



NWAIS Institutional Leadership Conference

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*Assess Your Schools Strategic Priorities within the
Context of Its Treasured Goals*

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Workshop Plan

- Introductions 5 minutes
- Background 15 minutes
- Case study/Treasured Goal exercise 30 minutes
- Group share-out & key takeaways 25 minutes

Why did you choose this session?

- Beginning a strategic planning process?
- Looking at ways to educate your board on school's key strategic and financial levers?
- Interested in soliciting strategic feedback from multiple constituencies at your school?
- Generally interested in school strategic and/or financial planning?
- Other?

Bertschi School's experience

- Faced challenge of translating goals of our prior strategic plan in real terms
- No obvious model for compromise when certain goals conflicted with each other
 - i.e.. honor class size while expanding financial aid, offering highly competitive compensation, and investing in new programming
- Annual budgeting effort that lacked consistent strategic themes
- Board members with varied comfort levels with school strategic and financial planning

John Littleford's 9+ Sacred Cows model helped frame the long-term planning process

- Independent school sacred cows are:

“Objectives that all schools aspire to achieve, preserve, and enhance, and that are often in conflict with each other.”

“How does a school evaluate the tradeoffs between these objectives to make appropriate financial management decisions that support the vision and mission of the organization?”

- John Littleford

The Nine Sacred Cows of Financial Management
(www.jlittleford.com)

At Bertschi we refer to these objectives as Treasured Goals

Littleford's key SOURCES of funds

Treasured Goals		Description	Examples
1.	Capacity & Enrollment Growth	Low to moderate class size at current enrollment levels	22 student max per class
2.	Tuition & Fees	Moderate increases in tuition & fees	Steady tuition increases over time
3.	Supplemental Programs	More programs and services to help support families and operations	Add a summer camp; initiative facilities rentals
4.	Giving	Enhanced annual giving, endowment, and other gift income	Add a new annual fundraising event; grow the endowment

Littleford's key USES of funds

Treasured Goals		Description	Examples
5.	Programming	Strong program/curriculum with "state of the art" IT, science, & other	Add a new drama program; expand robotics program
6.	Salaries & Benefits	Very competitive faculty and staff salaries	Comparable salaries & benefits with peer schools in Seattle
7.	Professional Development	Heavy investment in faculty/staff ongoing education and development	Add 5-10% annually to professional development budget
8.	Financial Aid	Robust financial aid program to help ensure socio-economic diversity	Work towards needs blind admission
9.	Plant & Campus Planning	Excellent facilities & appropriate plant maintenance to avoid deferred costs	Set aside funds annually for known future repairs
10.	Operating Reserves	Healthy accumulation of cash reserves for future need	Increase annual operating surpluses from 1% to 3% of revenues

How do we use these Treasured Goals to gain consensus on strategic planning?

- Littleford promotes an exercise whereby individual constituents rank each Treasured Goal
 - Then compare the consolidated outcome to provide direction to the strategic planning process
 - Offers the foundation for more conversation and agreement
- Bertschi's approach focuses on small group compromise and tradeoffs
 - Encourages constituents to look beyond their own priorities & focus on the broader values and priorities of the school
 - Grounds strategic conversation in real terms with financial information

The Bertschi approach is a strategy game that facilitates strategic conversations around Treasured Goals

- Working in groups, choose between specific scenarios for each Treasured Goal category
 - All financial information reflects the accumulated financial impact of each scenario over 5 years
 - Group members discuss their strategies for Treasured Goals based on their own perception of the school's values and priorities
 - Agree on realistic strategies to balance trade-offs between goals
- Ideally the net result of your overall strategy will equate to "\$0" or better – proof that your group can work together to make financially sustainable decisions

As you go about the game think about how it could be applied to your own school

Group share-out and key takeaways

- How would this exercise be more difficult when dealing with challenges at your school?
- What are the keys to successful strategic planning in general? Or potential barriers to success?
 - Does everyone agree on the school's values and priorities (clear mission statement)?
 - Can constituents look beyond their own priorities?
 - Who needs to be involved in the process (board, teachers/staff, parents, students)?
 - Do you have all of the information you need to make realistic and informed decisions?

Any questions?