

***CREATING A BRILLIANT FUTURE FOR
THE UNIVERSITY OF ILLINOIS***

**Strategic Planning Framework
August 8, 2005**

(Updated: February 17, 2006)

UIC



UNIVERSITY OF ILLINOIS
CHICAGO • SPRINGFIELD • URBANA-CHAMPAIGN

INTRODUCTION AND OVERVIEW

The University of Illinois' future stands on the legacy of extraordinary achievement and academic excellence provided by previous generations of faculty, students, staff, and other key stakeholders. An essential element toward ensuring that the University's future is "brilliant" and builds on its past and present greatness will be the development of an innovative and aggressive strategic plan that enables the University to adapt to and take advantage of the opportunities presented by an expanding global marketplace for research, education, and training. The University must also address the related challenges of an environment characterized by increasing competition for the best students, faculty, staff, funding, and other resources.

This dynamic, competitive environment provides challenges and, for a great public research university like the University of Illinois, opportunities as well. Creative and innovative strategies must be developed and implemented through the strategic planning process that enable the University to successfully compete in this environment and to manage the strategic issues that are critical to achieving its vision. Perhaps more importantly, these strategies must be developed within a cohesive conceptual construct that recognizes and capitalizes on the distinctive strengths and contributions of the three University campuses (Chicago, Springfield, and Urbana-Champaign), and University support organizations (University Administration, Alumni Association, and Foundation) toward this vision.¹

As such, the first step in this strategic planning process is the creation of an overall framework within which the component planning efforts can focus and flourish. An initial draft of this overall framework was completed on April 20, 2005, following the first President's Summit on Strategic Leadership in March. The initial draft was discussed and shared with the Board of Trustees (BOT) and numerous other University stakeholders such as the Faculty Senates Conference. Further discussion and refinement took place at the second President's Summit on Strategic Leadership on June 17, 2005 with a particular focus on statutory mandates, "SWOT" (strengths, weaknesses, opportunities, and threats), competitive analyses, and strategic issues facing the University, and subsequent additional input was provided by the BOT as well.

The overall strategic planning framework described in this document reflects these and other ongoing discussions regarding how to create a brilliant future for the University of Illinois. The document builds on the mission, vision, strategy, values, and strategic goals/thrusts included in the initial April 20th draft through the addition of mandates, an environmental assessment, challenges and opportunities, and strategic issues identified to date by key stakeholders of the University. This expanded document presents information on the following subjects:

- Planning Process Overview
- The Strategic Planning Framework
 - Section 1: The Purpose of the University (e.g., mission, values, mandates)

¹ The three university campuses, schools/colleges/major administrative units, and support organizations will be referred to collectively as "planning units" for the purposes of this document.

- Section 2: University Strategy (e.g., environmental assessment, SWOT analysis, competition, strategic issues, strategic goals and thrusts)
- Section 3: Resource Plan for Achieving Strategic Goals
- Section 4: Monitoring/Evaluation of Plan Implementation and Results

Three appendices provide additional supporting information and detail.

The intent of this document is to describe and clarify the overall planning framework for use by each of the planning units. At the same time, given the iterative and highly participatory nature of the University’s strategic planning process, it is anticipated that this framework will continue to be refined and updated throughout the process.

PLANNING PROCESS OVERVIEW

This section briefly outlines key expectations and milestones for the University’s strategic planning process.

Planning Approach and Schedule

The approach for developing the University’s strategic plan will involve three stages, including the development of the overall strategic planning framework (Stage 1), the development of University campus and support organization strategic plans (Stage 2), and the development of school/college/major administrative unit strategic plans (Stage 3). The proposed schedule for the three stages is shown in Figure 1 below.

Figure 1
Schedule for University of Illinois Strategic Plan Development

Planning Stage	Planning Focus	Key Milestone Dates
Stage 1	Overall Strategic Planning Framework	Review by BOT: July 2005 Final Version: August 8, 2005 <i>(Updated 2/17/06)</i>
Stage 2	University Campus and Support Organization Plans	Drafts Completed: October 31, 2005 Final Versions to BOT: February 17, 2006
Stage 3	School, College, and Major Administrative Unit Plans	Drafts Completed: April 28, 2006 Final Versions: June 30, 2006

Guiding Principles for Strategic Plan Development

The following “guiding principles” should be incorporated within the planning processes employed by planning units in developing their own strategic plans.

- Plans should be consistent with and contribute to the achievement of the University of Illinois’ overall strategic goals and thrusts included in its strategic planning framework.

