

As further explanation, the book states:

Objectives can be set at upper institutional levels in Key Result Areas such as growth, finances, physical resources, staff development, and attitudes. They are also needed in subunits, departments, or divisions of an institution. Most important, all institutional objectives must be consistent and linked to the purpose/mission statement(s). Thus, a department's objectives should lead to accomplishing the overall institution's goals, which should correspond to the purpose/mission of the college/university (p. 123).

Development of Organizational Objectives


Page 120 states: "Kotler and Murphy (1990) advocate a hierarchical approach in setting overall goals which then progresses throughout various levels with increasingly specific but congruent objectives. The implication here is that strategic overall direction is driven by the mission as interpreted by senior leadership of the institution, but much latitude is given for input at lower levels."

Organizational objectives still need to be finalized. The exercises below are to assist you in developing objectives for your unit, which will, in turn, be beneficial in the finalization of overall organizational objectives. The ultimate responsibility for formalizing organizational objectives rests with the President and the Board of Regents. By completing the exercise below you will be providing valuable information that will help the President and Board in reaching the best and most informed decisions.

OBJECTIVES WORKSHEETS (pp. 144-147)


It would be to your advantage to read, at a minimum, pages 126-143 before completing the following Objectives Worksheet.

A. DEVELOPING OBJECTIVES

 *Answer these questions first:*

- To what do your unit's objectives need to relate—students, faculty/staff, academic programs, funding, or all four? What about other Key Result Areas?

- What needs to happen for your unit's programs to be successful? In other words, how many people need to enroll, graduate, publish, obtain grants, obtain employment, etc.? When do you want these things to happen (give specific date)?

 Now write your objectives. Use the information in your answers above to write statements of your objectives for each Key Result Area.

KEY RESULT AREA NO. 1: _____

Objective 1: _____

Objective 2: _____

Objective 3: _____

KEY RESULT AREA NO. 2: _____

Objective 1: _____

Objective 2: _____

Objective 3: _____

KEY RESULT AREA NO. 3: _____

Objective 1: _____

Objective 2: _____

Objective 3: _____

KEYSULT AREA NO. 4: _____

Objective 1: _____

Objective 2: _____

Objective 3: _____

KEY RESULT AREA NO. 5: _____

Objective 1: _____

Objective 2: _____

Objective 3: _____


KEY RESULT AREA NO. 6: _____

Objective 1: _____

Objective 2: _____

Objective 3: _____

B. TESTING OBJECTIVES

 Now test each statement made above using the following criteria:

➤ Is each statement relevant to the purpose/mission of your institution and your unit?

1. _____
2. _____
3. _____

➤ Is each statement practical?

1. _____
2. _____
3. _____

➤ Does each statement provide a challenge?

1. _____
2. _____
3. _____

➤ Is each stated in objectively measurable terms?


1. _____
2. _____
3. _____

➤ Do you have a specific date for completion?

1. _____
2. _____
3. _____

➤ Does each statement contribute to a balance of activities in line with the institution's and/or your unit's strengths and weaknesses?

1. _____
2. _____
3. _____

 *Now test the institution's and/or your unit's objective/goal-setting process:*

- Is there a clear process of setting goals and objectives?

- What are your unit's goals and objectives for the current planning year?


- Is there clear evidence that goals and objectives are written at the institutional level and at the school/college/department level?

- Does your institution's and/or your unit's goals and objectives have a clear relationship to vision/mission/purpose?

DEVELOPING STRATEGY AND ACTION PLANS (pp. 149-176)

It would be to your advantage to read, at a minimum, pages 150-159 and the section entitled "Action (or Operational) Plans" on pages 169-175 before completing the following Strategy Development Worksheets and Action Plan.


STRATEGY DEVELOPMENT WORKSHEETS (pp. 177-180)

 *Answer these questions first:*

1. What are your institution's and your unit's distinctive competencies? What do you do well that makes you different from similar institutions at other higher education institutions?

2. What market segments should you select to match your unit's and/or the institution's skills and resources and constituents' needs in those segments?

3. Do you have the skills/resources to pursue several segments or should you concentrate on one segment? Are the financial sponsorship and funding opportunities of that segment large enough to sustain the institution and/or your unit and to allow for growth?

 *Now, develop your positioning statement:*

1. Distinctive Competencies

2. Client Segments Sought

3. Services Offered

4. Promotion Orientation

5. Financial Support Levels

6. Growth Orientation

☞ Next, develop your overall strategy (Growth, Stability, Retrenchment) for your unit (p. 179):

UNIT (PROGRAM): _____

➤ GROWTH (Add or expand spectrum of programs.)

