

Best Practices for Supporting Institutional Change Management

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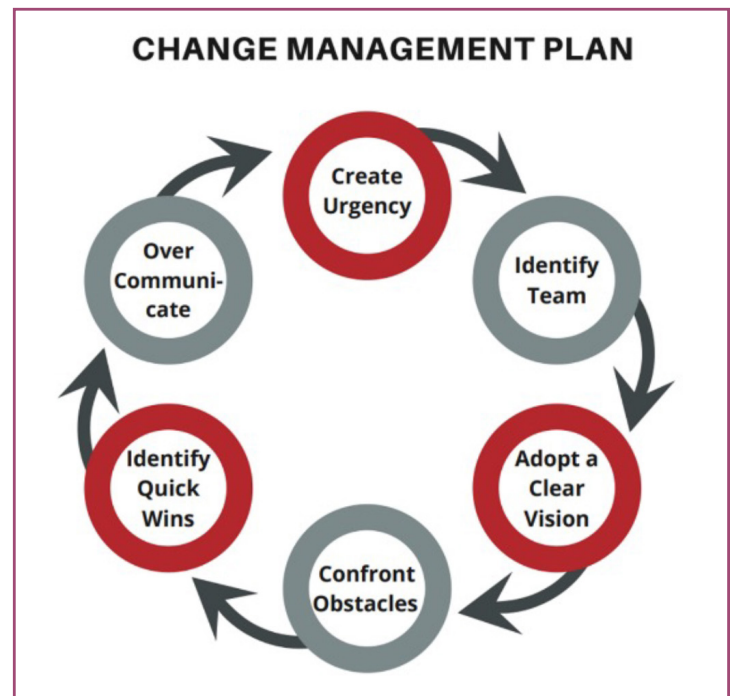
Background

Institutions are increasingly aware that change is needed in their business model and in how they bring their mission forward to a new generation of students. Needed change is often stopped, however, before it can take root. What strategies can institutional leaders employ to maximize the success of their change models?

Using Best Practice Steps to Maximize Success

Emerging best practice demonstrates six key steps to implementing any change management process. These steps include:

1. **Establishing Urgency.**
Answer the “Why” question.
2. **Getting the Team Right.**
Not based on hierarchy.
Find the influencers, those who are open to change and comfortable with data-informed decision making.
3. **Creating a Shared Future Vision.** Point to where you need to go and ensure that strategies align with this. Make it not just about the change, but the change toward something.
4. **Addressing Obstacles.**
Act quickly where and when needed to address obstacles.
5. **Celebrating Wins.**
No matter how small, plan for and shine a light on what’s working/achieved.
6. **Over Communicating.**
Multiple times, multiple channels. No “happy talk,” but celebrate milestones.



Once the initiative has been achieved, two additional steps help to cement the gains and create a stronger foundation for future efforts.

- **Weaving the Learnings into Daily Work.**
Move the learnings into the everyday life/workflow of the institution. Don't treat the findings as one-offs or allow them to be isolated to the project.
- **Using Success to Change the Culture.**
Tie the learnings to reward structures. Use the success to support other needed change.

Note: This best practice model is adapted from John Kotter's work on Leading Change.

Moving to Action

When designing a change management plan that moves toward action, institutions would do well to consider the following key questions:

- **Problem:** What is the problem to solve?
- **Theory of Change:** If this plan is implemented, what are the expected results?
- **Participation:** Who needs to be involved? Who owns it?
- **Strategy:** What are the key strategies?
- **Timing:** How long will it take?
- **Resources:** What are the resource needs and/or constraints?
- **Metrics:** How will success be defined and measured to ensure transparency and accountability?

Once these questions are addressed, the institution should be positioned to incorporate these findings into a final action plan.

Institutional Readiness

While institutional leaders may be ready to embrace change, how can they tell if the institution as a whole is prepared? To be successful, change management efforts must ultimately move deeper into the institution. Several key indicators can be used to determine institutional readiness:

1. **Leadership:** Is institutional leadership aware of and committed to the change?
2. **Communications:** Is there evidence that data has been shared broadly and deeply throughout the organization?
3. **Professional Development:** Do institutional leaders have the capacity to lead change, and are ongoing professional development opportunities in place to continuously build that capacity?

4. **Tools and Approaches:** Have best practice tools and approaches been identified and implemented to support the desired change?
5. **Outcomes:** Have clear targets been established for each institutional initiative to ensure a connection to overall strategy? Are feedback loops in place to ensure monitoring of success metrics and allow for course correction as needed?

A Roadmap for Change

Institutional leadership often confronts a key question with the implementation of any change initiative: “Where should we start?” Starting with the end in mind and building out a robust “roadmap” provide a greater likelihood of success.

1. Create Urgency.

Institutions must create an awareness of the need for change and expose the institutional community to new business models. This investment can produce the urgency necessary to begin the change process.

- a. What changes do we see in the external landscape for higher education and the market served by this institution?
- b. How well do the current institutional programs and services respond to that landscape and market? What specific examples can we identify that demonstrate an appropriate response?
- c. Does the current business model appear to be sustainable in the long term?

2. Capture Key Metrics That Tell a Story.

Use data and metrics to determine the institution’s current position, establish clear performance targets, and track the movement toward those targets. This step creates good storytelling, moving away from numbers and spreadsheets to capture and share the institution’s pathway.

- a. How might we define institutional success? Based on that definition, what metrics would help us understand where we are on the path toward that success?
- b. What targets should be set for each metric?
- c. What’s the story that emerges from the data, and how does that story impact decision-making?

ROADMAP FOR STRATEGIC FINANCE CHANGE MANAGEMENT

1. Create urgency for change.
2. Capture key metrics that tell a story.
3. Gain understanding of academic portfolio and administrative services.
4. Reallocate toward initiatives that support student success and institutional sustainability.
5. Invest in new business models.

3. Gain an Understanding of Program and Services ROI.

Examine the academic portfolio and administrative services to determine the best mission and margin mix of programs, as well as restructure services to maintain quality of delivery at lower cost. Once the institution has clarity on where its economic engines are, it can develop new resource allocation models to ensure that resources are directed toward its strategic goals and these economic engines.

- a. Is there a process in place to assess the ROI and efficiency of academic programs and administrative services?
- b. What's the financial margin generated by each academic program? How does that margin relate to institutional mission?
- c. Which programs and services drive the majority of institutional net revenue?

4. Reallocate Toward Initiatives that Support Student Success and Institutional Sustainability.

Optimize the current business model and prepare to move toward a new innovative model.

- a. Are resources (people, time and money) being allocated toward institutional economic engines, and does resource allocation respect a mission, market and margin based approach?

5. Invest in New Business Models.

Harvest existing resources for reinvestment in innovation. Move resources from simply maintaining the current model and begin investing in the future.

- a. What is the institution's shared future vision?
- b. How might resources be allocated to support initiatives that move us toward that future vision?

Conclusion

The current higher education environment is tumultuous, and the need for change, even if clear, can be resisted if institutions fail to invest in a robust change management approach. The best practices outlined above reflect critical first steps for any institution preparing to launch a change initiative. While no guarantee of success, these best practices can enhance an institution's likelihood of reaching the finish line.



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