- Plans should be developed in a participative/collaborative manner and be well-communicated to all stakeholders.
- Plans should reflect high (but reasonably achievable) aspirations as well as demonstrating creativity and innovation in setting forth goals and strategic thrusts for the unit.
- Plans should be cast within the overall goal of displacing top competitors.
- Plans should be based on measurable goals and strategies and include appropriate performance metrics.
- Plan documents should include statements of purpose, strategy, resources, and monitoring/evaluation (see Appendix A of this document for an overview of specific components to be included).

Peer Review of Strategic Plans

A key component of Stages 2 and 3 of the planning process is a review of each planning unit's strategic plan by a knowledgeable, appropriately composed committee. The review process will ensure that all plans are conceptually and structurally sound, demonstrate high aspirations, creativity and innovative thinking, and contribute to overall University goals. The peer review process has two primary objectives: (1) Ensure that all strategic plans incorporate the required components set forth in the University's overall strategic planning framework (in both letter and spirit); and, (2) Provide constructive feedback on the strategic issues, goals and strategic thrusts, and stretch ideas identified within draft plans. At the same time, recognizing both the time constraints of the planning schedule and the diversity of issues faced by each planning unit, the overall intent of this process is to keep it as simple as possible and provide appropriate flexibility in achieving these two goals. The major steps of the peer review process are outlined in Appendix A of this document.

SECTION 1: THE PURPOSE OF THE UNIVERSITY

One of the principal objectives of the strategic planning process is the establishment, communication, and execution of the fundamental purpose of the University. It is the construct within which challenges and opportunities are examined and analyzed, strategic issues framed, and strategic goals and thrusts articulated. It is also the lens through which the plan is implemented and ultimately evaluated as to its effectiveness. The primary components of the University's purpose are its mission, vision, and guiding values. Also important to understanding and articulating its purpose are statutory and other mandates that serve as legal parameters regarding the University's mission and function.

Mission

The University of Illinois will transform lives and serve society by educating, creating knowledge, and putting knowledge to work on a large scale and with excellence.

Vision

To create a brilliant future for the University of Illinois in which the students, faculty, and staff thrive and the citizens of Illinois, the nation, and the world benefit, a future in which the University of Illinois is the recognized leader among public research universities in:

- Teaching, scholarship, and research
- Engagement and public service
- Economic development
- Arts and culture
- Global reach
- Athletics

Guiding Values

In all we do at the University of Illinois, we will:

- Aim high
- Strive to control our destiny
- Be accountable for our actions and exercise responsible stewardship
- Be inclusive, treat each other with dignity and respect, and promote citizenship
- Value excellence, quality and service
- Foster innovation and creativity

Statutory Mandates

The basic mandates impacting the University are the University of Illinois Act (110 ILCS 305) which created the University and established its mission, and the University of Illinois Trustees Act (110 ILCS 310) which sets forth the powers, responsibilities, and membership of the Board of Trustees (BOT). Other important University-specific mandates include the state

statutes establishing the University of Illinois at Chicago (110 ILCS 320), University of Illinois at Springfield (110 ILCS 327), and University of Illinois Hospital (110 ILCS 330). Together, these statutes indicate that the University will have teaching, research, service, and economic development as core mission activities.

As an entity of the State of Illinois, the University is also subject to state oversight and regulations and must abide by the state constitution and statutes. Key statutory requirements pertaining to state entities (including public universities) include the following:

- Open Meetings Act
- Freedom of Information Act
- Governmental Ethics Act
- State Officials and Employees Ethics Act
- State Finance Act
- State Auditing Act
- Illinois Procurement Code
- Architectural, Engineering, and Land Surveying Qualifications Based Selection Act
- State Property Control Act
- State Universities Civil Service Act
- University of Illinois Revenue Bond Financing Act for Auxiliary Facilities
- University of Illinois Revenue Bond Act
- Illinois Educational Labor Relations Act
- Legislative Audit Commission – University Guidelines

At the federal level, the University's mission as the state's land grant institution was established by the Morrill Act of 1862 and further extended through the Hatch Act of 1887 (establishing agricultural experiment stations) and the Smith-Lever Act of 1914 (establishing the cooperative extension function).

An important consideration in moving forward with the University's strategic plan is that the strategic goals and implementation steps put in place to reach those goals be consistent with (and supportive of) the responsibilities and duties outlined in these mandates, recognizing both their letter and spirit.