- Growth: Alternative Strategy 1

Pros _____

Cons _____

- Growth: Alternative Strategy 2

Pros _____

Cons _____

➤ STABILITY (Keep the same programs while improving on effectiveness and efficiency.)

- Stability: Alternative Strategy 1

Pros _____

Cons _____

- Stability: Alternative Strategy 2

Pros _____

Cons _____

➤ RETRENCHMENT (major reduction or elimination in existing programs)

- Retrenchment: Alternative Strategy 1

Pros _____

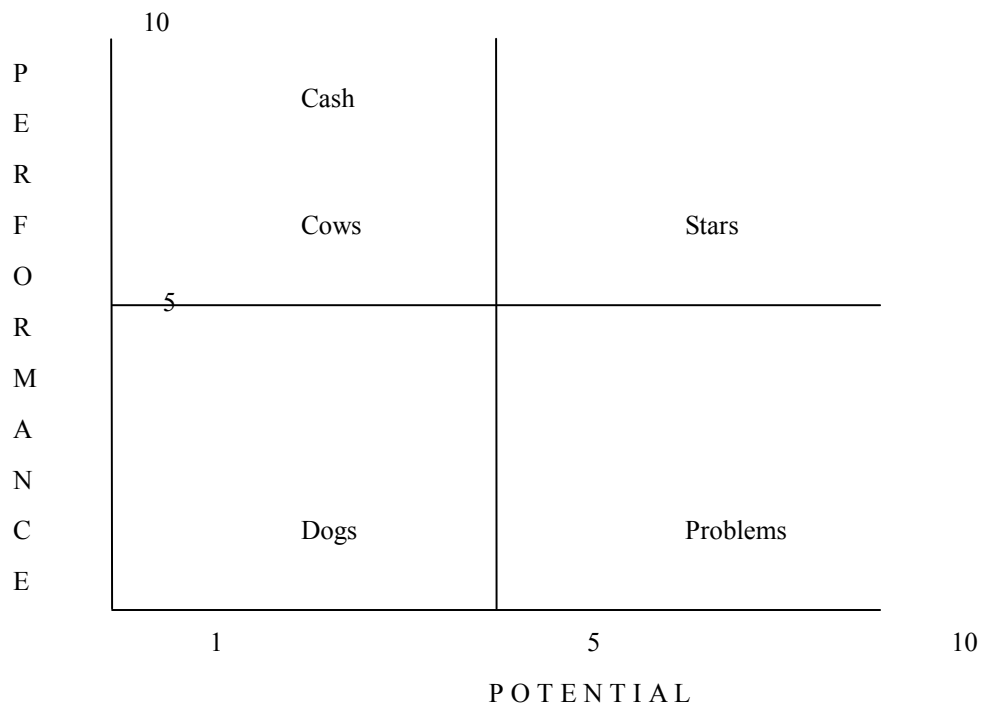
Cons _____

- Retrenchment: Alternative Strategy 2

Pros _____

Cons _____

To assist in determining growth stability and retrenchment, use the performance potential matrix.*



* Migliore, R. Henry. (2004). *Strategic Planning and Management for the New Millennium*, p. 64-68.

YOUR UNIT'S OVERALL GENERAL STRATEGIES

➤ GROWTH STRATEGIES:

➤ STABILITY STRATEGIES:

➤ RETRENCHMENT STRATEGIES:

ACTION PLAN (Format option from page 181)

Please duplicate this sheet as necessary for each of your objectives.

OBJECTIVE: _____

STRATEGIES:

A. _____

B. _____

C. _____

D. _____

E. _____

ACTION PLAN: _____

Person Responsible: _____

Resources Required: _____

Date Started: _____

Date Completed: _____

**DEVELOP A BUDGET TO REFLECT THE EXECUTION
OF YOUR DEPARTMENT'S (UNIT'S) PLAN**

R. HENRY MIGLIORE

Dr. Migliore is President of Managing for Success, an international consulting company. He was Professor of Strategic Planning and Management at Northeastern State University/Oklahoma State University—Tulsa from 1987-2002; Dr. Migliore teaches at the graduate and undergraduate levels. He was formerly Professor of Management and former Dean of the ORU School of Business from 1975 until 1987. He was a visiting professor at the University of Calgary, fall 1991; ITESM Campus Guadalajara, Guadalajara, Jalisco, Mexico, spring 1995; and Singapore in 1997.

