

Strategic Readiness: Effective Competitive Strategies in a Consumer-Driven Higher Education Sector

John Viljoen (PhD)
Managing Director

Lionel Newman
Principal Consultant

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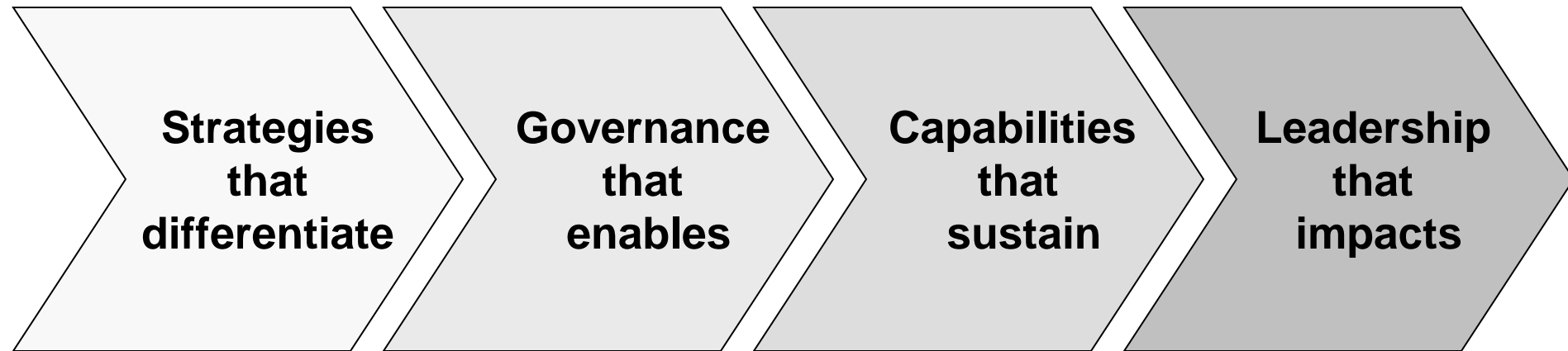
The background

1. About “Strategic Readiness”
 - Readiness for competition
 - Bradley Review / sector reform
 - Competitive and commercial
 - Not whole-of-institution strategy
2. Evidence-based effort & investments
3. Practical tools & implementation work streams

See our Position Paper and Performance Capability Assessment Tool (P-CAT)

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The basic proposition: Strategic Readiness requires



Commercial potential	Decisive and streamlined	Delivery and flexibility	Reputation <i>and</i> returns
Positive market differentiation for selected teaching and research programs	Effective governance structures, accountability and incentives	Capabilities that exploit high potential markets effectively	Authentic educational leadership with business acumen