SECTION 2: UNIVERSITY STRATEGY

The development of the University's strategy begins with a statement of strategic intent as well as the recognition and assessment of challenges and opportunities facing the organization, as well as a realistic assessment of the organization's current and potential capacity for effectively addressing or capitalizing upon them. This includes an assessment of environmental forces and factors that are currently impacting and/or will continue to have significant implications for the University in the future, competitive analysis, "SWOT" analysis, and framing of key strategic issues. The ultimate goal of such analyses is to develop strategic goals and thrusts that will enable the University to build a sustainable competitive advantage in the future.

Statement of Strategic Intent

The University of Illinois will combine academic excellence with an unprecedented commitment to innovation, quality and service so that each University campus and support organization is the best among its peers and competitors and is recognized as such.

Environmental Assessment

The challenges and opportunities facing the University of Illinois grow out of the changing environmental forces acting upon it. Appendix B presents a summary of the relevant environmental factors and trends affecting the University. A few of the key environmental forces include the following:

- Aggressive competition (nationally and internationally) for students, faculty, resources, and reputation from both traditional and non-traditional providers has created a fluid educational marketplace which threatens to erode the quality of the University's academic programs.
- The growing demands for education, technological innovation in educational design and delivery, and economic development through technological commercialization create high levels of opportunity (and challenge) for the University. In particular, the market for on-demand education has expanded rapidly.
- There has been a sea change in the traditional model for financing public higher education in Illinois and across the nation. In particular, the significant shift in how the University is funded over the past few years has brought into stark contrast the alternative futures that it could face, ranging from a slow decline to excellence.

Perhaps more than any other innovation, the ongoing revolution in information and communication technologies has the potential to transform higher education and its contributions to society in education, research, service, and economic development. The University of Illinois is uniquely positioned to take advantage of these technologies through its established capabilities and excellence in the sciences, engineering, healthcare, arts and humanities, and professional fields combined with its land-grant mission and global presence. But, to do so effectively (and

in a way that does not diminish its core academic strengths), the University must have a clear strategy in place.

The growing marketplace for on-demand education also presents a major opportunity for the University given its current capabilities in this area. However, it could also drain resources and adversely impact academic quality if the University does not first carefully assess its potential market niche. The University must be objective and hardnosed in determining its competitive advantage before moving to increase its presence in the on-demand education marketplace; it must then develop a focused strategy, effective structure, and appropriate incentives to support it. Ultimately, the strategy must also complement and support the University's preeminent goal of strengthening academic quality.

Competitive Analysis

A key component of the University's overall strategy development to achieve a brilliant future is understanding and analyzing the competitive environment in which it operates. Moreover, the strategy the University develops through the strategic planning process must enable it to displace top competitors and avoid being displaced by near followers. In order to build a sustainable competitive advantage, the University must know its competitors, identify the programs and products in which it competes, and assess its position/performance relative to the competition through objective analysis of data and other relevant information.

Because of its unique structure, the University competes in many different "marketplaces" (e.g., academic and research programs). Each of the three University campuses has its own unique set of peers and competitors as do the University support organizations (see Appendix C for a listing of various competitors for each University campus). Further, each school/college/administrative unit may have its own unique set of peers and competitors. To approach such an analysis from the perspective of "the University" would be less informative than focusing on these more finely differentiated levels of comparison. Thus, each planning unit should conduct its own specific competitive analysis through the planning process which then becomes the sum total of the University's overall competitive framework.

At the same time, planning units can and should use common methodologies for conducting such analyses, including "best of class benchmarking" and "competitive positioning". Best of class benchmarking selects a relevant performance measure (e.g., research productivity) and uses the leading competitor, competitor group average, and "last place" competitor as comparative reference points. Competitive positioning plots the comparison group on a two dimensional graph of performance measures, resource measures, or other relevant metrics to graphically illustrate comparative position to ones' competition. These methodologies should be utilized by planning units as applicable in developing individual plans, using conceptually appropriate performance measures and valid comparative data sources.

In addition to the traditional peers and competitors known by each planning unit, the competitive analysis framework undertaken by each group in the planning process should also consider the implications of the growing presence of proprietary institutions and other non-traditional educational providers in the higher education market place (both nationally and

internationally) described earlier in the environmental assessment. While these institutions may not have a direct, measurable impact on the University in the short-term, they are likely to influence the overall higher education market place in the coming years. In turn, this could lead to changes in how traditional peers and competitors approach the development, marketing, and delivery of educational services which will have a direct impact on the University.

Strengths, Weaknesses, Opportunities, and Threats (SWOT) Analysis

An important step in responding strategically and effectively to the rapidly changing environment facing the University is developing an understanding of the external and internal context within which it operates. This involves an analysis of the strengths, weaknesses, opportunities, and threats (SWOT) facing the University, building on the environmental assessment presented earlier. This information can be used to help generate ideas for strategic actions and initiatives that can help structure and focus organizational decision-making.

