Futuring Executive Education

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Futuring at UNICON
What have we learned about Scenario Strategy?
9:00-10:30
- Questionnaire Results
- Lecture: Scenario Planning for a Connected and Turbulent World
- Small Team Discussion: What is the Focal Question for YOUR institution?
10:30-11:00 Break
11:00-12:30
- Lecture: The Critical Elements of Modern Scenarios
- Break Out: Drivers, Uncertainties and Power Nodes in Executive Education
- Team presentations
12:30-13:30 Lunch
13:30-15:30
- Building Scenarios
- Break Out: Building Scenarios for Executive Education
- Team Presentations and Voting
15:30-16:00 Break
16:00-17:00
- Announcing Winners, Break Out: Living the Scenarios, Implications--Actions
The Questions

- Q1: What is your Value Proposition?
- Q2a: Which trends, drivers concern you +/−?
- Q2b: Which uncertainties might deliver surprises?
- Q3: If your outlook became reality, would your Value Proposition be future-proof?
- Q4: How well and how fast could you adapt?
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Questionnaire Results Q1: What is your Value Proposition?

- Transformational Exec Ed
- Academic based
- Blended Learning
- Client Centricity
- Outreach, branding

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### UNICON Survey results

#### FACTORS: LARGEST POSITIVE IMPACTS

Please rate the following factors on how they impact your programs in 2012-13
(1 = Extremely negative, 2 = Very negative, 3 = Negative, 4 = No impact, 5 = Positive, 6 = Very positive, 7 = Extremely positive; Open enrollment = Q2B1 &Q2B2; Custom = Q3B1 & Q3B2)

<table>
<thead>
<tr>
<th>Factor</th>
<th>Open Enrollment</th>
<th>Custom</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality of custom programs offered</td>
<td>n/a</td>
<td></td>
</tr>
<tr>
<td>Reputation of your university/business school</td>
<td>6.0</td>
<td>6.3</td>
</tr>
<tr>
<td>Client loyalty</td>
<td>n/a</td>
<td>6.1</td>
</tr>
<tr>
<td>Staff dedication to excellence</td>
<td>n/a</td>
<td>6.1</td>
</tr>
<tr>
<td>Ability to design programs to meet market needs</td>
<td>n/a</td>
<td>5.8</td>
</tr>
<tr>
<td>Reputation of your executive education department</td>
<td>5.7</td>
<td>5.7</td>
</tr>
<tr>
<td>Ability to offer relevant topics</td>
<td>5.7</td>
<td>5.7</td>
</tr>
<tr>
<td>Faculty expertise in core disciplines</td>
<td>5.9</td>
<td>5.8</td>
</tr>
<tr>
<td>Willingness to innovate</td>
<td>5.5</td>
<td>5.6</td>
</tr>
<tr>
<td>Availability of skilled staff</td>
<td>n/a</td>
<td>5.4</td>
</tr>
<tr>
<td>Our business development process</td>
<td>n/a</td>
<td>5.3</td>
</tr>
<tr>
<td>Client awareness of executive education</td>
<td>5.0</td>
<td>5.2</td>
</tr>
<tr>
<td>Location of your school or training facilities</td>
<td>4.8</td>
<td>5.0</td>
</tr>
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</table>

Many factors positively impacted executive education programs in 2012-13. Factors are similar across open enrollment and custom.
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Questionnaire Results Q2a: which trends, drivers give you cause for concern or excitement?

- Entrants, MOOCs
- Blended, Technology
- Faculty Mismatch
- Price, cost
- Globalization
- Demand growth
- Open vd Custom

# of mentions

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3-Dimensional Competition, New Entrants

- MOOCS
- Consultants
- In-house client training
- Aggregators
- International institutions
- Faculty want to become (MOOC) stars

Fading industry boundaries

- Webinars
- Coaching
- Business simulations
- Entutainment
- Talent Assessment
UNICON Survey results

Almost all schools provide services beyond classroom instruction and the incidence for all these services has grown since 2010-11. Webinars has experienced the most consistent growth.
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Questionnaire Results Q2b: Which Uncertainties could deliver upside or downside surprises?

# of Mentions

- Economy
- B-model, consolidation
- Technology
- Entrants
- Funding

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Questionnaire Results: Q3 if your outlook became reality, would your Value Proposition be future-proof?

# of responses

<table>
<thead>
<tr>
<th></th>
<th># of responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>yes</td>
<td>10</td>
</tr>
<tr>
<td>no</td>
<td>-10</td>
</tr>
<tr>
<td>maybe</td>
<td>-15</td>
</tr>
</tbody>
</table>
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Q3: Would your Value Proposition be future-proof?