Points of difference in the market

**Strategies
that
differentiate**

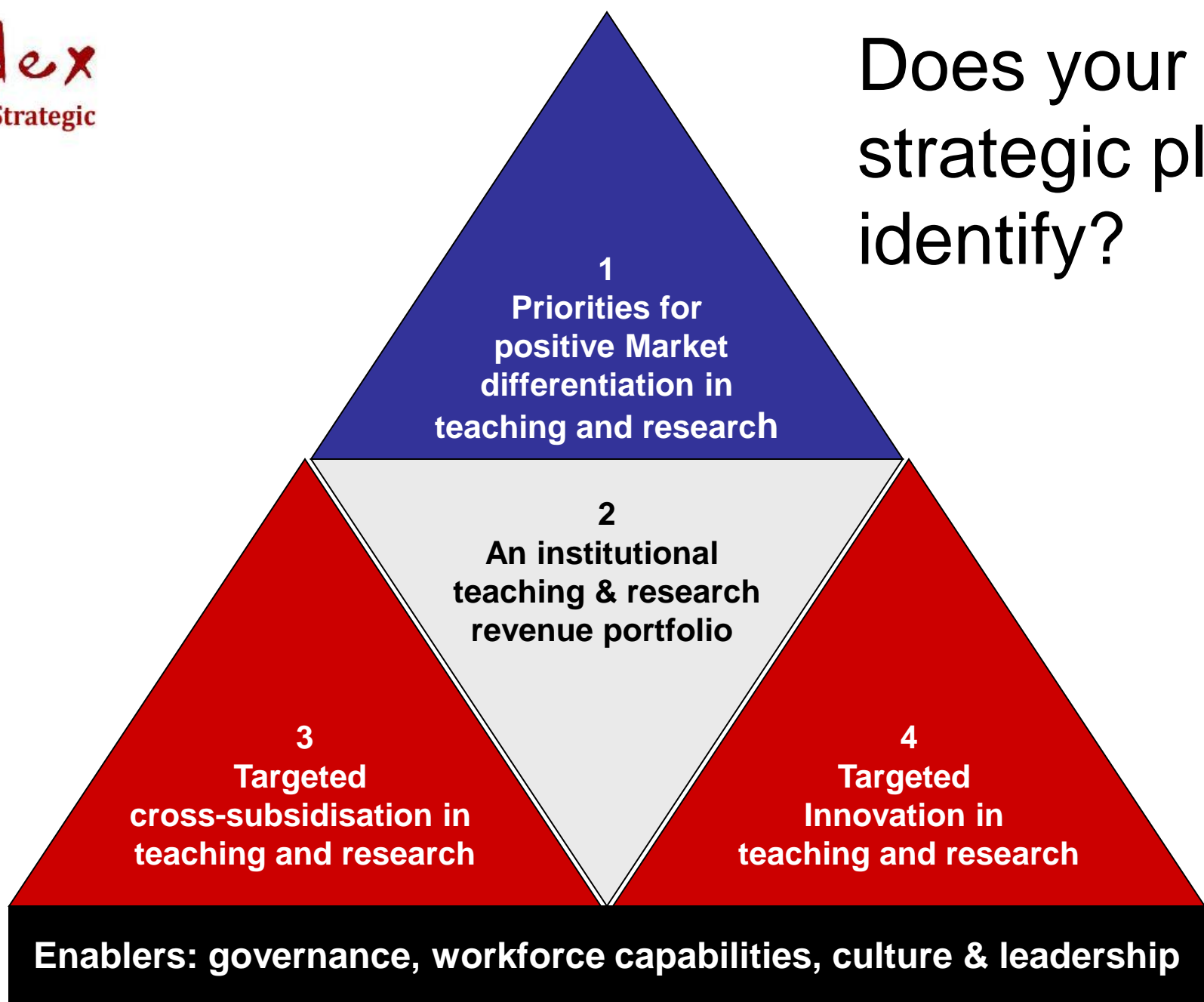
Governance
that
enables

Capabilities
that
sustain

Leadership
that
impacts

- Focus – not too many points of difference
- Preferential investment in selected areas
- Cross-subsidisation
- Targeted innovation
- Optimise overall revenue potential

Does your strategic plan identify?



Consider this.....

NSW TAFE college strategic priorities

- Inclusive to the point of paralysis
- All programs have “value”
- Incremental change to the point of crisis

Private provider (part of global business)

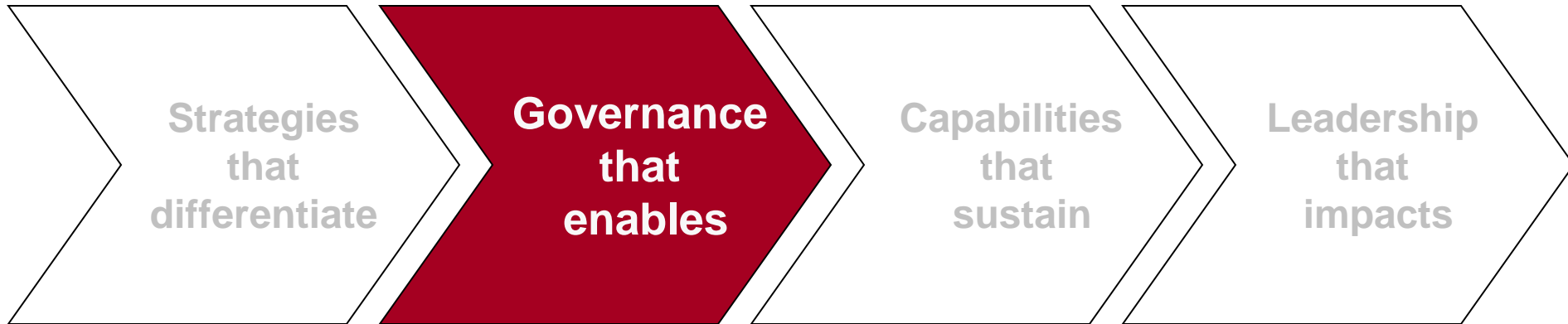
- Executive only: “goals down plans up”
- Focus to create barriers to entry
- Try, evaluate, scale up or shut down

Differentiation:

Assess the quality and usability of tools to...

1. Produce hard evidence that confirms decisions to:
 - Grow
 - Hold
 - Reduce
 - Eliminate
2. Justify preferential investment in a few flagships
3. Confirm alignment of key operational plans with the strategic plan

Reformed governance



- Dual governance structures to facilitate commercial decision making
- Why we need collaborative silos
- Simultaneous centralisation and decentralisation

Consider this.....