The participants in the second President's Summit on Strategic Leadership in June 2005 conducted a SWOT analysis exercise, identifying a number of perceived strengths, weaknesses, opportunities, and threats for consideration in the planning process. While this list is by no means exhaustive (and in some cases at conflict with itself), it provides a useful context for the ongoing development and refinement of the strategic planning framework. Key SWOT themes identified by the summit participants are summarized below.

- **Strengths:** The University's statewide presence and land grant mission; breadth and depth of undergraduate, graduate, and professional programs; high quality, affordable undergraduate education; unique capabilities in engineering, science, and health sciences, as well as interdisciplinary research and scholarship; significant faculty research output and capacity; three universities with different strengths; proximity to a major metropolitan area (Chicago); large group of accomplished alumni.
- **Weaknesses:** Resistance to change; inadequate awareness of the importance of responding quickly and decisively to strategic opportunities and threats; growth in "unavoidable" operating costs (e.g., insurance, utilities); aging physical plant; poor intra-University communication; a focus on competition vs. collaboration within the University; overlapping/redundant programs; mixed success in attracting/retaining minority students and faculty; collaborative opportunities with the private and public sectors not fully realized and developed; insufficient support from alumni and private donors; relatively low levels of public awareness regarding the University and lack of a comprehensive strategy for enhancing public awareness and support.
- **Opportunities:** The ever-increasing need for lifelong learning/upgrading of skills across the state, nation, and world; technology transfer in established and emerging fields; extending land grant mission to other areas of societal need (e.g., K-12 education); engaging stakeholders in expanding the recognition and support of the University across the state, nation, and world.

- **Threats:** Eroding support of higher education from state and federal governments; increasing regulatory burden; growing competition in recruitment and retention of top faculty; growing apathy of policy makers and public to needs of higher education and the University specifically; continued expansion of proprietary institutions and non-traditional providers into marketplace (nationally and internationally); inability to diversify the University's resource base; growing disinterest among American young people in studying engineering and science.

In some cases, the themes and issues highlighted in this SWOT analysis are a further articulation and extension of the environmental forces and factors outlined earlier. In other cases, the issues reflect the more qualitative observations and perceptions of the participants as active, experienced members of the University community.

Strategic Issues

A **strategic issue** is a fundamental policy question or critical challenge affecting an organization's mandates, mission and values, product or service level and mix, stakeholders, resources, structure, processes, or management.² Identifying strategic issues is one of the most important – and potentially one of the most difficult – steps in the planning process. Virtually every strategic issue involves conflict over:

- What will be done;
- Why it will be done;
- How and how much of it will be done;
- When it will be done;
- Where it will be done;
- Who will do it; and/or
- Who will be advantaged/disadvantaged by it.

The following list of strategic issues for the University was identified through the work of the participants in the second President's Summit on Strategic Leadership held in June 2005. These strategic issues reflect in many ways the results of the SWOT analysis described earlier. As with the SWOT analysis, this list should be viewed as a work in progress that will continue to be refined in the coming weeks and months.

1. Who are the University's top competitors in teaching, research, service, and economic development and who will be our top competitors in the future? How can we achieve successful displacement of our top competitors in the years ahead?
2. In what ways can and should the University target its capabilities and resources to meet critical needs across the state, nation, and world?

²Bryson, J. M. (2004). *Strategic planning for public and nonprofit organizations (3rd ed.)*. San Francisco: Jossey-Bass, pgs. 153, 159.

3. How can the University leverage its resources (both existing and new) in an optimal manner to achieve excellence?
4. How can we ensure a successful Compact between and among the University and its stakeholders to secure the resources required for excellence?
5. What are the requirements to aggressively build the brand, reputation, and stature of the University as an extraordinarily innovative and creative organization in the state, nation, and world?
6. How can the University's organizational structure, culture, and operating style be changed to enhance its ability to identify and respond to strategic opportunities, partnerships, and threats in an innovative, timely, and effective manner at all levels while also maintaining its academic principles?

Clearly, the specific strategic issues affecting each planning unit will differ somewhat. However, it is unlikely that these specific issues would differ fundamentally from the above listing.

Strategic Goals and Thrusts for the University of Illinois

The following four strategic goals and related thrusts serve as the basis of the overall University strategic planning framework and should inform and guide the efforts of planning units in developing their own specific plans. These particular goals and thrusts flow from the general strategy articulated for the University which is to “combine academic excellence with an unprecedented commitment to innovation, quality, and service so that each University campus and support organization is the best among its peers and competitors and is recognized as such”. These strategic goals and thrusts reflect and support the purpose of the University as articulated in its mission, vision, values, and mandates, as well as the key challenges, opportunities, and strategic issues facing the University that were outlined earlier.