Yes, Maybe, But..

- We would need to narrow our portfolio
- The WHAT and the HOW would have to change
- Will have to redo it...
- We could survive as a professional service firm
- We might have to become a boutique
- We would need more international alliances
- We would need to reduce costs, and deliver more applied learning at reduced prices
- We could become a niche player
- We would change our model from faculty/program-based to solutions-oriented
- We would need to accelerate moves towards blended learning
- Higher investment would be needed
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Questionnaire Results Q4: if your outlook become reality, how well and how fast would your institution adapt?

![Bar chart showing responses to the question about institutional adaptability.](image-url)
Business schools are better at analyzing disruptive innovation than dealing with it

- Demand for good management is spreading to the emerging world and to public and voluntary sectors
- But (they) face huge risks while changes are sweeping through the education industry
  - No barriers to entry
  - Captured by the academic guild
  - Emerging price competition

Source: The Economist Feb 8, 2014
“There is a pressing need for large organizations to build their leadership pipeline …

AND we live in a hyper-competitive industry, ripe for disruption by new entrants and new technologies

We as an industry are still faculty-centric, not client-centric. If we don’t learn to be more sharply focused on our clients, we will become irrelevant

The Exec Ed space is changing rapidly

If we can adapt, there will be many opportunities”
Scenario Planning for a Connected and Turbulent World

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Today´s World:

We want to improve our ability to anticipate, and
We need to increase our agility to take action
Scenarios do:

- **Anticipating** transforming changes
- **Previewing** the future
- Overcoming the **tendency to predict**
- Seeing **multiple possibilities** for the future
- **Sense-making**, spotting patterns
- **Generating options**: for actions and strategies
- Sensing: **being alert** to signals early
- **Conversing strategically**: sharing understanding: *this* future and *that* future
What have we learned from 25 years of Scenario Planning at Shell and other companies?

Steps in Scenario Planning
- Identify Focal Questions
- Bring outside in, expand mental maps
- Identify Driving Forces, Uncertainties
- Identify Power Node Dynamics
- Develop Scenarios
- Present the Scenarios, Tell the Story
- Sense the environment
- Use Scenarios: Implications, Options, Actions
- Sense the environment
Identify the focal questions

The official future

The 7 questions

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Bring the outside in, expand Mental Maps
Identify Driving Forces

The rabbit that is already in the hat

- A driving force is an issue/force/trend that is already at work and that will shape the future inevitably—we just do not know yet how
What have we learned?

Steps in Scenario Planning
• Identify Focal Questions
• Bring outside in, expand mental maps
• Identify Driving Forces, Uncertainties
• Identify Power Node Dynamics
• Develop Scenarios
• Present the Scenarios, Tell the Story
Sense the environment
• Implications, Options, Actions
Sense the environment
The 12 Power Nodes

1. Brand
2. Secret Ingredient
3. Regulatory Protection
4. Focused Financial Resources
5. Customer Base with Switching Cost
6. Proprietary Process
7. Distribution Gateways
8. Dominant Position in a Layer
9. Increasing Mutual Utility
10. Aikido Assets
11. Filters and Brokers
12. Hubs

Source: Profit Power Economics © Mia de Kuijper
What have we learned?

Steps in Scenario Planning

- Identify Focal Questions
- Bring outside in, expand mental maps
- Identify Driving Forces, Uncertainties
- Identify Power Node Dynamics
- Develop Scenarios
- Present the Scenarios, Tell the Story

Sense the environment
- Implications, Options, Actions
- Sense the environment
Scenarios: Telling the Story

“Oil is NOT a COMMODITY!”
What have we learned?

Steps in Scenario Planning
- Identify Focal Questions
- Bring outside in, expand mental maps
- Identify Driving Forces, Uncertainties
- Identify Power Node Dynamics
- Develop Scenarios
- Present the Scenarios, Tell the Story

Sense the environment
- Implications, Options, Actions

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Sense the environment

"The fuel light’s on, Frank! We’re all going to die! ... We’re all going to die! ... Wait, wait ... Oh, my mistake—that’s the intercom light.”
Steps in Scenario Planning

• Identify Focal Questions
• Bring outside in, expand mental maps
• Identify Driving Forces, Uncertainties
• Identify Power Node Dynamics
• Develop Scenarios
• Present the Scenarios, Tell the Story
• Sense the environment – add aikido
• Use the Scenarios: Implications, Actions
• Sense the environment