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Strategic Planning and Business Schools: Is There Any Value Added?

“By failing to prepare, you are preparing to fail.” That quote, attributed to Benjamin Franklin, has been used for centuries by a myriad of organizations, from large corporations to sports franchises. A key component of preparation is developing and implementing a plan.

Strategic planning in academia occurs at the university, school, and department levels. It certainly is an important task for AACSB-accredited business schools. In fact, one of the purported value-added elements of our AACSB accreditation process is the requirement for an effective and inclusive strategic planning process. That process should lead to goals that are consistent with the overall university/school mission and allow priorities to be established. The plan also should incorporate provisions for tangible continuous improvement.

Plans may vary among schools, but they should contain many of the same elements. I believe each school should have a vision statement and a mission statement. At the Krannert School, we also include a section on shared principles, an aspiration statement, and a special initiative for a given academic year. Within the plan are goals, objectives, strategies, and metrics. Those metrics should be both specific and measurable.

The strategic plan itself, and the process under which it is developed, must be transparent. In our case, we present the results of the previous year’s metrics (both those met and unmet) at the first faculty meeting of the academic year, and the faculty is given a proposed plan update for the following year. The strategic plan for the upcoming year, which includes input from various Krannert stakeholders, is then ratified at the next faculty meeting.

Does this strategic planning process, in fact, add value to business schools? I believe it does. The strategic plans, which are expected and reviewed by visiting accreditation teams, do in fact improve the quality of business programs. Importantly, they encourage academic choice and integrity.

Critics argue that a strategic plan in academia may have little effect on the lives of most faculty. Professors and instructors are educated to teach and research in their areas of knowledge. Faculty appropriately expect “academic freedom” in the classroom. They have flexibility in developing their own curricula, largely based on their expertise. However, it is my belief that they should operate within the framework of a strategic plan without disrupting that freedom, and in doing so their schools will be more focused and stronger. Faculty frequently are directly involved in the plan’s metrics. Deviations from goals measured by the metrics do have an impact on the lives of faculty. Prime examples are metrics which relate to diversity. Failure to meet diversity goals suggests that faculty need more effective recruiting procedures. To be sure, strategic planning also affects the type of research that is valued and appropriate for a school’s mission.

Business schools do not operate in a vacuum, and it is important that the priorities of each school are in concert with the university in which they reside. The business school's strategic plan should be overlaid with the university's plan to make sure goals and points of emphasis of each are aligned. A link from the business school's plan to the university's plan may be a separate section in the strategic planning document.

Strategic planning requires significant input from stakeholders, including faculty, staff, alumni, and students. It involves both "big-picture" thinking and attention to the smallest details. It also demands acceptance from all stakeholders to be truly effective. An inclusive strategic planning process helps to gain ownership and "buy-in." I believe it is an important component for every business school, and I believe that if done correctly, it makes our profession much stronger and more far-reaching.

This is my last column for *eNEWSLINE*, as Howard Thomas takes over as AACSB's chair of the board on July 1. It has been my privilege and honor to serve in this role, and I wish Howard the best in the position. My thanks go out to the talented and hard-working AACSB staff for their assistance and cooperation.