Strategic Goal #1: The University of Illinois will achieve and be recognized for both academic excellence and extraordinary education and development of our students.

The outstanding quality and reputation of the University's academic/research/scholarship enterprise is one of its greatest strengths. Unfortunately, these also are most at risk of diminishment, which will have irreparable consequences for the University's future. Examples of the thrusts that will enable the achievement of this strategic goal are to:

- Create enabling conditions for greatness at all levels
 - *Organizational design and operating philosophy*
 - *Leadership appointments*
 - *Operating freedom*
 - *Excellent support*
 - *Proper incentives*
 - *Institutional culture*

- Ensure academic excellence with clear spires of excellence
 - *Top talent*
 - *Effective professional development*
 - *High expectations and standards*
 - *Inter-disciplinary and inter-organizational initiatives*
 - *Superb infrastructure and support and a stimulating environment*
 - *Outstanding library resources*

- Add “personal and professional development” to our current goals of attracting and educating talented students
 - *Personal effectiveness*
 - *Successful intelligence*
 - *Civic engagement*

- Pursue growth opportunities in education, research, and health care
 - *Lifelong learning*
 - *Underserved populations*
 - *For-profit competitors*
 - *UIC Illinois Bill of Health Initiative*
 - *Global partnerships*

Strategic Goal #2: The University of Illinois will be the recognized higher education leader in innovation, quality, and service.

A key component of the University’s future success is to maximize the use of its resources by creating and sustaining a culture of innovation, collaboration, quality, leadership, and service in all areas and at every level. To accomplish this goal, incentive structures must be aligned with the desired outcomes. As important is ensuring that the University is widely known and admired for these attributes. Examples of the thrusts that will enable achievement of this strategic goal are to:

- Appoint and develop extraordinary leaders at every level

- Foster a University-wide culture of innovation, quality, and service

- Be a leader in science and technology

- Become an extraordinarily inclusive community

- Ensure proper incentives and capitalize on University-wide synergies

- Build brand and reputation and market aggressively

Strategic Goal #3: The priorities of the University of Illinois will reflect the most urgent needs of the state, our communities, and the world.

Because of its unique role as a land grant university, the University has a critically important public mission to help address important societal needs through teaching, research, and service. Throughout its history, the University has made many such contributions at the local, state, national, and international levels in this regard, and it will be even more important in the future given the increasingly complex issues facing society. Examples of the thrusts that will enable achievement of this strategic goal are to:

- Address current and emerging needs
 - *Safety and security*
 - *Freedom and justice*
 - *Education at every level (P-16)*
 - *Health care (efficacy, efficiency, access)*
 - *Economic development and opportunity through research and best of class technology commercialization*
 - *Environmental sustainability*
- Leverage opportunities through engagement in Chicago and the State of Illinois as well as nationally and globally

Strategic Goal #4: The University of Illinois will have the resources (people, money, and facilities) required for excellence.

It is clear that the universities that have a desire for excellence and the necessary resources (human, financial, physical, and technological) to reach their goals are the ones that will rise to the top in the future. Given recent trends, it is clear that the University will need to maximize the effective and efficient use of its current resource base as well as locate new sources and partnerships if it is to be among the best in the coming years. Examples of the thrusts that will enable achievement of this strategic goal are to:

- Make most efficient use of current resources
 - *Streamlined and synergistic organization*
 - *Cost containment and reduction*
 - *Productivity improvement*
 - *On-going reallocation and redeployment*
- Forge the compact among key supporters
 - *State of Illinois and Federal Government*
 - *Students and their families through tuition with proper financial aid*
 - *Faculty and staff through their excellent work, funded research, entrepreneurial efforts*
 - *Private donors – individual, foundation, corporate*
 - *Leadership of the University at every level*

- Harness the power of the University's extended family and friends
 - *Alumni and friends activism*
 - *Private foundation support*
 - *Corporate support*
 - *Other stakeholders*
 - *Chicago, Springfield, and Urbana-Champaign communities*
- Develop new sources of financial support

SECTION 3: RESOURCE PLAN FOR ACHIEVING STRATEGIC GOALS

Resources are a necessary--but not sufficient--condition for excellence. The resources needed to execute the University's strategic plan will include a mix of people, money, facilities, and technology. Obtaining these resources requires a new Compact among five key parties:

- ***State government*** continues to play a vital role in supporting core University activities.
- ***Tuition payers and their families*** carry an increasing share of the burden while we provide financial aid to ensure access.
- ***Faculty members*** do their part through excellent work and success in winning grants and contracts.
- ***Donors*** do their part through generous giving.
- ***The University's leadership*** does its part by making the best use of resources with which we have been entrusted, by aggressively cutting costs and streamlining the administrative structure, and by being creative in developing new revenue sources.