He is former manager of the press manufacturing operations of Continental Can Company's Stockyard Plant. Prior to that, he was responsible for the industrial engineering function at Continental's Indiana plant. In this capacity, Dr. Migliore was responsible for coordinating the long-range planning process. In addition, he has had various consulting experiences with Fred Rudge & Associates in New York and has served large and small businesses, associations, and nonprofit organizations in various capacities. He has made presentations to a wide variety of clubs, groups, and professional associations. Dr. Migliore has been selected to be on the faculty for the International Conferences on Management by Objectives and the Strategic Planning Institute Seminar Series. He is also a frequent contributor to the Academy of Management, including a paper at the 50th anniversary national conference. He served for 12 years on the Board of Directors of T. D. Williamson, Inc., and was previously on the Boards of the International MBO Institute, Brush Creek Ranch, and the American Red Cross/Tulsa Chapter, and is chairman of a scholarship fund for Eastern State College. In 1984 he was elected into the Eastern State College Athletic Hall of Fame. Dr. Migliore has been a guest lecturer on a number of college campuses. He has lectured for the Texas A & M—Pepperdine, ITESM—Guadalajara, and the University of Calgary Executive Development Programs. He serves on Chamber and/or Civic Committees, and he served on the Administrative Board at The First United Methodist Church, Tulsa, Oklahoma. He was selected Who's Who on a list of 31 top echelon writers and consultants in America.

To date, previous articles on management and business subjects have appeared in *AIIIE Journal*, *Construction News*, *Management World*, *Management of Personnel Quarterly*, *Journal of Long-Range Planning*, *Dental Economics*, *Health Care Management Review*, *MBO Journal*, *Business and Society Review*, *Parks and Recreation Journal*, *The Journal of Business Strategy*, *Daily Blessing*, *Ozark Mountaineer*, *On Line*, *Real Estate Today*, *Communication Briefings*, *Journal of Sports Management*, *Alberta Business Review*, *The Planning Review*, *Hospital Topics*, *Journal of East-West Business*, *Journal of Ministry Management*, *IIE Solutions*, *Industrial Safety and Hygiene*, *Debt-Free Living*, *Supply Chain Management*, and two Mexican journals. His books include *MBO: Blue Collar to Top Executive*, *An MBO Approach to Long-Range Planning*, *A Strategic Plan for Your Life*, *Strategic Long-Range Planning*, *Strategic Planning for Church and Ministry Growth*, *Common Sense Management: A Biblical Perspective*, *Personal Action Planning: How to Know What You Want and Get It*, and *Tales of Uncle Henry*. They describe personal theories and experiences. He contributed to the books, *Readings in Interpersonal and Organizational Communication* and *International Handbook on MBO*. The book *The Management of Production: A Productivity Approach* is coauthored. Other books include *Strategic Planning and Management*, *Strategic Life Planning*, and *Common Sense Management*. The manuscript *People, Productivity, and Profits* has been completed. He is coauthoring a series of books with Haworth Press. Released so far are *Church and Ministry Growth* (1995), *Planning for Nonprofit Management* (1995), *Strategic Planning and Health Care* (1996), *Strategic Planning for Private Universities* (1997), and *Strategy Planning for Collegiate Athletics* (spring 2000). *Strategy Planning for Higher Education* and *Planning for City Government* will be completed in the year 2003. *Strategic Long-Range Planning for the New Millennium* was updated and published in June of 2002. His books have been translated into Russian, Chinese, Korean, Spanish, German, and Japanese. A Spanish version of *Strategic Planning* coauthored with Gonzalo Rivero, will have an early edition out in February 2002. He has also produced "Personal Financial Success," an ORU video training kit offered on nationwide television, and video/audio tapes to go with his books. Dr. Migliore has developed three complete videotaped and computer Internet web-based correspondence courses.

In November 1985 the daily "Managing for Success" cable television program was inaugurated and was on the air until March 1986. It was on Tulsa Cable. The series began again on Tulsa Cable in September 1986. He writes occasional columns for the *Tulsa World*, *Tahlequah Pictorial Press*, *Collinsville News*, *Jenks Journal*, and *Muskogee County Times*. A complete video series with four summary units and thirty-six support units covering planning, management, and common sense management supports other material.

In November 1998 Dr. Migliore was inducted into the Eastern Oklahoma State Hall of Fame. This followed his induction in 1988 into the Eastern Athletic Hall of Fame.

Dr. Migliore has been a small business consultant for the Oklahoma Small Business Development Center for 13 years. Dr. Migliore holds degrees from Eastern Oklahoma State, Oklahoma State University, St. Louis University, and completed his doctorate at the University of Arkansas. He belongs to the Academy of Management and the Planning Executives Institute and is a senior member of the American Institute of Industrial Engineers.



DR. R. HENRY MIGLIORE

**www.rhenrymigliore.com
hmigliore@aol.com**