University based in Victoria

- Standard governance option first
- Fall-back decision process at point of failure
- Morale “on the ground” consequence

University based in Adelaide

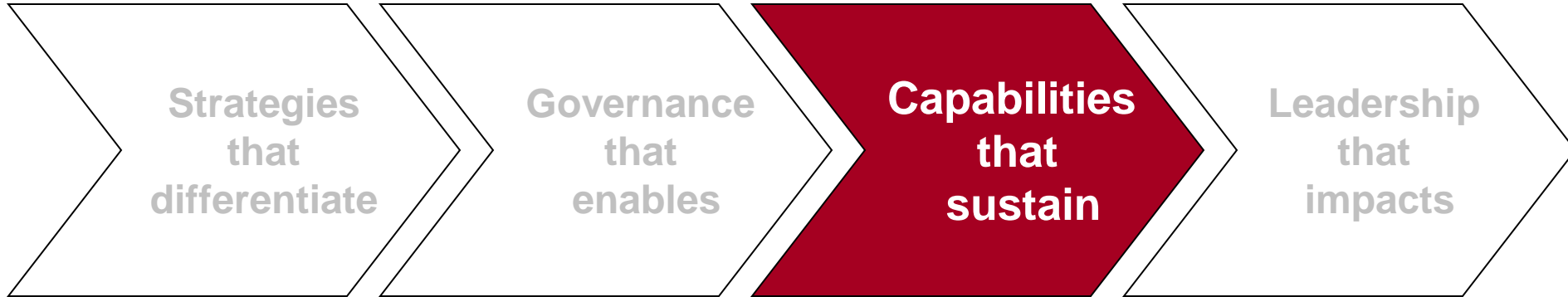
- Centralised governance approach
- Consequences:
 - Faculties focus on resource allocation not strategy
 - Lost opportunities
 - Frustration and low morale

Ensure clear benefits when changing governance and accountability frameworks

Governance – check your strategic readiness toolkit

1. Demonstrate balance between educational / research standards and market-based performance
2. Streamlined decision-making pathways
3. Clarity and consistency of commercial accountabilities and incentives
4. Measure of academic / professional staff collaboration

Commercial capability profile management



- Quality may require separation of teaching and research roles
- Workforce composition & flexibility (full/part time, casual)
- Institution-wide focus on increased student employability
 - “World ready” = LaTrobe
 - “Worldly” – Deakin
- Strategic partnerships (TAFE & universities, EdEx)

Capability profile management is well underway

Universities

- Inevitable consequence of workforce planning / institutional capability profile management
 - Reduced course options
 - Reduced academic & professional positions
 - Student protests!

TAFE

- Budget management.....and
- Capability management.....because
- Moving into traditional university awards

Capability profile management – check your toolkit

1. Workforce plans aligned with market potential
2. Capability framework reviews for commercial and competitive capabilities
3. Institutional “Performance Culture” mapping:
 - Job readiness
 - Innovation
 - Collaboration
 - Accountability
 - Business acumen

Authentic educational leadership

Strategies
that
differentiate

Governance
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Leadership
that
impacts

- Paradox...“leaders everywhere” creates a non-leadership culture
- Diverse, independent minded, intellectual and articulate staff
- Career support as much as performance management
- Leadership in absentia
- Teaching leadership in the context of “commodified content”
- Leadership as a profession, not a rotation

Consider this.....

- Institutional strategic performance:
 - Alignment
 - Efficiency
 - **Commitment**
- The need to “grow your own” leadership rather than importing
- Formal leadership assessments
- People join organisations and leave managers!

Authentic educational leadership – check your strategic readiness toolkit

1. Leadership capability frameworks commercial and contestability components:
 - Strategic thinking
 - Business acumen
 - Accountability
 - Delivering outcomes
 - Capability and career management
2. Leadership evaluations
 - 360 feedback options
 - Transformational leadership assessment

Summary

1. So many challenges, so many perspectives = blurry commercial and competitive agenda “fuzzy strategy”
2. HE inexperience with unbounded contestability = tentative business management
3. Legacy governance structures = sluggish response to opportunities
4. Legacy capability & workforce composition profiles
5. Unique leadership requirements

The key messages:

- Revenue management
- Evidence-based decision-making, discipline and courage
- The right approaches and tools

The key ideas on a page

Defining the future →

Delivering the future →

← **Scope of performance tools in tertiary institutions** →

**Aspiration, Goals
Strategies & Values**

Differentiation	Governance	Capability	Leadership
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- **Clear priorities for differentiation**
- **Teaching & research revenue portfolio**
- **Evidence-based cross-subsidy plan**
- **Tightly targeted investments in innovation**

- **Balance between standards & dollars**
- **Streamlined decision-making pathways**
- **Clear, consistent accountabilities**
- **Academic / Admin collaboration**

- **Workforce plans aligned with market potential**
- **Capability frameworks embody contestability**
- **Performance culture mapped**
- **Tools for risk management**

- **Leadership capability frameworks**
- **Leadership in absentia**
- **Leadership evaluations**
- **360 feedback**
- **Transformational leadership assessment**

Budget and resource management