The Compact's initial emphasis (fiscal years 2007 – 2011) will be on raising incremental resources through tuition and private giving while freeing up base resources for reallocation to strategic priorities through cost reduction and other productivity enhancements. During the succeeding five years (fiscal years 2012 – 2016), the Compact will expand its focus to also include increased funding from state government, faculty grants and contracts, and new revenue sources.

SECTION 4: MONITORING AND EVALUATION OF UNIVERSITY PLAN IMPLEMENTATION AND RESULTS

A strategic plan is only as good as its implementation and execution. Unfortunately, many plans fail on this account. As a result, the University will be extraordinarily vigilant and transparent in monitoring implementation efforts set forth in the plans, reporting results, and taking corrective actions as necessary to ensure success. An important part of this effort will be

the development of relevant, meaningful indicators/metrics of progress toward strategic plan execution. It is understood, by necessity, that these indicators/metrics will be further developed and refined by the each planning unit in the course of strategic plan execution. Reports to the Board of Trustees, University community, and other stakeholders utilizing indicators and/or metrics of progress will be regular and ongoing.

CONCLUSION

The strategic planning framework included within this document builds on the initial draft completed in April, taking into account discussions with numerous University stakeholders regarding the brilliant future facing this great University and the best way to realize this future. The intent of this version is to refine and clarify the desired planning framework and planning process for the University's planning units involved in this process. It is anticipated that the framework will be further refined and updated throughout Stages 2 and 3 of the University's planning process.

APPENDIX A
OVERVIEW OF STRATEGIC PLAN FORMAT AND DEVELOPMENT PROCESS FOR
UNIVERSITY PLANNING UNITS

Key Components to be Included in all Strategic Plans

While it is understood that each strategic plan developed through this process will differ somewhat in context and focus, it is expected that all planning units will follow a similar format in preparing their strategic plan documents. The expected components to be included in all strategic plans are shown below.

- ❖ Planning Unit Purpose
 - Mission
 - Vision (Aspirations)
 - Guiding Values
 - Mandates Impacting Unit

- ❖ Planning Unit Strategy
 - Statement of Strategic Intent
 - Environmental Assessment
 - Competitive/Benchmark Analysis
 - SWOT Analysis
 - Key Strategic Issues Facing the Organization
 - Strategic Goals and Thrusts (with a section on “stretch ideas”)

- ❖ Resource Plan for Achieving Strategic Goals
 - Resources Needed
 - Human
 - Financial
 - Physical/Capital
 - Other (e.g., technological)
 - Resource Procurement Strategy (e.g., reallocation, new funding)

- ❖ Monitoring/Evaluation of Plan Implementation and Results
 - Implementation Timetable with Milestones
 - Performance Metrics and Results

Major Steps in Strategic Plan Certification Peer Review Process

Peer Review Process Overview. The major steps within the peer review process flow are outlined below:



Peer Reviewers. An important part of this certification process is the identification of peer reviewers, formation of peer review teams for planning units, and the peer review process itself. Guidelines for this component are described further below:

- **Peer Reviewer/Team Selection and Formation.** Given that the planning issues and focus will vary greatly among planning units, the actual composition of peer reviewer teams will naturally vary among planning units. At the same time, all peer reviewers should have relevant experience and expertise to make a valid assessment of the overall quality and viability of each of the required components of the draft plans. It is expected that the President, Chancellors, and other senior University officers will take the lead in identifying the specific composition and number of members who will serve on their respective peer review committees, ultimately ensuring that there is appropriate representation to provide rigorous and objective reviews of the draft plans.
- **Peer Review Process.** Each peer review committee will determine the specific methodology and schedule for its review, within the context of the overall University strategic planning schedule and the review process objectives outlined earlier. Regardless of the methodology chosen, the work of each peer review committee will culminate in a short, concise written review. The specific format of these reports is left to the discretion of each committee.

It is expected that chancellors and provosts will take an active role in all aspects of the peer review processes at their respective university campuses, and that the President and CEOs of the Alumni Association and Foundation will likewise be actively involved with the support organization peer reviews.

APPENDIX B
ASSESSMENT OF ENVIRONMENTAL FACTORS AND TRENDS AFFECTING
THE UNIVERSITY OF ILLINOIS³

Environmental Dimension	Related Factors and Trends
Demographic	<ul style="list-style-type: none"> • Illinois will experience slight population growth in coming years. • Illinois' population will become more diverse and the Hispanic population will grow faster than any other segment. Pressure from University stakeholders to enhance diversity among students, staff, and faculty will continue. • The over 50 population will grow rapidly. This aging population will put pressure on social services and health care and may view higher education as less of a priority in the future. • A significant proportion of the University's tenure/tenure-track faculty are age 55 or over creating the potential for large numbers of retirements in the near future.
Higher Education	<ul style="list-style-type: none"> • The college age population will grow nationwide, but this growth will vary greatly among regions. The West, Southwest, and Southeast will experience growth that will exceed capacity in public higher education, although in general the Midwest will not. • A larger percentage of women are attending higher education than men and the gap is increasing. • Competition from proprietary institutions and other non-traditional educational providers in the marketplace for students (both nationally and internationally) has greatly increased in recent years. • Growth in faculty compensation at private institutions has surpassed public universities, and the intense competition for faculty will continue. • The considerable growth in low income and first-generation students will have implications for preparation, access, tuition, and financial aid policies. • On-line instruction has grown rapidly in the last 10 years and connectivity has become mandatory for instruction, research, service, and technology transfer.
Economic/Fiscal	<ul style="list-style-type: none"> • The state's fiscal difficulties are expected to continue. Health care and pension obligation costs are expected to continue rising rapidly and will likely outpace any state revenue growth realized. • The state has greatly increased its debt burden in the last four years creating a reluctance among state policymakers to fund additional capital improvements. • The University has become more reliant on multiple revenue streams and state policymakers interpret this characteristic as meaning the University can more easily absorb reductions or at least flat funding in the general appropriation. • Growing public concern over affordability and recent legislation (e.g., "Truth in Tuition") will make major increases in tuition challenging to achieve.

³ A more detailed version of this environmental assessment can be found in the March 2005 President's Summit on Strategic Leadership agenda packet at <http://www.uillinois.edu/president/strategicplan/summit.html>.

Environmental Dimension	Related Factors and Trends
Economic Development and Research	<ul style="list-style-type: none"> • Land grant and other major research universities are increasingly expected to have technology transfer as a key part of their overall economic development mission. As a result, many universities have established and developed internal technology transfer and licensing functions to create systemic structural capabilities leading from discovery to the market place. • Rapid technological innovation has led to a need for lifelong learning that will allow individuals to continuously adapt and update skills. • The US economy will continue to grow but the deficit will raise political interest in holding down growth in federal expenditures. As a result, competition for federal dollars will become more intense and will probably be scrutinized by Congress and oversight agencies. Federal R&D spending is likely to slow to inflationary levels or even below. • The US is in danger of losing its edge in science and engineering to other countries as fewer American students are training to become scientists and engineers, challenging the US’s preeminence and capacity to innovate as the number of jobs requiring science and engineering training continues to increase. • The bedrock of economic development through research and technology commercialization is top quality science and engineering faculty. Intense competition for state and federal funding will create serious challenges for major research universities as they attempt to maintain and/or enhance the quality of their faculty.
Political	<ul style="list-style-type: none"> • Higher education issues have traditionally been state concerns, but Congress also has become much more interested in issues related to higher education’s affordability and public accountability. • Congress is also interested in an array of issues concerned with Homeland Security, which will have implications for privacy and student issues. • The “P-16” education continuum has been truncated in the minds of many state policymakers and no longer includes higher education; there is, however, a significant focus on issues related to K-12 education and its financing. • While the University enjoys a broad base of support within the General Assembly, there is no individual champion who can single-handedly protect and/or advance the University’s interests.

APPENDIX C
UNIVERSITY OF ILLINOIS COMPETITOR GROUPS

University of Illinois at Chicago

IBHE PEER GROUP:

Arizona State University – Main Campus	University of California-Riverside	University of Massachusetts
Florida State University	University of California-Santa Barbara	University of Oregon
Michigan State University	University of Delaware	University of Utah
Temple University	University of Florida	University of Vermont
University of Arizona	University of Georgia	Virginia Commonwealth University
University of California-Davis	University of Hawaii at Manoa	Virginia Tech
University of California-Irvine	University of Maryland	Wayne State University

RESEARCH 1 UNIVERSITIES:

Arizona State University-Main Campus	Purdue University-Main Campus	University of Iowa
Boston University	Rockefeller University	University of Kansas-Main Campus
Brown University	Rutgers University-New Brunswick	University of Kentucky
California Institute of Technology	Stanford University	University of Maryland-College Park
Carnegie Mellon University	SUNY at Buffalo	University of Massachusetts-Amherst
Case Western Reserve University	SUNY at Stony Brook	University of Miami
Colorado State University	Temple University	University of Michigan-Ann Arbor
Columbia University	Texas A & M University	University of Minnesota-Twin Cities
Cornell University-Endowed Colleges	The University of Tennessee	University of Missouri-Columbia
Duke University	The University of Texas at Austin	University of Nebraska at Lincoln
Emory University	Tufts University	University of New Mexico-Main Campus
Florida State University	Tulane University	University of North Carolina at Chapel Hill
Georgetown University	University of Alabama at Birmingham	University of Pennsylvania
Georgia Institute of Technology	University of Arizona	University of Pittsburgh-Main Campus
Harvard University	University of California-Berkeley	University of Rochester
Howard University	University of California-Davis	University of Southern California
Indiana University-Bloomington	University of California-Irvine	University of Utah
Iowa State University	University of California-Los Angeles	University of Virginia-Main Campus
Johns Hopkins University	University of California-San Diego	University of Washington
Louisiana State University	University of California-San Francisco	University of Wisconsin-Madison
Massachusetts Institute of Technology	University of California-Santa Barbara	Utah State University
Michigan State University	University of Chicago	Vanderbilt University
New Mexico State University-Main Campus	University of Cincinnati-Main Campus	Virginia Commonwealth University
New York University	University of Colorado at Boulder	Virginia Tech
North Carolina State University	University of Connecticut	Washington University in St. Louis
Northwestern University	University of Florida	Wayne State University
Ohio State University-Main Campus	University of Georgia	West Virginia University
Oregon State University	University of Hawaii at Manoa	Yale University
Pennsylvania State University-Main Campus	University of Illinois at Chicago	Yeshiva University
Princeton University	University of Illinois at Urbana-Champaign	

AAU INSTITUTIONS:

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Carnegie-Mellon University	Stanford University	University of Michigan-Ann Arbor
Case Western Reserve University	SUNY at Buffalo	University of Minnesota-Twin Cities
Columbia University	SUNY at Stony Brook	University of Missouri-Columbia
Cornell University	Syracuse University	University of Nebraska at Lincoln
Duke University	Texas A & M University	University of North Carolina at Chapel Hill
Emory University	Tulane University	University of Oregon
Harvard University	University of Arizona	University of Pennsylvania
Indiana University-Bloomington	University of California-Berkeley	University of Pittsburgh-Main Campus
Iowa State University	University of California-Davis	University of Rochester
Johns Hopkins University	University of California-Irvine	University of Southern California
Massachusetts Institute of Technology	University of California-Los Angeles	University of Texas at Austin
McGill University	University of California-San Diego	University of Toronto
Michigan State University	University of California-Santa Barbara	University of Virginia
New York University	University of Chicago	University of Washington
Northwestern University	University of Colorado at Boulder	University of Wisconsin-Madison
Ohio State University-Main Campus	University of Florida	Vanderbilt University
Pennsylvania State University-Main Campus	University of Illinois at Urbana-Champaign	Washington University
Princeton University		Yale University

University of Illinois at Springfield

IBHE PEER GROUP:

Auburn University at Montgomery	Lake Superior State University	Trinity University
Clark University	Marist College	Union College
College of Charleston	Northern Michigan University	University of South Dakota
Georgia College & State University	Shippensburg University	University Wisconsin-Green Bay
Iona College	SUNY College at Brockport	

COUNCIL ON PUBLIC LIBERAL ARTS COLLEGES:

College of Charleston	Massachusetts College of Liberal Arts	Truman State University
Evergreen State College	New College of Florida	University of Maine at Farmington
Fort Lewis College	Ramapo College of New Jersey	University of Minnesota-Morris
Georgia College and State University	Sonoma State University	University of Montevallo
Henderson State University	Southern Oregon University	University of North Carolina at Asheville
Keene State College	St. Mary's College of Maryland	University at Wisconsin-Superior
Mary Washington College	SUNY College at Geneseo	

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University of California-San Diego
University of Chicago
University of Michigan-Ann Arbor
University of North Carolina at Chapel Hill
University of Pennsylvania
University of Rochester

University of Southern California
University of Texas at Austin
University of Washington
University of Wisconsin-Madison
Washington University
Yale University

BIG TEN UNIVERSITIES:

Indiana University
Michigan State University
Northwestern University
Ohio State University

Pennsylvania State University
Purdue University
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